

Addison Case Study



Contents

1	Background	3
1.1	Development Summary	3
1.2	Methodology	3
1.2.1	Residents	3
1.2.2	Stakeholders	4
2	Inside Addison	5
2.1	What works well?	5
2.1.1	Internal Features	5
2.1.2	External Features	6
2.2	Community Issues	9
2.3	What doesn't work so well?	10
2.3.1	Internal Features	10
2.3.2	External Features	10
2.3.3	Community Issues	11
3	Neighbourhood	12
3.1	Neighbourhood advantages	12
3.2	Neighbourhood disadvantages	12
4	Connectivity	13
5	Tradeoffs made in dwelling selection	14
6	Post construction governance issues	15
6.1	The current situation	15
6.2	The covenants	16
6.3	Governance problems at Addison.	16
7	Development difficulties and possible solutions	17

1 Background

This paper summarises the results of residents and stakeholder interviews conducted in relation to the Addison master-planned development in Takanini, South Auckland. Addison has been developed at a higher density than traditional New Zealand subdivisions with overall gross density of around 20dph. Stage 1 was closer to 15dph and stage 3 will be closer to 30 dph. Overall there are 1500 homes planned for the area plus a retirement village and a retail centre.

1.1 Development Summary

Topic	Information
Developer	Addison Developments. Owned by McConnell Property Ltd.
Address of development	Takanini. South Auckland
Management	Freehold titles but Addison Residents Society (Inc.) performs some of the functions of a Body Corp. Fees are around \$500 pa.
Location type	Greenfield. Master-planned site.
Design and construction	Up to 7 stages planned and up to 1500 dwellings. So far 65% detached dwellings and 35% terraces. Retirement village and retail centre also planned.
Demographics of residents	Wide variation although few older households believed to be due to 2 storey construction. Families, couples, singles and flatters all encountered. This is an upmarket development for South Auckland and attracts people looking for a better environment but still within their general area of connections.
Tenure mix	Reported to be around 50-60% renters
Number of units	400 completed
Parking ratio	All properties have double garages and there is one additional parking space for every 2 households. Most stand alone houses also have short driveways in front of the garages giving space for another 2 cars.
Lot sizes	Terraced houses range from 120-180m ² and detached houses from 270-400 m ² . Terraces houses 3-4 bedrooms and detached 3-5 bedrooms.
Price range	New houses sell for \$420-\$550k. Second hand houses sell for \$350-\$500k. Rentals around \$420-500 p.wk or \$250 for the "loft" and \$150 for a flat mate.
Site area/density	84 ha site with gross density of 20dph. Stage one closer to 15 dph but stage 3 closer to 30 dph.
Stage of completion	Stages 1 & 2 complete and stage 3 well under way. A few Stage 4 houses also constructed (The Avenues). Stages 1&2 commences 2003 and completed 2008.

1.2 Methodology

1.2.1 Residents

Ten interviews were conducted face to face with residents in their homes. Respondents were recruited by means of a letter delivered to approximately 30 households with the offer of a \$100 incentive to take part. Houses were selected in conjunction with the Addison Development Manager who suggested houses which would give us a good selection of household types, in terms of tenure and composition. Composition included ethnicity and structure. Individuals then called to make an appointment and the researchers visited the properties.

Interviews typically lasted for one hour and were recorded and transcribed for later analysis. Details of the sample composition are outlined below:

Household Types	Tenure	Persons in household	Cars
Flat-share ages 20-40	Mixed. Owner occupier and 2 flatmates	3	3
Couple 30-40	Renting	2	2
Family 30-50. 3 children, 2 at school one at University	Owners	5	2
Single parent with adult son and Chinese home stay college student	Mixed Owner occupier and home stay	3	1.5
Couple 60+	Owners	2	2
Single parent, plus Uni. Student.	Owners	2	1
Couple 40-60	Owners	2	1
Couple 60+	Owners	2	1
Young family	Renting	4	2
Young family	Renting	4	2

Respondents	Ethnicity
Male 20-40	Chinese
Female 30-40	Pacific Island
Couple 50-60	Pacific Island
Female 50-60	NZ European
Couple 50-60	NZ European
Female 40-60	NZ European
Female 40-60	NZ European
Male 60+	NZ European
Male 40+	Maori
Male 40+	NZ European
Employment status	
Part time sales	
Full time	
Full time printer	
Student	
Retired	
Full time professional	
Full time; engineering	
Full time; sales	

Based on our respondents view of who is currently living at Addison, we believe we have a good representation from Stage 2, except possibly an under-representation of renters.

1.2.2 Stakeholders

Stakeholders included local authority planners, Addison Developments, project managers, and planning consultants involved with the original master plan and Plan Changes. Interviews were conducted at locations convenient to the respondents.

2 Inside Addison

This section summarises the characteristics of the Addison houses and the landscaped setting and reports on what the residents felt worked well for them and what didn't work so well.

2.1 What works well?

2.1.1 Internal Features

- Open plan layout provides flexible spaces and good light through the building.




- The range of sizes available suit different needs. All respondents were happy with the space and layout of the houses.
- Most houses are new or nearly new and the quality of fixtures and fittings is popular.
- Some “extras” including automatic night lights add a touch of luxury to the houses.
- The houses in Stage 3 has been built since the new building regulations came into operation and have double glazing throughout and were considered well insulated and warm.
- Many houses have good outlooks onto reserves.



2.1.2 External Features

- Range of housing styles suits different household structures and budgets. Flexibility appears to be a key design criteria:

Cafe Style Terraces	
Courtyard at front and outlook to reserve	
Garage at rear with internal access	

Detached Houses	
<p>4 bedroom “Executive” home with double garage.</p>	
Stage 3 Terrace with “loft” over garage	
<p>Lofts are often rented as stand alone properties.</p>	
Courtyard Terraces	
	

- The variation in housing styles appeals and creates a more interesting development. Some see them as more like American or Australian houses, in a good way.
- Concept of master planned community is popular; making the best use of land.
- Landscaping, reserves and planting are well thought of.

- Good footpaths, encourage walking and the reserves are used by children for playing.



- Outdoor areas are appreciated for the opportunity to sit outside and for their low maintenance.



- Some gardens are bigger and appear to offer opportunities for keen gardeners to make the most of the area available:



- Most residents talked of the peace and quiet of Addison as a positive feature.
- The area was also considered quite safe and with low crime rates compared with the other South Auckland areas.

2.2 Community Issues

- Addison Residents Society provides an opportunity to get involved and has a separate social committee.
- Low fences and proximity to each other can promote friendships at the local level.
- Children make friends easily with others from nearby houses and from school.

2.3 What doesn't work so well?

2.3.1 Internal Features

- Some internal access garages create kitchen areas without natural light. This is a barrier for some while others accept the trade off willingly.
- New technology underground optical fibre network is too complex for many contractors and creates long waits for service.
- Tenants in properties with separately let "loft" spaces may have difficulties sharing bills for power and obtaining separate telephone lines.
- Some stage 1 and 2 houses are not as warm as anticipated.
- Sound insulation in the terraced homes is not always well regarded.

2.3.2 External Features

- Tress can cause problems. Deciduous Oak trees planted close to houses are creating problems with leaves and roots especially when planted close to houses.
- Fears that leaves could lead to blocked drains.
- A shortage of designated car parking spaces can lead to cars on both sides of the road, reducing traffic to a single lane:



- Or parking on verges:



- Loft units over garages can compromise privacy of neighbours:



- Rear access to garages have been designed to be safe and with units over garages providing eyes on the street that assists with this. However, the area does not leave room for cars to be parked outside garages and since many households use their garages for other purposes this creates a squeeze on parks provided elsewhere.



2.3.3 Community Issues

- Lack of focus for community activities. A community centre and children's playground were some ideas that were offered to resolve this.
- The residents Society holds occasional events, mainly targeted at children but these are small in the context of this large development and the number of people living here.
- The development is marketed as a community and does not live up to this promise for some respondents.

3 Neighbourhood

Addison is built on the site of an old racecourse and remained mostly rural until Papkura District Council were approached by McConnell Property for a change of use. This was approved in 2003 when the Addison development started.

The perceived advantages and disadvantages of the neighbourhood from Addison residents' viewpoint are summarised below.

3.1 Neighbourhood advantages

- Proximity to the nearby Primary School
- Proximity to the local Southgate Shopping Centre



- Proximity to the rail station at Takanini or Papakura.
- Proximity to Bruce Pullman Park and sports facilities.



- Good access to motorway and south Auckland road systems.

3.2 Neighbourhood disadvantages

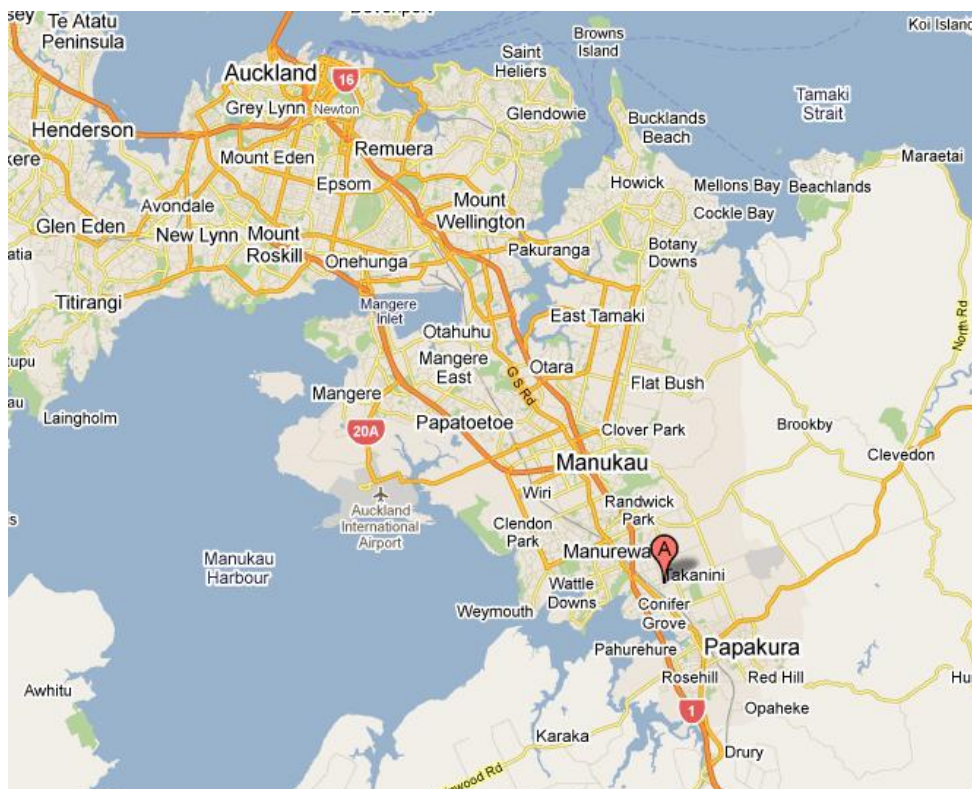
- Lack of a bus service along Porchester Road, especially for secondary school students and into Papakura.
- Perceived poor quality and safety around the Takanini Station.



- Distance to secondary schools.
- Concerns about future property values stemming from proportion of rental properties and rumours that Housing New Zealand are buying into Stage 3.

4 Connectivity

Addison is part of the Takanini growth centre as identified in the Auckland Regional Growth Strategy. The development is located between Papakura and Manurewa and straddles Porchester Road. It is a short distance from Great South Road and access to the southern motorway at Manurewa



The southern railway line runs close to the development and the Takanini station is approximately 2 kms from Addison.

While most travel is by private car, the train service is used by some CBD based workers and students. There were several comments about perceived infrequent and slow services which prevented greater use.

The respondents from Addison had a wide area of interest for travel purposes as illustrated by the table of connections below:

Travel Destinations (for work, family and friends, shopping etc.)
CBD
Clevedon
Dannemora/Flatbush
Epsom
Flatbush
Henderson
Manukau
Manurewa
Mt. Wellington
North Shore
Onehunga
Otara
Panmure
Papakura
Papatoetoe
Sylvia Park and Botany (Malls)
Tuakau

Many of the residents had moved to Addison from other South Auckland suburbs particularly Manurewa and Papakura. However, the development also attracted buyers from Henderson, the North Shore and Clevedon which indicates its broad catchment area.

5 Tradeoffs made in dwelling selection

Tradeoffs considered when moving to Addison were varied. Many empty nesters were motivated to move by a desire to have more time for themselves, spending less time on gardening, home maintenance or on entertaining in previous larger family homes. In many cases this required spending more at Addison than the old properties released when sold so it was not a financial “trading down”, just a trading down in size.

For family groups it was often a trading up in the size of the house, if not the size of the section. The smaller section size was seen to be compensated for by the communal reserve spaces and the proximity to Bruce Pullman Park. The lower maintenance levels were also appreciated. The perceived greater security for children playing on Addison reserves and footpaths was seen as allowing greater freedom for the children and peace of mind for the parents.

For the older residents, the prospect of greater social interaction flowing from the close community (featured strongly in the marketing for Addison) was an added incentive. The Addison Residents Society is positioned as

the vehicle for encouraging the interaction and the social committee organises a range of activities throughout the year, including “animal farm” days, Halloween events and Christmas lights.

Several respondents commented on the “concept” that is Addison, and their support for such a concept. The concept was described by different people in slightly different language. Some described it in terms of the master plan, the overall layout, the uniformity and careful attention to design attributes while others described it as a safe and secure community where people can get to know one another and provide some mutual support.

Other housing areas in south Auckland are not always seen as safe, quiet or secure making Addison a safe haven and allowing them to maintain connections with friends and families in the areas.

Not everyone was happy with all aspects of Addison and many looked forward to future housing choices that would give them more space. This space may be used for a range of purposes from kicking a ball around in the back yard, outdoor privacy when entertaining (eg summer BBQ parties) or being able to park the car in the driveway and wash the car easily.

6 Post construction governance issues

6.1 The current situation

Residents who choose to buy at Addison and implicitly buy into the collective responsibility of maintaining the development as a safe and secure neighbourhood and one which continues to maintain its appearance and its property values. However, the potential for the actions of one household on others are amplified when living in close proximity to one another. This can create problems, especially as this is not a form of living that some people are used to.

Many medium density developments are sold as Unit Titles which requires, by law, the establishment of a “Body Corporate” to maintain the shared ownership of property. In a development like Addison, this may include the roads, footpaths and reserves areas. The Body Corp may also have responsibility for maintaining the outsides of the properties. Certainly, the Body Corp. will have a set of rules regarding behaviour which all owners are bound. The activities of the Body Corp are funded by fees payable by the owners. Default on the fees is recorded against the title and there are legal remedies for recovery of the fees.

Properties at Addison however are not sold as Unit Titles, they are freehold properties. The ownership of the reserves, footpaths and roads will ultimately pass to Auckland Council who will be responsible for upkeep. This has already occurred with the Stage 1 development. Until such time as the Council takes over responsibility for the rest of Addison, there is an Incorporated Society (Addison Residents Society) that takes responsibility for the reserves. This Society is managed by Addison Developments and has a committee of owners to assist. There is also a Social Committee to assist with the community building activities.

There are still some restrictions on what can be done with the properties to help maintain property values and these are enforced by means of Covenants registered against the titles of the properties.

The Addison Society acts as the enforcer of these covenants and reminds owners when they appear to be transgressing. Penalties of \$100 per day can be levied until the transgression is rectified.

The activities of the Addison Society are funded (at least in part) by contributions of members (approximately \$450 pa). Membership of the Society (and therefore compulsory payment of fees) was introduced with Stage 2 and subsequent stages. Membership for Stage 1 is not compulsory.

6.2 The covenants

The following is a summary of the covenants on Addison properties:

- No fences
- No additional buildings or structures
- Maintain front yards and do not plant in the no-plant zone
- No immobile vehicles or other rubbish to be kept on Addison land
- No parking on reserves
- No signage except for “For Sale” signs.
- No devices to be affixed to the outside of dwellings including: TV aerials, alarm systems or air conditioning units
- Remove graffiti within 48hrs
- Replacement mail boxes must match the originals.
- Washing lines to be kept not visible from roads and pathways
- Curtains and/or blinds are required to be installed on all windows
- If any building is destroyed by fire etc. it must be rebuilt in similar style within a reasonable period.

6.3 Governance problems at Addison.

The Stage 1 residents are perceived to be “free-riders” enjoying the benefits of the maintenance activities of the Society without making any financial contribution. There are still covenants on the titles but it is uncertain how they can be enforced.

There is a concern that Addison Property Ltd. is avoiding its perceived responsibility for maintain property values. The increasing proportion of rental properties is perceived to be having a negative impact on property values. Buyers’ expectations were that Addison would be predominantly an owner occupied development but recently, the proportion of rental properties is causing concern and prices have fallen. Some residents appear to believe the original conditions included assurances that Housing New Zealand would not be allowed to own properties at Addison. There are rumours that Housing New Zealand is now actively buying into the development.

There are also suggestions that some Stage 2 and 3 owners are not paying their fees to Addison Society and people are questioning the ability of the Society to enforce the covenants. A question has also been raised about what happens when the development is completed? When Addison Properties are no longer running the society, who will look after it then?

It appears that the decision to eschew unit titles as a form of ownership has resulted in an Incorporated Society which has less teeth and may have significant difficulties in future years, especially when Addison Properties are not around anymore to support the society.

Already there are cases where residents feel Addison have made implicit promises in their marketing concerning property prices, the sense of community and the proportion of rental properties that have not been adhered to. Other buyers have had post-purchase difficulties with their properties and found Addison not willing to take any responsibility.

Addison Properties are in a difficult position. As developer they naturally want to present the most positive view of the development and assist with potential sales but their chosen development model does not leave them with any responsibilities to the residents. Sections are sold by Addison to builders who on-sell to buyers. Addison provides a sales and marketing function but are not legally involved with the sale or the completed house.

7 Development difficulties and possible solutions

Planning consent achieved by means of a Plan Change prepared for the Papakura District Council by McConnell's own consultants in 2000 and adopted in 2003 as the Glenora Structure Plan. The plan change included new provisions for medium density housing which were based on performance criteria rather than strict rules. This was an innovative approach to planning of the area which was recognised by several accolades for the development. The same consultants used for the Plan Change also prepared the initial master plan for Addison. This is not a statutory document and has been modified several times since.

The development difficulties were studied in another case study conducted for New Zealand Transport Agency (CityScope 2009: Organising Integrated Urban Development Projects). This study looked at all aspects of the development process with an emphasis on how the transport integration (particularly the proposed rail station at Glenora) could have worked better.

The experiences of Addison Developments in its dealings with Papakura District Council were problematic and resulted in the development being delayed and almost halting when the property market crashed in 2009. Debates over the location and content of the Addison shopping centre were impacted by the rail decision and resulted in further protracted negotiations which ended up in the Environment Court.

In hindsight, the decision to go ahead with Addison at this stage of the Regional Growth Strategy was flawed. Decisions around the Glenora Rail station had a significant impact on the development of Southgate Shopping centre and the appropriate densities for development around this node. More progress should have been made on the planning for this growth node as a whole and more certainty reached before proceeding with the housing development. This is a lesson on the importance of getting the infrastructure planning sorted in advance of the consenting processes.

There were clearly further difficulties based on levels of mistrust between the developer and the Council and several attempts at mediation were tried.

The main lesson from this is the need to find better ways for these decisions to be made, involving all the relevant stakeholders with the resources and expertise required.

The NZTA report concluded with a series of models for decision-making for integrated planning decision-making involving large scale projects. These models ranged from the Urban Development Agency approach (as used for example in the ULK and Victoria) through to something coordinated at the regional level by a special committee. These fora would explicitly provide a forum for the relative responsibilities of public and private sectors in achieving specific outcomes.