New towns have been used as instruments for achieving national development policy goals as well as for achieving more specific regional and urban development objectives. The urbanization of Saudi Arabia owes much of its impetus to the exploitation of its massive oil resources. While oil industrialization has influenced the location and growth of the Kingdom’s Eastern Province settlements, it has also boosted intensive urban growth outside the oil producing region. There is four new cities are under development since 2006 in all over of Saudi Arabia: Prince Abdul Aziz Bin Mousaed Economic City near Hail; King Abdullah Economic City northwest of Jeddah; Knowledge Economic City Al-Madinah; and Jizan Economic City. This research focuses on the impact of the new cities that created the Kingdom of Saudi Arabia, especially as there are some of these cities was set up near the villages existed previously. And we will examine in this research Yanbu Industrial City being one of the newest cities that completed. This research consists of three parts: Part one is conceptual and attempts to formulate a framework for new towns in general. Part two, being empirical in nature, doing interviews with officials in Yanbu Industrial City and the population in both cities of Yanbu, Yanbu Industrial City and Yanbu Al Bahar, Saudi Arabia. Part three, Conclusions based on the interviews.