

Subject: **Review of Financial Contributions and Funding Principles**

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Report to ENVIRONMENT & POLICY Committee for noting

SUMMARY

This report provides the findings of the first stage of a review of the financial contribution provisions and infrastructure funding principles in the Gisborne District Combined Regional Land and District Plan (the Combined Plan). The review has been initiated primarily in response to the introduction of development contributions under the Local Government Act 2002 and recognises the need to explore the relationship between financial contributions and development contributions.

The project also provides opportunity to address ongoing issues with existing provisions and reconsider opportunities to use financial contributions.

The report discusses the legislative framework and issues relating to existing provisions. The scope and direction of the further work to prepare a plan change is identified.

RECOMMENDATIONS

That the Committee

1. receives the report

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1. BACKGROUND

1.1 Reasons for the Review of Financial Contributions and Funding Principles

As discussed in previous activity reports to the Committee, a project to review financial contributions in the Combined Plan has been initiated because of the introduction of a development contributions policy for the Gisborne District.

Council needs to consider how financial contributions under the Resource Management Act 1991 can complement and not duplicate development contributions under the Local Government Act 2002. The project also provides an opportunity to consider ongoing issues relating to the financial contributions provisions and funding principles, for example:

- complex drafting of provisions
- drafting based on outdated provisions of the RMA
- inclusion of policies on service provision in the financial contributions chapter, where they are easily missed.

In addition to addressing existing issues and the relationship between development contributions, this project also provides an opportunity to consider the role of financial contributions more broadly. This has not occurred since the plan was developed in the late 1990s.

1.2 What are Financial Contributions?

Financial contributions are conditions imposed on resource consents under the Resource Management Act 1991 (RMA) for payment of money, land or both.

As an RMA tool, financial contributions should promote sustainable management of natural and physical resources in terms of section 5 of the Act. By imposing a contribution a territorial authority should also be helping to promote its functions under the Act, such as ensuring integrated management of natural and physical resources. It would also be usual to find a relationship between the method of financial contributions and the objectives of the plan. Like all RMA conditions, financial contributions will usually address the actual and potential adverse effects of the activity on the environment. However section 108(10) of the Act expressly recognises that financial contributions may be used for the purpose of ensuring positive effects on the environment to offset any adverse effect.

Section 108 of the Act requires that such conditions can only be imposed for a purpose specified in a plan and that the level of contribution is determined in the manner described in the plan. Contributions are also subject to the 'Newbury' test for legality. This is discussed more in section 8 of the report.

The most common use of financial contributions is to fund infrastructure and services. However funding of infrastructure has been taken over, to some extent, by development contributions under the Local Government Act 2002 (LGA).

Councils also use financial contributions for a wide range of other purposes e.g.

- heritage protection (funding screening around a heritage item, or contributing to a heritage protecting fund);
- mitigating impacts on biodiversity.

1.3 What are Development Contributions?

Development contributions were introduced into the LGA in 2002 following local government lobbying for an alternative funding power. According to Local Government New Zealand (Best Practice Guide to Development Contributions 2003) development contributions were intended to allow consideration of the wider cumulative impacts of development, not just the direct marginal impact of a particular development.

Like financial contributions, development contributions are contributions of money, land or both. However they are less flexible in scope, as they can only be used to fund three types of infrastructure: community infrastructure (public amenities), network infrastructure (roads, water, wastewater and stormwater) and reserves. Section 199 and Schedule 13 of the LGA specify the basis on which development contributions may be charged and the general methodology for calculating the contribution. Essentially development contributions are to fund capital expenditure, identified in a Ten Year Plan, that the Council expects to incur as a consequence of developments that require new or additional assets of increased capacity. The Council is also allowed to fund capital expenditure already incurred in anticipation of development. Charges are calculated by attributing these costs to 'units of demand'.

	Financial Contributions	Development Contributions
Act	RMA	LGA
When Charge	Resource Consent	Resource Consent, Building Consent and Service Connections
Purpose	Normally address adverse environmental effects, to achieve objectives and policies in RMA plans	To pay for cap exp in LTCCP needed because of developments [growth]
Planning Ahead	Don't have to have anticipated the expenditure and can determine on a case-by-case basis. However fixed charge contributions often calculated from anticipated expenditure.	Have to anticipate expenditure and put in LTCCP – but note general 'bucket' funds also used to fund small projects yet to be determined.
Causal Nexus to Development charged	In theory, stronger – more about effects of particular development. But many Councils use fixed charges for financial contributions.	Weaker – practitioners argue development contributions are less about direct marginal impact of particular development.
Common uses	Fund infrastructure	Fund infrastructure
Policy requirements	Identify purpose and method in RMA plan	Adopt DC policy with various mandatory content

1.4 Existing Financial Contributions and Funding Principles in the Combined Plan

Chapter 14 (Financial Contributions, Works and Services) contains most of the provisions relating to financial contributions. It is a complex and difficult chapter covering infrastructure provision principles and the standard of services that developers must provide, as well as financial contributions. Contribution provisions are also contained in Chapter 13 (Esplanade Reserves/Strips – Conservation Protection and Public Access). Other provisions relating to financial contributions and infrastructure funding are dispersed in Chapters 3, 4, 7, 8, 12, 14, 15, 16, 17, 18, 19, 20, 21 and 22.

Public Utility Services

Policy 14.5 indicates that financial contributions will be taken for upgrading existing public utility services that will serve subdivision or development and to recoup the cost of existing public utility services. Roading, Water Supply, Sewerage and Stormwater are specifically mentioned in the objectives.

Corresponding methods for calculating contributions are specified for:

- water, sewerage and stormwater in the Taruheru Block (14.11.23)
- water, sewerage and stormwater in Rural Industrial A and B Zones (14.11.24)
- water, sewerage and stormwater in Sponge Bay (14.11.25)
- upgrading roads in the vicinity of a subdivision or development (14.16.22)
- water supply where capacity in vicinity is exceeded (14.16.4)

In order to determine the responsibility for funding Chapter 14 divides services into two categories: on site services (within the development) and off site services (trunk and community services outside the site or subdivision which serve the community in general). The plan states on site services are the responsibility of the subdivider, while off site services are provided by Council. Financial contributions will be required if the services are already in place to serve the subdivision or development. However it also states that off site services that are the 'direct' result of a subdivision or development are the responsibility of the development (14.2 and 14.11.3).

Funding responsibilities for utilities are further limited to no more than what is necessary to 'serve' the development (14.2, 14.11.12, 14.11.13, 14.11.14). This is defined as provision of the relevant service to the standard required to accommodate the effects that are directly generated by the proposed subdivision or development.

The plan also identifies the potential for Council to enter into an agreement with a developer in circumstances where the development requires a service 'ahead of time', to the effect that the developer provides the service and the Council will endeavour to recover the cost of that service from subsequent developers through the resource consent process.

Operational charges for infrastructure are not to be recouped by financial contributions under the existing plan (14.10.2).

Other principles relating to financial contributions, funding and infrastructure can be found in Chapters 19 and 12:

- Policies 19.8 and 12.4 state where subdivision comprises sites of less than 1000m² area per site then consideration shall be given to whether a financial contribution will assist in avoiding, remedying or mitigating any adverse effects that the increased density may cause. The explanation states infrastructure has been designed for 1000m² minimum site

sizes and any development that does not comply with the minimum site area needs careful consideration. This implies that the financial contributions for smaller sites may be additional to other normal contributions for infrastructure.

- The explanation to policy 12.4 refers to financial contributions in respect of subdivisions that don't comply with the Roding Concept Plan for the Rural Industrial A zone.
- In relation to the Taruheru Infrastructure Plan, Policy 12.6.3 states applicants shall be responsible for the full cost of forming roads in their site except where a financial/development contribution is provided for the road.

Infrastructure contributions can potentially be waived in full or in part on the basis of the waiver provision at 3.11.2 for adaptive reuse of a heritage item. 17.15.2 is possibly also relevant to waivers, which refers generally to financial incentives for property owners included in the Residential Protection Zone, in recognition of the community benefit derived from the preservation of those sites.

Reserves

Objective 14.8 indicates that financial contributions will be taken to achieve adequate provision of recreation facilities and reserves to enable the inhabitants of the district to meet their recreational needs. Chapter 22 suggests reserves might be taken to maintain or enhance residential and district amenity, present and future recreation opportunity, public access and conservation value (22.3) and to offset the adverse effects of development (22.5.1).

Chapter 14 requires contributions to be paid on subdivision in zones where the construction and occupation of residential buildings is a permitted activity; where any development is in excess of one dwelling unit per allotment; and where resource consent is granted for subdivision and/or development in residential purposes. Two methods are provided for calculating the contribution: one for contributions in land and one for cash contributions (14.11.17-14.11.18).

These contributions could potentially be waived on the basis of 3.11.2, which refers to waiver of reserve contributions as an economic incentive for heritage protection. This provision also refers to acceptance of heritage items in lieu of the cash contribution. The general provision in Chapter 17 for financial incentives for property owners in the Residential Protection Zone may also be relevant.

Esplanade Reserves

Chapter 13 contains the financial contribution provisions for esplanade reserves and strips. Esplanade reserves are required on subdivision of land adjacent to specific streams/rivers and any part of the coastal marine area. The chapter also contains principles about when smaller reserves and strips will be accepted.

Chapter 14 refers to Chapter 13, as well as specifying a maximum contribution of esplanade reserves and strips. The maximum is that land required under s229 of the Act.

Parking

Rule 15.14.2 requires financial contributions for parking where the parking spaces and loading bays stipulated in 15.14.1 for various types of activities are not provided on site. The contributions are calculated according to a set formula incorporating land value and construction costs.

Factors for considering waiver, partial waiver, or acceptance of financial contribution in lieu of parking for commercial zones are identified at 18.6(16). Factors include, for example, whether the provision of parking could lead to loss of a heritage item, whether a contribution would assist Council to purchase suitable land within reasonable walking distance and whether the activities

does indeed generate the demand for the required parking or loading requirements. Similar factors for considering waiver, partial waiver or acceptance of financial contribution in lieu of parking for port zones are identified at 20.4.

3.11.2 of the plan also mentions provision for waiving parking for heritage items. 'Parking dispensations where through the approved adaptive reuse of structure the parking requirements for the activity cannot be met'. Waiver or reduction of parking contributions is also mentioned in 18.9.2 of the plan. The provision is unclear, but this appears to be provided as an incentive for compliance with the design guidelines in the Inner Commercial Zone. The general provision in Chapter 17 for financial incentives for property owners in the Residential Protection Zone may also be relevant.

Other

Policy 14.5 suggests financial contributions will be used to avoid, remedy or mitigate adverse effects more generally, including but not limited to –

- values associated with natural character and landscape
- rehabilitating habitat of fauna or flora
- accelerated erosion control
- natural hazard mitigation, where the activity on the site specifically creates or exacerbates the need for works to mitigate a natural hazard
- effects of land disturbance and vegetation clearance on soil conservation and water values, including impacts on aquatic and wetland ecosystems and aquatic natural character.

Generally there are no methods for calculating contributions to allow implementation of this policy. However Policy 7.4(2) could perhaps be used to determine contributions to address the impact of activities in the beds of lakes and rivers. It states the application of a condition relating to financial contributions or the provision of works and services will be considered on a "case-by-case basis" and will be used to address adverse effects such as:

- impacts on aquatic ecosystems including flora and fauna
- impacts on lake and river dynamics (flooding, flow rate and capacity) or the lake or river bed (including bank erosion, bed destabilisation)
- reduction of natural character, amenity values or public access.

The activity rules in Chapter 7 that stipulate financial contributions as a matter of discretion arguably also describe a maximum contribution as "the full and actual costs of addressing the adverse effects of the activity".

General Funding Principles

In addition to the funding principles relating specifically to utility services, Chapter 14 also contains the following general funding principles:

- Requirements for works and services appear to be preferred over financial contributions. The plan states contributions will be required where the service, facility or works does not need to be provided immediately, or in instances where it is not practical to provide the contribution in any other form (14.11.6c)).
- The plan recognises the ability to require additional contributions if the applicant has consented to the contribution in a binding agreement (14.11.13).

- The plan also recognises the ability to require a 'fair and reasonable' contribution towards legal, administration and other costs associated with the provision of services for subdivision and development (14.11.3, 14.11.14).

Activity Status Rules

The rules specifying financial contributions as a matter of discretion on resource consent are also relevant to this project. These are:

- 4.10.3.4
- 7.9.1, 7.9.2, 7.10.5
- 8.12.2.4
- 12.7.1, 12.7.2, 12.8.1, 12.8.2, 12.8.3, 12.8.4
- 14.12.1, 14.12.2, 14.12.3, 14.13.1, 14.14.1, 14.14.2
- 16.10.1, 16.10.2
- 17.18.1, 17.19.1, 17.19.2, 17.19.3, 17.19.4, 17.19.5, 17.19.8,
- 18.11.2.3, 18.11.3.1, 18.12.3.1, 18.13.3.1, 18.13.3.2, 18.14.3.1, 18.15.3.1, 18.16.3.1, 18.16.4.5
- 19.15.2.1, 19.17.3.1
- 20.11.2.1, 20.11.2.2, 20.12.2.1, 20.13.2.1
- 21.9.3.1, 21.9.3.4

1.5 Development Contributions in the Gisborne Development Contribution Policy

Council first introduced a development contribution policy in July 2008. The policy was updated in July 2009 with the new Ten Year Plan. It requires contributions for wastewater, water supply, stormwater, roading and reserves. Contributions are in the form of a fixed sum per household unit equivalent (HUE). Each dwelling or residential lot is assumed to represent one HUE, while non-residential development is attributed HUEs according to the size and type of development.

There are generally no provisions for waiver or reduction of development contributions. However the policy does allow esplanade reserves or strips required under the Resource Management Act 1991 to be offset against development contributions for reserves. Council, in its discretion, can also choose to accept land as a development contribution for reserves instead of cash. According to the policy, in determining whether to accept the land, Council will have regard to existing policies. Drainage reserves and areas within reserves used primarily for drainage will not be accepted as a development contribution.

2. DISCUSSION AND OPTIONS

2.1 Developing Complimentary Financial Contribution and Development Contribution Regimes

Redundant Financial Contributions

Section 200 of the LGA contains a principle against 'double dipping' by imposing both financial contributions and development contributions. Council must not require a development contribution for a reserve, network infrastructure or community infrastructure if and to the extent that it has imposed a financial contribution on a resource consent in relation to the same development for the same purpose.

The development contribution policy now provides for contributions towards the general acquisition of additional reserve land. Therefore it is considered imposing the financial

contributions for reserves under rules 14.11.17-14.11.18 would amount to 'double dipping'. No financial contributions for reserves have been imposed since the introduction of development contributions and the rule should be deleted from the plan. However it may be worth developing alternative provisions for reserve contributions to provide flexibility to address issues arising in relation to specific developments. For example, these provisions could allow for vesting of land as reserve that contains an archaeological site; or for acceptance of reserve land that provides amenity values for a subdivision but is surplus to Council's general neighbourhood reserve requirements.

Contributions specified in rules 14.11.23, 14.11.24, 14.11.25 for specific development areas (Taruhuru Block, Sponge Bay and Rural Industrial zones) are also considered redundant. Each specify general formula for apportioning costs of infrastructure and attributing the costs to developments. Arguably they could be retained for future projects that are not identified in the Ten Year Plan. However funding of projects in these areas (e.g. Taruhuru trunk sewer, western industrial sewer etc.) has been taken over into the development contributions policy. Specific financial contributions for these areas are no longer considered necessary and more general provisions should be considered. It is noted that removal of the rule will not effect outstanding financial contributions imposed under these rules.

The other financial contribution requirements are not considered redundant. These are:

- upgrading roads in the vicinity of a subdivision or development (14.16.22)
- water supply where capacity in vicinity is exceeded (14.16.4)
- parking (15.14.2)
- esplanade reserves/strips (chapter 13)
- activities in the beds of lakes and rivers (Chapter 7)

However, consideration needs to be given to the relationship between the general infrastructure contributions in 14.16.22 and 14.16.4 and development contributions. This is discussed further below.

Planned and Unplanned Infrastructure

Council has implemented a development contribution policy to improve planning and funding of infrastructure for roads, water, stormwater, wastewater and reserves. As discussed above, this replaces much of the existing financial contribution requirements in the Combined Plan. However this does not mean that financial contributions are no longer needed. There may be a place for financial contributions and development contributions to operate simultaneously.

Financial contributions and development contributions can be distinguished on a number of different levels. Nonetheless, in practice, they appear similar as both are usually used to fund infrastructure. In practical terms, probably the most important difference is that the method for calculating development contributions in Schedule 13 of the LGA requires forward planning: costs can only be recovered if they have been anticipated in the Ten Year Plan (or they have already been incurred and recorded in the plan). With financial contributions, on the other hand, Council can establish more flexible calculations, based on issues that may only be identified at development.

For this reason some Councils are retaining financial contributions to address infrastructure projects that have not been forecast in the Ten Year Plan. Financial contribution provisions for infrastructure in the Hauraki Gulf Plan, for example, are expressed as a dichotomy of 'planned' projects identified in their Ten Year Plan and 'unplanned' infrastructure projects. The Council is

investigating introduction of development contributions policy for the planned project. The plan retains discretion to take additional financial contributions for unplanned projects on a case-by-case basis. Contributions are determined with reference to the extent to which the subdivision or development creates the need to undertake the expenditure, but in no case will exceed 90% of the cost of the project.

Tauranga City Council, on the other hand, applies a policy that the provision and funding of services for new development outside the Council's planned programme of services should be met in full by the developer. Furthermore, their District Plan also contains a rule to allow consideration of financial contributions in circumstances where a development will reduce the capacity of existing and planned infrastructure in a particular urban growth area.

Further consideration is required of these various approaches.

Economic Incentives

Consideration should also be given to whether the waiver provisions for financial contributions should be brought over into the Development Contribution Policy, and whether any additional waiver provisions should be developed. Any findings could be recorded for further consideration at the next review of the Development Contribution Policy in 2012.

One practitioner also thought consideration should be given to the Development Contribution Policy's refusal to accept a drainage reserves as reserve contribution.

Contributions from parties exempt from the LGA

The LGA generally does not bind the Crown due to the exemption provision in section 8 of the Act. This has meant that Crown bodies such as schools have claimed they are not required to pay development contributions. No such exemption exists in the RMA for financial contributions.

Tauranga City Council have taken a unique approach to this issue. They recently introduced a plan change to require financial contributions from parties exempt from the development contribution provisions.

This approach could be also be considered for Gisborne.

2.2 Efficiency and Effectiveness of Existing Provisions

Local RMA practitioners have been consulted about the efficiency and effectiveness of existing financial contribution provisions. Issues identified are summarised below.

Format of Provisions

Some practitioners thought Chapter 14 only contained provisions about when contributions are required and how to calculate the contributions. They were often unaware of the funding principles, service level requirements and activity status rules in the Chapter. It was suggested that this project and the concurrent review of subdivision and land development provisions should look at the relationship between Chapters 8, 12, 14 and the zone chapters. Much of Chapter 14 could potentially be moved to other chapters.

Practitioners also stated that they did not have good knowledge of the other minor provisions about financial contributions dispersed throughout various chapters.

Funding Principles

The funding principles for infrastructure in Chapter 14, which are related to the service standard requirements are difficult to apply in practice. It was stated that while there are some useful principles, the drafting of the provisions is complex, repetitive and difficult to understand.

Activity Status Rules

The rules that reserve discretion for financial contribution in Chapters 4 and 7 are not consistent with the purposes for taking contributions specified in Chapters 14, 15 (parking) and 13 (Esplanade Reserve/Strip). However the rules and policies in Chapter 7 could possibly be used in isolation from these other provisions to impose contributions for activities in the beds of lakes and rivers. The contribution requirement in Chapter 4 is also about to be removed by way of a consent order (refer to Report 09/306).

The activity status rules in Chapter 14, in turn, are often missed. They were also said to have poor flow between the various activity categories, which has resulted in unintended activity status for some activities.

Issues with Parking Contributions

According to some practitioners, it is unclear when financial contributions should be required for parking and they lacked confidence about when waiver of contributions is appropriate.

Some thought the financial contributions were too high given the recent increase in land values and may prohibit development.

Another issue identified was a lack of guidance about how to calculate land values in applying the parking contribution formula.

Some of those consulted also thought the parking requirements for the Port zones needed generally reviewing.

2.3 Possible Uses of Financial Contributions

As discussed above, this project provides an opportunity to re-consider the role of financial contributions in the Combined Plan.

The matrix in **Appendix One** analyses the general issues and objectives addressed in the plan (themes) and the potential to use financial contributions to achieve objectives. This 'first principles' approach suggests there could potentially be a role for financial contributions in the following areas:

- **Cultural Heritage**
 - General protection of cultural heritage (archaeological sites, wahi tapu, historic areas/places, items in the Residential Protection Zone).
 - Waiver of other types of contributions as an economic incentive for owners of cultural heritage or good design that compliments cultural heritage.
- **Natural Heritage**
 - General protection of natural heritage values (biodiversity, significant habitats, areas of significant vegetation, outstanding natural landscapes and features, natural character of coast and margins or rivers and streams, water quality).
 - Creation of Public access to and along the margins of rivers, lakes and the coastal marine area.
 - Location of reserves to maintain conservation values, recreation opportunities and public access.
 - Waiver of other types of contributions as an economic incentive for natural heritage.
- **Natural Hazards**
 - General avoidance and mitigation of natural hazards.

- **Infrastructure, Utilities and Transport**
 - General good design of infrastructure and ensuring adequate capacity to cope with development and future development.
 - Enabling continued operation of the Port and addressing sensitive activities in the vicinity.
 - Access around the port.
 - Addressing access to Industrial zones and relationship to state highway network.
- **Contaminated Sites and Hazardous Substances**
 - General management, remediation and avoidance of risks/effects associated with contaminated sites and hazardous substances.
- **Amenity and Character**
 - Generally maintaining/enhancing amenity and character.
 - Addressing interface between different types of environments/zones.
 - Protection of items in the Residential Protection Zone.
 - Locating reserves to maintain and enhance amenity and recreation opportunity.
- **Noise**
 - Generally mitigating impact of noise, addressing “reverse sensitivity” to noise, and ensuring the noise environment is suitable with the character of each area.

2.4 Way forward – Proposed Scope of the Review

This project will substantively review all the financial contribution provisions and funding principles in the Combined Plan, with the exception of the esplanade reserve/strip requirements. Given the size and project, it is intended not to look substantively at the esplanade reserve/strip requirements at this time, focusing instead on the other types of contributions. However the review may look at where these provisions sit in the plan and possible duplications between Chapters 13 and 14.

The project will also look at financial contributions from a ‘first principles’ approach and consider the potential for financial contributions in the areas of the plan identified in section 2.3 of this report.

The relationship between financial contributions and development contributions will be a focus of the work. Consideration will also be given to:

- improving the structure of the financial contribution provisions and funding principles throughout the plan
- improving the drafting of and clarifying infrastructure funding principles
- removing unnecessary repetition in funding principles
- reviewing the format of the rules for reserving discretion over financial contributions
- ensuring the discretion for applying contribution matches the purpose for which contributions will be taken
- clarifying and reviewing the parking contributions.

The general works and service requirements in Chapter 14 will not be reviewed. Instead these will be addressed by the concurrent project to review subdivision and land development provisions. There will be integration between these two projects however, as there is often a relationship between service standards and funding issues.

It is anticipated that a draft plan change for this project will be prepared for the Committee to consider in approximately June.

There is no intention to amend the Development Contributions Policy as part of this project. However it is anticipated that possible amendments may be identified for consideration at the next review of the policy.

3. SIGNIFICANCE

This report does not address any items of significance in terms of Council's significance policy.

4. CONSULTATION

Consultation has focused on RMA practitioners with experience in the application of financial contributions and funding principles in the Combined Plan. This report draws on discussions with RMA practitioners.

5. COMMUNITY OUTCOMES

Financial contributions and funding principles are used are most related to the outcomes 'Connected Tairāwhiti' and Environmentally Sustainable Tairāwhiti'. These can be used to help fund the essential services and infrastructure and to mitigate the impact of developments on the environment.

6. LEVELS OF SERVICE

There are no direct implications for levels of service. However, financial contributions and the funding principles in the Combined Plan can assist to fund services at the required levels of service.

7. FINANCIAL

As stated above, financial contributions and the funding principles in the Combined Plan can assist to fund services. No income has been forecast in the Ten Year Plan at this stage.

8. LEGAL

Limits to Financial Contributions

The principal prerequisite to requiring financial contributions is supporting planning provisions. Section 108(10) requires to specify the purposes for which they are to be taken, and a method for calculating the contribution. It reads:

(10) A consent authority must not include a condition in a resource consent requiring a financial contribution unless –

- a) the condition is imposed in accordance with the purposes specified in the plan or proposed plan (including the purpose of ensuring positive effects on the environment to offset any adverse effect); and*
- b) The level of contribution is determined in the manner described in the plan or proposed plan.*

It is noted that before the Act was amended it required a 'maximum' contribution to be stipulated in a plan, rather than a manner for determining the contribution. The Combined Plan has generally been drafted to comply with the old legislation.

As a type of consent condition, financial contributions are subject to the same limitations in scope as apply to all conditions. These limits have been progressively developed by the courts in the context of 'town planning legislation' and the RMA in what is known as the 'Newbury test'.¹ The Newbury test require that, to be valid, a condition must:

- (a) Be for a resource management purpose, not for an ulterior one.*
- (b) Fairly and reasonably relate to the development authorised by the consent to which the condition is attached. Cases suggest a 'logical connection' is required between the two rather than a direct causal link between the conditions imposed and the effects of the subdivision.*
- (c) Not be so unreasonable that a reasonable planning authority, duly appreciating its statutory duties, could not have approved it.*

Review Process

Section 79 of the Resource Management Act 1991 essentially requires Council to commence and review its plans at least every 10 years. Recent amendments to the Act clarify that whole plans need not be reviewed and Council can choose to review its plans in part. The financial contribution provisions and infrastructure funding principles generally became operative in 2006 and therefore review is not required until 2016. However, given the introduction of development contributions, and ongoing issues with the chapter, a review has been initiated.

Section 79 also states that, if after reviewing a provision, a Council considers it needs alteration, the Council must propose to alter the provision according to the usual plan change process set out in Part 1 of Schedule 1 of the Act. If, after reviewing the provision, the local authority considers that it does not require alteration, the local authority must still publicly notify the provision for submissions.

¹ *Newbury District Council v Secretary of State for the Environment* [1981] AC 578 (House of Lords) and *Waitakere City Council v Estate Homes Ltd* ([2006] NZSC 112) (Supreme Court).

The Act does not detail how Council must review the provision. The planning institute encourages councils to prepare the five-yearly report on efficiency and effectiveness of its plans required by section 35(2) of the Act, if this has not already occurred, as the first step in a review. For this project efficiency and effectiveness will be considered at a general level but a full section 35(2) report will not be prepared. It is considered that such reporting is more suited to holistic analysis of objectives, while this report focuses on specific methods (i.e. financial contributions) that relate or potentially relate to a wide range of objectives throughout the plan.

Financial management

The Local Government Act's provisions on financial management are relevant to this project. In particular s101(1) and (3) which state:

- (1) *A local authority must manage its revenues, expenses, assets, liabilities, investments, and general financial dealings prudently and in a manner that promotes the current and future interests of the community*
- (3) *The funding needs of the local authority must be met from those sources that the local authority determines appropriate, following consideration of, -*
 - (a) *in relation to each activity to be funded, -*
 - i. *the community outcomes to which the activity primarily contributes; and*
 - ii. *the distribution of benefits between the community as a whole, any identifiable part of the community, and individuals; and*
 - iii. *the period in or over which those benefits are expected to occur; and*
 - iv. *the extent to which the actions or inaction of the particular individuals or group contribute to the need to undertake the activity; and*
 - v. *the costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities; and*
 - (b) *the overall impact of any allocation of liability for revenue needs on the current and future social, economic, environmental and cultural well-being of the community.*

9. POLICY

No other policy issues have been identified.

10. APPENDICES

APPENDIX ONE – INITIAL ANALYSIS OF POSSIBLE USES OF FINANCIAL CONTRIBUTIONS

	GENERAL TOPIC	GENERAL OBJECTIVES	COULD F.C'S POTENTIALLY BE USED TO ACHIEVE OBJECTIVES?	ANY EXISTING POLICIES OR CONTRIBUTIONS IN THE PLAN?	WORTH FURTHER WORK?
1	Cultural Heritage	<p>These objectives address general recognition and protection of particular heritage items or places:</p> <ul style="list-style-type: none"> - Recognition & protection of cultural heritage (3.3). This is a general objective relating to all types of heritage addressed in Chapter 3 (archeological sites, wahi tapu and historic areas/places). - Reduction of risk of damage to arch sites, sustainable management of arch sites, identification of arch sites; establishment of management regimes for significant arch sites (3.5) - Recognition and protection of waahi tapu. Owners are informed of waahi tapu. Avoid adverse effects on waahi tapu (3.7) - Recognition and protection of category A and B items, where practicable. Acknowledgement of value of category C items but recognition that may not be able to be protected because of condition. Avoiding, remedying or mitigating adverse effects on these heritage items. (3.9). - Protection of buildings and sites identified as having architectural, historical or particular amenity value from diminution, destruction and subdivision (17.7) NB this objective is in the Residential chapter and relates to items identified in the 'Residential protection zone'. - Sustainable management of built heritage resource through adaptive reuse (3.9) 	<p>Yes, e.g. screening of unsightly development near a heritage item, contributions to pay for documenting and researching history of a building if it is demolished or for carrying out an archaeological survey or contributions of land on which a arch site is located.</p> <p>There is also potential to waive contributions for other purposes (eg parking) as an economic incentive for heritage protection.</p> <p>Could also consider contribution towards a heritage protection fund e.g. to offset destruction of a heritage item. NB there are several financial incentives e.g. funding for fencing and expert advice that are suggested in the plan but not implemented due to lack of resources.</p>	<p>3.11.2 c) parking dispensations for adaptive reuse of building. Refer also to 18.9.2 parking incentives for Res Protection Zone including waiving of contributions, possibly on the basis of compliance with design guidelines for the inner commercial zone.</p> <p>3.11.2e) suggests reserve contributions might also be waived in total or in part as an economic incentive; or that Council could accept a heritage item in lieu of a cash contribution.</p> <p>3.11.2d) suggests other types of financial contributions could also be waived as an economic incentive for adaptive reuse of a building.</p> <p>22.5 refers to the taking of reserves to offset adverse effects of development.</p>	Yes
		Signage that does not adversely affect heritage values (10.3).	Do not foresee role for financial contributions – more likely addressed through standards of sign and encouraging good design.	No	No

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1	Cultural Heritage	<p>To ensure that the importance of the Inner Commercial zone as a centre for business, entertainment and community activities is recognised and provided for as a means of maintaining the value of Gisborne's heritage building resource. (18.7). Maintenance and enhancement of the vitality and social functions of the Inner Commercial zone as an area for business and entertainment, recognising the essential link with the ability of the community to preserve, protect and enhance the built heritage resource (3.9).</p> <p>Maintain and enhance the Inner Commercial zone as the focus of specialist retail and other commercial activity in the District (18.7) (this relates to issue - Compromise of the unique location of the Amenity Commercial Zone by commercial activities which do not require or take any advantage of the significant visual amenity and cultural heritage values of the area)</p> <p>Cook landing site – preserving visual link between Cook Landing Site and Young Nick's Head; protecting cultural symbolism of site and amenity of cone of vision (20.4)</p>	<p>The main theme of encouraging certain types of development to locate in these zones is primarily addressed through zoning. However the commercial chapter also uses design guidelines and contains other standards relating to design. Waiving of contributions could be used as a financial incentive for compliance.</p> <p>Unsure but issue is still being resolved and better considered in this context</p>	<p>3.11.2 refers to the waiving of reserve contributions as an economic incentive for heritage protection and to the acceptance of heritage items in lieu of cash contribution. This provision also refers to waiving of contributions generally for adaptive reuse of a heritage item.</p> <p>18.9.2 Refers to waiving of contributions for compliance with design guidelines for the inner commercial zone.</p> <p>Chapter 17 has a general reference to financial incentives for Residential Protection Zone.</p> <p>No</p>	<p>yes</p> <p>No</p>
2	Natural Heritage <i>(including public access to coast and margins rivers)</i>	<p>These objectives relate to general protection of natural heritage values:</p> <ul style="list-style-type: none"> - Maintenance & enhancement of biodiversity (4.3)– e.g. the plan includes discusses restoration and rehabilitation of degraded areas esp in certain land classes. - Protection of significant areas of indigenous vegetation, significant habitats and outstanding natural features and landscapes (4.3) - Protection of water quality, wetlands & aquatic habitats (4.3) - Preservation of the natural character associated with lakes, rivers, wetlands and their margins and the Coastal Environment (4.3). Preservation of the natural character and protection of the riparian areas of lakes, rivers and the coast where appropriate. (13.3) - Management of the riparian areas of rivers, lakes and coastal marine area that promotes the avoidance, remedying and mitigating of adverse effects of land use on water quality (13.3) 	<p>Yes, e.g. contributions towards purchasing a reserve to protect habitat; contribution of land with natural heritage values; or contributions towards funding a project that will offset a negative effect (e.g. a viewing platform). This could potentially be an area for financial contributions to be required to offset negative effects or for contributions for other purposes to be waived as an economic incentive for natural heritage protection.</p>	<p>Chapter 14 indicates contributions will be used to avoid, remedy or mitigate adverse effects generally and gives examples of rehabilitating habitat of fauna or flora, values associated with natural character and landscape, and effects of land disturbance and vegetation clearance on water values. However generally no methods to implement the policy. Refer however to Policy 7.4(2) for case-by-case consideration of financial contributions for activities in bed of lakes and rivers.</p> <p>Chapter 13 has the esplanade reserves/strip requirements.</p> <p>Chapter 22 contains reference to taking of reserves to offset negative effects of development.</p>	<p>Yes</p>

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2	Natural Heritage	Location of reserve areas to maintain or enhance residential and district amenity, present and future recreation opportunity, public access and conservation values (22.3).	Yes – however relationship with development contributions needs to be considered	Yes – Reserve contribution rules in Chapter 14 & references to reserve contributions in Chapter 22.	Yes
		In relation to activities in the beds of lakes or rivers - avoidance, remediation or mitigation of adverse effects on the environment (e.g. ecosystems) and preservation of natural character (7.3).	No – do not foresee role for financial contributions	Policy 7.4(2) suggests financial contributions might be considered in relation to activities in beds of lakes and rivers. It is unclear if this is sufficient in terms of legislative requirements to require a contribution.	No – but then existing references should be removed.
		The maintenance and enhancement of public access and recreation activity to and along the margins of rivers, lakes and the coastal marine area that is compatible with conservation values (13.3).	Yes – esplanade reserves and strips.	Chapter 13 contains provisions about esplanade reserves. There are also references in Chapter 14.	???
3	Natural Hazards	A pattern of human settlement that: provides a high level of personal safety; avoids or mitigates the risk to property and infrastructure; does not accelerate or worsen the effects of natural hazards upon the natural and physical environment (5.3). The plan identifies a wide range of methods e.g. upgrading earthquake prone buildings, minimum floor heights, restricting development in hazard prone areas, designing stormwater systems to avoid adverse effects on flooding, requiring geotechnical reports at subdivision and proof of stable building platform, avoiding diversion of flood waters, etc.	Yes, e.g. financial contribution of land or to purchase a reserve that sand dune or other hazard protection function, to fund development of protection works such as dune planting.	Policy 14.5 indicates contributions will be used to avoid, remedy or mitigate adverse effects generally and gives example of natural hazard mitigation. However there are generally no methods to implement the policy. Policy 7.4(2) suggests financial contributions might be considered in relation to activities in beds of lakes and rivers. It is unclear if this is sufficient in terms of legislative requirements to require a contribution.	Yes
		Natural features that protect against natural hazards are protected and enhanced (5.3)			
		New protection works are limited to appropriate areas (not identified as an objective but implied by policies).			
		Avoidance of adverse effects associated with activities in beds of lakes and rivers (7.3) Plan refers to increases in bed instability, or adjacent land instability, reduction in flood carrying capacity, increased flood levels and floating debris, increase in aggradation or bank erosion.			
		A community informed of the potential natural hazards (5.3) Methods include carrying out hazard assessments, monitoring of rainfall and rivers.			

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4	Land Management and Soil Conservation	Land uses and management practices that avoid, remedy or mitigate adverse effects on the environment e.g. on aquatic and wetland ecosystems and biodiversity (6.3)	Yes, in theory, e.g. financial contributions could be to fund a revegetation project. However Council is currently addressing through other methods and no indication at this stage that financial contributions might be needed.	Policy 14.5 suggests contributions will be used to avoid, remedy or mitigate adverse effects generally and gives examples of accelerated erosion control and addressing effects of land disturbance and vegetation clearance on water values. However there are no methods to implement the policy.	No – as already a range of other methods in place
		Rehabilitation and stabilisation of erosion prone land (6.3)			
		Reduction land degradation caused by poor management systems (6.3)			
		Maintenance of the life supporting capacity of the soil (6.3)			
		Protection of the productive soils from urban sprawl, peri-urban development, land fragmentation and adverse effects [reverse sensitivity] of sensitive uses locating in productive areas (implied by issues and policies in chapter 21).	Cannot foresee role for financial contributions. Mainly addressed through zoning and minimum lot sizes in Rural P zone.	No	No
		Avoid adverse effects of Industry on soil resource – i.e. locate industry on less productive soil and preserve industrial zone so not compromised (implied by 19.11 and policies and issues in chapter 19).	Cannot foresee role for financial contributions. Mainly addressed through yards, setbacks, etc.	No	No
Avoid cross-boundary impacts on nutrient and plant growth from location of structures and trees near boundaries (21.3)					
5	Infrastructure, Utilities and Transport	To require network utilities to be designed, located, constructed, operated, maintained and upgraded in accordance with: Avoidance, of adverse effects on the environment; Energy efficiency and efficiency in the use of natural and physical resources; A safe and healthy environment; A high level of amenity values (8.3). Also, to promote a pattern of landuse integrated with network utilities to promote above principles (12.3). Avoid adverse effects on infrastructure. For example, an issue discussed in the plan is avoiding tree species that interfere with infrastructure (implied by policies).	Yes, financial contributions could have a role in ensuring quality infrastructure is developed that is integrated with landuse. They could also be used to address impacts of development on infrastructure e.g. by funding increases in capacity. However there is an overlap with DC's.	Chapter 14 requires contributions relating to roads, sewage, water supply, storm water and funding principles, etc. Refer also to policies 19.8 and 12.4 and their explanations for undersized lots. Potential waiver of contributions generally in 3.11.2 for adaptive reuse of a heritage item and as financial incentive for Residential Protection Zone properties in Chapter 17. Parking Contributions are in Chapter 15 and waiver provisions in 18.6, 20.4, 3.11.2 and 18.9.2.	Yes
		Maintenance and enhancement of the transportation network to safely and efficiently accommodate traffic resulting from further subdivision and development (14.6)			
		Flexibility is given to location of residential activities provided that development, amongst other things, does not compromise the effectiveness of infrastructure services (17.9)			
		Industrial activities have a standard of services that meet their needs but also avoid adverse effects on environment (Implied by Chapter 19 policies)			

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5	Infrastructure, Utilities and Transport	Enable continued operation and development of the Port Management Zones recognising the importance of the port as a major regional transport facility; Recognise or provide for the operational needs of the Port while ensuring adverse effects of Port activities are avoided, remedied or mitigated (20.3). Issues discussed in the plan include location of sensitive activities in vicinity of the port (reverse sensitivity), controlling non-port related activities in the port, screening of activities from nearby areas, acoustic insulation in nearby dwellings.	Yes – some potential for financial contributions e.g. to fund screening of activities from nearby residential areas or insulation of nearby dwellings, etc.	No, only the general policy 14.5 to use financial contributions to avoid, remedy or mitigate adverse effects.	Yes
		Recognition that within operational areas of the Port, continual access by the public to and along the coastal marine area margin may be inappropriate for public health and safety reasons (20.5). Free, unhindered and safe vehicular and pedestrian access to the inner harbour area (20.5).	Yes – The first objective is relevant to whether esplanade reserves should be taken at port. The second objective could be implemented with a financial contribution. For example, financial contributions to enhance access could be used to offset other negative effects of an activity.	The first objective 20.5 has relevance to the Esplanade Reserve provisions. Nothing specific relates to objective 20.5.	Yes
		Rail and road access within the Port Management Zones which avoids, remedies or mitigates adverse effects on the natural and physical environment (20.7).	No, cannot foresee role for financial contribution. Plan is focused primarily on establishing a defined road network to assist in traffic management. This has occurred with the Port road and further work will occur with the Inner Harbour Project.	No, Nothing specific	No
		Access to industrial zones does not compromise the safety and efficiency of the state highway network (19.7).	Yes – development contributions or financial contributions could be used to fund collector roads that avoid multiple access onto the state highway, or to fund intersection upgrades, etc.	Rule 14.16.22 about upgrading roads in the vicinity of a development and the general funding principles etc. in Chapter 14 are relevant.	Yes
		Protecting the airport - Unobstructed and unimpaired land and airspace for all activities associated with aircraft operations at Gisborne Airport (8.7). The primary methods in the plan are defined airspace corridors, noise overlays and other overlays around the airport limiting location and density of sensitive activities.	No – foresee no role for financial contributions	No, nothing specific	No

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5	Infrastructure, Utilities and Transport	Development in non-reticulated areas does not have an adverse effect on the environment (17.13); industries only allowed in non-reticulated areas where adverse effects can be avoided, remedied or mitigated (implied by policies in chapter 19).	No – foresee no role for financial contributions. Mainly addressed in terms of Combined Plan through minimum lot sizes and requirements to assess wastewater design at subdivision stage or building consent stage.	No	No
		Signs and other planting or structures near roads do not compromise safety and efficiency of road network (10.3).	No – foresee no role for financial contributions	No	No
		Enable peri-urban development in appropriate areas where adverse effects can be avoided, remedied or mitigated. Adverse effects identified include pressure to extend infrastructure and potential lack of efficiency (implied by policies in chapter 21).	No – foresee no role for financial contributions – primarily achieved through zoning.	No	No
6	Contaminated Sites & Hazardous Substances	Management of contaminated sites to protect human health and to protect the environment while maximizing use of sites (9.3)	Unsure – perhaps potential to use e.g. to fund analysis of contamination, to carry out remediation, or to pay for registration of sites.	No	Yes
		Establishment and maintenance of comprehensive set of records of contaminated sites (9.3)			
		Avoid remedy or mitigate adverse effects and risks to the natural environment presented by facilities and activities involving the use or storage of hazardous substances. Protect community from unacceptable risks associated with facilities. (9A.3)			
7	Amenity Character Issues /	Signage that maintains or enhances the amenity values and heritage values of the environment in which such signage is located (10.3)	No – cannot foresee role for financial contributions	No	No

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7	Amenity Character Issues /	<p>Various chapters have objectives about the interface between different types of areas and amenity values:</p> <p>- <i>Commercial interface:</i> Maintain and enhance the amenity values of land uses adjoining the commercial zones (18.5). The plan discusses reducing conflicts in building types and intensity of development and screening unsightly buildings and softening the appearance of carparks etc.</p> <p>- <i>Papakainga interface:</i> Maintain or enhance the amenity of lands adjoining Maori land (16.2)</p> <p>- <i>Industrial Interface:</i> Industrial activity avoids, remedies or mitigates adverse effects on adjacent land use activity(19.3); Where industrial activities or areas meet with other zones or activities the environment is to be enhanced to avoid, remedy or mitigate adverse effects on adjoining sites and areas (19.9). The plan discusses impacts on adjacent landuses (e.g. visual contrasts, streetscape)</p> <p>- <i>Port Interface:</i> Recognise or provide for the operational needs of the Port while ensuring adverse effects of Port activities are avoided, remedied or mitigate (20.3). While written very generally, the policies suggest particular issues are screening from neighbouring residential areas and effects of noise on residential properties are particular issues.</p> <p>- <i>Reserves</i> Development and use of reserve land that does not create adverse effects on the reserve or surrounding environment (22.3). The plan discusses visual impact of reserves and development on reserves on natural value of surrounding environment and residential areas, shading of adjoining property, traffic flow, access points.</p>	<p>Possibly e.g. contributions to fund landscaping to screen unsightly developments or for noise mitigation measures. Parking contributions are also relevant to amenity issues.</p>	<p>Parking contributions in Chapter 15 and waiver of parking contributions in 18.6, 20.4, 3.11.2 and 18.9.2.</p>	<p>Yes</p>

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7	Amenity / Character Issues	<p>Various chapters have objectives about maintaining amenity:</p> <ul style="list-style-type: none"> - <i>Residential:</i> Maintain or enhance residential amenity values (17.5). Issues discussed include impact of traffic and noise, signage and location, design and density of buildings on amenity. The plan also discusses how development on neighbouring sites might affect amenity e.g. shading, noise, openness and potential impact of non-residential development on residential character and amenity. - <i>Commercial:</i> Maintain or enhance the amenity values of commercial zones (18.5). In relation to the Inner commercial zone the plan talks about an integrated and intensive city centre with a sense of place and identity. Issues are scale and style of buildings, heritage value of the built fabric, vitality (how busy), pedestrian and vehicle conflict, pedestrian links to the inner harbour. Further objectives are maintain a vibrant and sustainable Inner Commercial zone, where the quality and functioning of the environment and the amenity value are maintained and enhanced (18.5). Promote an intensive and integrated city centre, thereby maintaining the sense of 'place' and 'identity' this centre offers. (18.5). In relation to Fringe Commercial zone the plan also talks about pedestrian and vehicle conflict, reducing conflicts in terms of built form, screening unsightly areas and enhancing pedestrian links. In relation to Outer Commercial zone the plan is concerned with visual quality of prominent locations – especially in relation to tourist areas e.g. Awapuni Road. In relation to Suburban Commercial zone the plan is concerned with appropriate scale and density of activities, adequate provision of on-street carpaking and appropriate signage. - <i>Industrial:</i> Maintance and where possible enhancement of amenity values particularly at zone boundaries but also within industrial zones (19.9). The plan talks about building design, building orientation, screening for streetscape and adjoining land. The chapter is particularly concerned with visual impact on principal and arterial roads. - <i>Port Zones:</i> Recognise or provide for the operational needs of the Port while ensuring adverse effects of Port activities are avoided, remedied or mitigated (20.3). - <i>Rural</i> Maintain Rural Amenity values (21.3). The plan suggests issues include shape, size and location of lots, traffic generation, visual impact of activities in rural zones that are not rural in nature, scale and intensity of developments, visibility of structures, shading by tall vegetation and structures, noise from bird scaring devices. Within Rural residential and rural lifestyle zones the impact of farming on neighbouring residential development is an issue. - <i>Subdivision</i> Subdivision is consistent with a high level of amenity, esp in residential & commercial zones (12.3) 	<p>Possibly - could also look at waivers for compliance with design guidelines or good design. As above, also possibility of contributions for screening. Parking contributions are relevant.</p>	<p>Parking contributions in Chapter 15 and waiver of parking contributions in 18.6, 20.4, 3.11.2 and 18.9.2.</p> <p>Waiver of reserve contributions in 3.11.2.</p> <p>General provision in Chapter 17 for financial incentives for property owners in the Residential Protection Zone.</p>	Yes

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7	Amenity Character Issues /	Protection of buildings and sites identified as having architectural, historical or particular amenity value from destruction, diminution or subdivision (17.7). NB this generally relates to the collection of items identified in the Residential Protection Zone.	Yes – e.g. contributions for other purposes could be waived as an economic incentive	3.11.2 refers to the waiving of reserve contributions as an economic incentive for heritage protection and to the acceptance of heritage items in lieu of cash contribution. It is unclear whether this can be used for the Residential Protection Zone. Chapter 17 has a general reference to financial incentives for Residential Protection Zone.	Yes
		Ensure that the amenity values, particularly spaciousness and lower density of development, attributed to non-reticulated areas, are not adversely affected by any activity.	No – cannot foresee role for financial contributions. Mainly achieved by minimum lot sizes.	No	No
		Promote the visual and physical link between activities in the Amenity Commercial zone and the surrounding harbour, walkway, Poverty Bay and Kaiti Hill environment. (18.5)	No – cannot foresee role for financial contributions	No	No
		Location of reserve areas to maintain or enhance residential and district amenity, present and future recreation opportunity, public access and conservation values (22.3).	Yes – but relationship with development contributions to consider	Yes – reserve contribution provisions in Chapters 14 and 22	Yes
8	Noise	To enable noise and vibration at levels which do not have an adverse effect on human health (11.4)	Yes – for example, contributions could fund bunding as a noise break or acoustic insulation of buildings.	No	Yes
		To allow an acoustic environment within each zone that is compatible with the character of the area (11.4)			
		Mitigate the adverse effects on residential sites of traffic noise generated by vehicles using the roading network (11.9)			
		Provide safe & efficient operation of the airports, airfields, heliports, and helipads to mitigate, avoid, or remedy the adverse effects of noise (11.9)			
9	Papakāinga	Sustainable management of Maori land, consistent with the traditional and cultural relationships Maori may have with their ancestral lands, while ensuring appropriate health, safety and environmental standards are maintained. (Chapter 16 provides special rules for establishment of papakāinga which apply instead of the zone rules. The general overlays still apply)	No – foresee that any contributions would be picked up in the separate overarching chapters e.g. utilities, cultural heritage, etc.	No	No

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10	Urban Form	<p>Objectives and themes relating to urban form are:</p> <ul style="list-style-type: none"> - Enabling the community to be mobile and locate anywhere that does not compromise the capacity of the infrastructure systems to function, the amenity of the residential environment or the highly productive and fertile soils within the region (17.9) cf issue 17.2.8 the pattern of development in residential areas may not promote resource efficiency, energy efficiency or a high level of amenity values. - To bring about the sustainable management of the use, development and protection of physical and natural resources within the different commercial areas of the District, recognising the established framework of existing commercial activities, the importance of new business investment and the unique visual amenity and cultural heritage areas within the Inner Commercial, Amenity Commercial and Fringe Commercial zones. (18.3). Themes discussed include containing commercial activities in commercial areas; encouraging high pedestrian focused activities in the Inner Commercial zone; restricting activities in Amenity commercial zone to those using the unique aspects of the location; encouraging lower intensity high traffic generating activities to locate in the Fringe Commercial Zone; - Maintain and enhance the Inner Commercial zone as the focus of specialist retail and other commercial activity in the District (18.8). The plan is particularly concerned about the impact of a mall establishing outside the Inner commercial zone. - Enable only those non-industrial activities that will not be adversely affected by industry or adversely affect industrial activities or adversely affect the sustainability of the city centre, to locate in the zone (19.3). - To preserve the Rural Industrial B zone for the very largest of industrial activities to ensure that such activities have opportunities to establish in the region and tht this is not compromised by fragmentation of the zone (19.11) - Enable the utilisation of land within the Port Zone that is unsuitable to accommodate Port related activities provided that adverse effects of the introduced activity on the operation of the Port itself, on the sustainability of the city centre and on other landuses are avoided, remedied or mitigated (20.3) - To provide for peri-urban development on the fringes of the Gisborne Urban Area and the fringes of the rural townships, where the adverse effects of this activity can be avoided, remedied or mitigated. To preserve areas on the fringes of the Gisborne Urban Area where sustainable quality future residential development may be appropriate (21.3A). To provide for quality peri-urban develoment in areas where sites are already generally below 1 ha as at 25 March 2000 (21.3B). 	No – these objectives are generally achieved through zoning, lot sizes and rules which specify types of activities that are permitted in each zone.	No	No