

Board of Directors
Meeting No. BOD-08-21

Friday, July 23, 2021

9:00 a.m.

Agenda

Meeting Location:

To be held virtually by Zoom

Minutes and agendas are available at www.LSRCA.on.ca

Upcoming Events

Board of Directors' Meeting

Friday, September 24th at 9:00 a.m.

To be held virtually by Zoom

A full listing of events can be found at www.LSRCA.on.ca

I. Acknowledgement of Indigenous Territory

II. Declarations of Pecuniary Interest and Conflicts of Interest

III. Approval of Agenda

Pages 1 - 5

Recommended: That the content of the Agenda for the July 23, 2021 meeting of the Board of Directors be approved as presented.

IV. Adoption of Minutes

a) Board of Directors' Meeting

Pages 6 - 15

Included in the agenda is a copy of the draft minutes of the Board of Directors' Meeting, No. BOD-07-21, held on Friday, June 25, 2021.

Recommended: That the minutes of the Board of Directors' Meeting, No. BOD-07-21, held on Friday, June 25, 2021 be approved as circulated.

V. Announcements

VI. Presentations

a) Second Quarter 2021 Financial Report and Year-End Forecast

Pages 16 - 25

General Manager, Corporate and Financial Services/CFO, Mark Critch, will provide a presentation on the Authority's Second Quarter 2021 Financial Report and Year-End Forecast. This presentation will be provided at the meeting and will be available on our website following the meeting.

Recommended: That the presentation by General Manager, Corporate and Financial Services/CFO, Mark Critch, regarding the Authority's Second Quarter 2021 Financial Report and Year-End Forecast be received for information.

Included in the agenda is Staff Report No. 37-21-BOD regarding the Authority's Second Quarter 2021 Financial Report and Forecast.

Recommended: That Staff Report No. 37-21-BOD regarding the Second Quarter Financial Report and Year-End Forecast for the period ending June 30, 2021 be received.

b) Project Update: Implementation of Climate Change Adaptation and Mitigation Strategies

Pages 26 - 29

Climate Change Specialist, Fabio Tonto, will provide an update on the Authority's Climate Change Initiatives. This presentation will be provided at the meeting and will be available on our website following the meeting.

Recommended: That the presentation by Climate Change Specialist, Fabio Tonto, regarding the Authority's Climate Change Initiatives be received for information.

Included in the agenda is Staff Report No. 38-21-BOD regarding the Authority's Climate Change Initiatives.

Recommended: That Staff Report No. 38-21-BOD regarding the Authority's initial work to implement the Climate Change Adaptation and Mitigation Strategies be received for information.

VII. Hearings

There are no Hearings scheduled for this meeting.

VIII. Deputations

There are no Deputations scheduled for this meeting.

IX. Determination of Items Requiring Separate Discussion

(Reference Pages 4 and 5 of the agenda)

X. Adoption of Items Not Requiring Separate Discussion

XI. Consideration of Items Requiring Separate Discussion

XII. Closed Session

The Board will move to Closed Session to deal with confidential legal and human resources matters.

Recommended: That the Board move to Closed Session to deal with confidential matters; and

Further that the Chief Administrative Officer, members of the Executive Leadership Team, the Event and Marketing Specialist and the Coordinator BOD/CAO remain in the meeting for the discussion on Item a); and

Further that the Chief Administrative Officer, members of the Executive Leadership Team, and the Coordinator BOD/CAO remain in the meeting for the discussion on Items b) and c).

The Board will rise from Closed Session and report findings.

Recommended: That the Board rise from Closed Session and report findings.

a) 2021 Conservation Awards Recipients

Recommended: That Confidential Staff Report No. 42-21-BOD regarding the 2021 Conservation Awards recipients be approved.

b) Confidential Legal Matter

Recommended: That Confidential Staff Report No. 43-21-BOD regarding a confidential legal matter be received for information.

c) Confidential Legal Matter

Recommended: That Confidential Staff Report No. 44-21-BOD regarding a confidential legal matter be received for information.

XIII. Other Business

Next Meeting

The next meeting of the Board of Directors will be held at @ 9:00 a.m. on Friday, July 23, 2021. This meeting will be held via Zoom, access details to be provided prior to the meeting.

XIV. Adjournment

Agenda Items

1. Correspondence

There are no Correspondence items for this meeting.

Recommended: That no Correspondence items be received.

2. Monitoring Report – Planning and Development Applications for the Period January 1 through June 30, 2021

Pages 30 - 38

Recommended: That Staff Report No. 39-21-BOD regarding monitoring of planning and development applications for the period January 1 through June 30, 2021 be received for information.

3. Lake Simcoe Region Conservation Authority Offsetting Policies Housekeeping Updates

Pages 39 - 95

Recommended: That Staff Report No. 40-21-BOD regarding the Housekeeping Updates to the Lake Simcoe Region Conservation Authority Offsetting Policies be received; and

Further that the updated Lake Simcoe Region Conservation Authority Ecological Offsetting Policy, as attached, be approved; and

Further that the updated Lake Simcoe Region Phosphorus Offsetting Policy, as attached, be approved; and

Further that the updated Lake Simcoe Region Protection Plan Water Balance Recharge Policy, as attached, be approved.

4. Project Update: Tamarac Park - Stormwater Management Pond Retrofit

Pages 96 - 98

Recommended: That Staff Report No. 41-21-BOD regarding the Lake Simcoe Region Conservation Authority's efforts with the York Region Phosphorus Removal Demonstration Project Partnership: Tamarac Park - Stormwater Management Pond Retrofit be received; and

Further that the Board of Directors authorize the Purchase Order increase to \$1,621,087, to ensure compliance with the Authority's Purchasing Policy and associated signing authority provisions.

Board of Directors' Meeting

Board of Directors' Meeting No. BOD-07-21

Friday, June 25, 2021

Held virtually via Zoom

Meeting Minutes

LSRCA Board Members Present

Regional Chairman W. Emmerson (Chair), Councillor P. Ferragine (Vice Chair), Councillor K. Aylwin, Mayor D. Barton, Mayor B. Drew, Councillor A. Eek, Councillor K. Ferdinands, Councillor W. Gaertner, Deputy Mayor J. Gough, Councillor R. Greenlaw, Mayor V. Hackson, Councillor S. Harrison-McIntyre, Councillor C. Pettingill, Mayor M. Quirk, Councillor C. Riepma, Regional Councillor T. Vegh, Councillor E. Yeo

LSRCA Board Members Absent

Councillor A. Waters

LSRCA Staff Present

R. Baldwin, T. Barnett, M. Bessey, A Brown, C. Byron, K. Christensen, M. Critch, J. Doyley, C. Hawson, S. Jagminas, B. Kemp, N. Knight, B. Longstaff, G. MacMillan, S. McKinnon, K. Nesbitt, G. Peat, M. Rosato, C. Sharp, C. Taylor, K. Toffan, K. Yemm, K. Zeppieri

Guests in Attendance

C. Malcolmson, Rescue Lake Simcoe Coalition

I. Land Acknowledgement

II. Declarations of Pecuniary Interest or Conflict of Interest

None noted for the meeting.

III. Approval of Agenda

Moved by: A. Eek

Seconded by: D. Barton

BOD-092-21 **Resolved That** the content of the Agenda for the June 25, 2021 meeting of the Board of Directors be approved as amended to remove Closed Session Item XIIb), Confidential Staff No. 36-21-BOD; and to add Agenda Item No. 5, Staff Report No. 36-21-BOD. **Carried**

IV. Adoption of Minutes

a) Board of Directors' Meeting

Moved by: W. Gaertner

Seconded by: C. Riepma

BOD-093-21 **Resolved That** the minutes of the Board of Directors' Meeting, No. BOD-06-21, held on Friday, May 28, 2021 be approved as circulated. **Carried**

V. Announcements

- a) Chair Emmerson welcomed new Board member, Deputy Mayor Joe Gough, who has been appointed to represent the Township of Ramara. Board members and Executive Leadership Team members introduced themselves and welcomed Deputy Mayor Gough to the Board.
- b) CAO Rob Baldwin advised that with the recent Provincial cabinet shuffle, there are two new ministers within the conservation authorities' portfolio: namely, Minister of the Environment, Conservation and Parks David Piccini, and Minister of Northern Development, Mines, Natural Resources and Forestry Greg Rickford. He also advised that changes to the Provincial conservation authorities working group are not anticipated.
- c) General Manager, Integrated Watershed Management, Ben Longstaff, advised that due to the very dry spring, we entered into a Level 1 low water response condition in June. As a result, a Low Water Response Team has been formed with representation from all watershed municipalities, Provincial agencies, Trent Severn Waterways, and First Nations. The first meeting takes place virtually on July 7th to ensure a coordinated response as required.
- d) Lake Simcoe Conservation Foundation Executive Director, Cheryl Taylor, provided an update on upcoming events; namely, the 32nd Annual Conservation Dinner taking place on September 22nd; the Dalton Hicks 3rd Annual Golf Tournament on August 25th, and the Chairman's Golf Tournament on August 19th. More information on these events can be found through this link: <https://www.lakesimcoefoundation.ca/events>

Chair Emmerson moved the deputation forward at this time.

VIII. Deputations

Ms. Claire Malcolmson shared concerns with the proposed Bradford Bypass on behalf of the Rescue Lake Simcoe Coalition and Eco Justice. She noted these groups feel the environmental assessment is outdated and the need exists for a complete review and update to the

environmental assessment, as well as an examination of alternatives before any construction begins. They feel there are many information gaps that need to be explored before this project should proceed.

CAO Baldwin explained that Provincial highways are exempt from the conservation authorities' regulations, and the Authority has committed to a voluntary project review should we be asked to provide it. The Authority will provide input on the science if and as requested.

At the request of Board members, a staff report will be prepared for the September 2021 meeting based on the information that the Authority has available at that time.

More information on the Bradford bypass can be found through this link:

<https://www.bradfordbypass.ca/>

Moved by: K. Aylwin

Seconded by: W. Gaertner

BOD-094-21 **Resolved That** the deputation by Claire Malcolmson regarding the Bradford Bypass be received for information; and

Further That a staff report be brought back to the September 2021 Board of Directors' meeting for the Board's consideration. **Carried**

VI. Presentations

a) 2022-2024 Strategic Plan Project

Communications Specialist, Melissa Rosato, and Project Lead on the Authority's 2022-2024 Strategic Plan provided an update on its progress, noting that typically the Authority's strategic plan is outsourced to a consultant and work begins prior to the expiry of the existing plan. With the many obstacles and financial constraints faced in 2020, the decision was made for this work to be completed in-house by our communications department. She noted that steps completed at this point include background research and program planning completed September 2020; situation analysis, which is a summary of our strengths, challenges, and opportunities, derived from all staff input, completed March 2021; and vision, mission values statements completed May 2021. Currently in progress are the goals, strategic objectives and success indicators, with a list of high-level goals and strategic objectives that are well aligned being the expected outcome. Still to be actioned is the validation and prioritization of strategic objectives (September 2021), as well as the launch and implementation planning anticipated for fall of 2021.

Ms. Rosato outlined the process of staff engagement by way of department stars who help guide their colleagues through the process and staff consultation to ensure all staff

participation. She invited Board members to participate by way of a Board workshop to be held in late August, with a survey option available for those who are unable to attend.

It is expected the Strategic Plan will be finalized in 2021 and launched for implementation in 2022. This timing fits nicely with the new leadership focus of the Authority's CAO, Rob Baldwin, as well as the timing around the changes to the *Conservation Authorities Act* and subsequent regulation.

To view this presentation, please click this link: [2022-2024 Strategic Plan Update](#)

For more information on the Authority's Strategic Plan process, please contact Melissa Rosato at 905-895-1281, ext. 120 or m.rosato@lsrca.on.ca.

Moved by: K. Ferdinands

Seconded by: J. Gough

BOD-095-21 **Resolved That** the presentation by Communications Specialist, Melissa Rosato, regarding an update on the progress of the Authority's 2022-2024 Strategic Plan Project be received for information. **Carried**

Staff Report No. 29-21-BOD regarding the progress of the Authority's 2022-2024 Strategic Plan Project was included in the agenda.

Moved by: K. Ferdinands

Seconded by: J. Gough

BOD-096-21 **Resolved That** Staff Report No. 29-21-BOD regarding the project status for the ongoing development of the Lake Simcoe Region Conservation Authority's 2022-2024 Strategic Plan be received for information. **Carried**

b) 2021 Afforestation Program Update

Manager, Forestry and Greenspace Services, Philip Davies, provided an update on the Authority's 2021 spring planting program and ongoing initiatives to increase forest and canopy cover across the watershed, noting that Forestry staff deliver tree and shrub planting services to watershed landowners through the annual spring and fall programs. With the cancellation of the 2020 spring planting program, fulltime employees utilizing new safety protocols were able to plant 1,800 trees on six sites through the annual fall program. The average for the annual fall program is 2,600 trees, which is less than the annual spring program average of 42,000 trees.

During the 2021 spring planting season, Forestry staff worked with 25 landowners to plant over 49,500 trees across the watershed despite pandemic related challenges and restrictions. These planting projects were completed with the support of our municipal program partners including York Region's Grow Your Legacy Planting Program and Simcoe County's Simcoe Trees Program,

as well as funding partners including the Lake Simcoe Conservation Foundation and Forests Ontario's 50 Million Trees Program. The annual Do-It-Yourself Planting Program, which sells seedlings directly to landowners for planting on their properties, was very successful in large part due to build-up of demand following the 2020 cancellation, and accordingly 103 landowners collected over 13,600 trees at the pick-up event, our largest distribution to date. Restoration staff also completed 13 projects including planting over 6,500 trees, shrubs and herbaceous plants.

He went on to note that Forestry staff continually seek opportunities with landowners, municipal partners, as well as neighbouring conservation authorities, to increase forest and canopy cover in the watershed to support natural heritage cover restoration and expansion objectives.

To view this presentation, please click this link: [Afforestation Program Update](#)

For more information on the Authority's Afforestation program, please contact Philip Davies at 905-895-1281, ext. 321 or p.davies@lsrca.on.ca.

Moved by: S. Harrison-McIntyre

Seconded by: A. Eek

BOD-097-21 **Resolved That** the presentation by Manager, Forestry and Greenspace Services, Philip Davies, regarding an update on the Authority's Afforestation program be received for information. **Carried**

Staff Report No. 30-21-BOD regarding the progress of the Authority's Afforestation program was included in the agenda.

Moved by: S. Harrison-McIntyre

Seconded by: A. Eek

BOD-098-21 **Resolved That** Staff Report No. 30-21-BOD regarding BOD regarding an update on the Authority's Afforestation program be received for information. **Carried**

c) 2022 Budget Assumptions

General Manager, Corporate and Financial Services/CFO, Mark Critch, provided a presentation on the Authority's 2022 Budget Assumptions, noting that budget assumptions set clear direction for budget targets; enable staff to work with municipal funding partners to secure preliminary budget approvals; allow staff to build the 2022 budget and reduce re-work; provide the Board of Directors the opportunity to influence the general direction of the budget; and strengthen the advocacy role of Board members at their respective municipal budget presentations. Standard budget assumptions include that the Authority recognizes and

incorporates the challenges being faced by municipal funding partners in the budget development. Other budget assumptions are that rental property surplus goes to Asset Management reserve to fund future asset management work; Foundation revenue continues to be used for education and projects and we continued to watch for challenges related to donations; any interest Income above budget assumption goes to surplus, reserves are used for pilot projects or one-time purchases, and the Authority continues to respect the taxpayer and understand the context of budget requests.

GM Critch reviewed the governing principles in the budget recommendations, such as inflation and COLA which are in line with local comparators, adjusting for municipal funding challenges, municipal targets are used where feasible; a 1% investment toward achieving strategic priorities is recommended to be deferred until 2023, and asset management funding will be addressed in a financial strategy being tabled in the fall, but a small placeholder is included in 2022 budget. He also noted that for the third year in a row there are no new fulltime employees included in the budget unless they are fully funded by grants.

He shared the financial impacts of funding targets as well as the various COLA rates scenarios and asked the Board for endorsement of the following 2022 budget assumptions:

1. Inflation: Up to 2.00% (2021 Budget: 2.00%)
2. COLA for staff: Up to 2.00% (2021 Budget: 1.00%)
3. Infrastructure levy for Asset Mgmt.: 0.50% increase on capital funding only
4. Investment in Strategic Priorities: 0.00% (2021: 0.00%)
5. No additional FTE's in 2022, unless they are fully funded from grants and/or fees
6. General and Special Operating Levy: Up to 1.00% (2021: 1.00%)
7. Special Capital Levy: Up to 1.70% (2021 Budget: 1.00%)

Next steps for the 2022 budget include:

- Board approved budget assumptions will be used to develop 2022 Budget;
- Preliminary budgets will be shared with municipalities, ensuring coordination with municipal budget cycles;
- An on-line financial update for municipal funding partners will be hosted in Fall;
- Efficiencies and cost savings to support the 2022 Budget will continue to be sought;
- Predictive information from 2021 Forecast will be used to develop 2022 Budget; and
- 2022 Budget presentations to funding partners will begin in the fall/winter.

To view this presentation, please click this link: [2022 Budget Assumptions](#)

For more information on the Authority's 2022 Budget Assumptions, please contact Mark Critch at 905-895-1281, ext. 297 or m.critch@lsrca.on.ca.

Moved by: V. Hackson

Seconded by: C. Riepma

BOD-099-21 **Resolved That** the presentation by General Manager, Corporate and Financial Services/CFO, Mark Critch, regarding the Authority's 2022 Budget Assumptions be received for information. **Carried**

Staff Report No. 31-21-BOD regarding the Authority's 2022 Budget Assumptions was included in the agenda.

Moved by: V. Hackson

Seconded by: C. Riepma

BOD-100-21 **Resolved That** Staff Report No. 31-21-BOD regarding the recommended budget assumptions for the 2022 fiscal year be approved. **Carried**

VIII. Hearings

There were no hearings at this meeting.

IX. Determination of Items Requiring Separate Discussion

No items were identified as items requiring separate discussion.

X. Adoption of Items not Requiring Separate Discussion

All items were identified under items not requiring separate discussion.

Moved by: E. Yeo

Seconded by: D. Barton

BOD-101-21 **Resolved That** the following recommendations respecting the matters listed as "Items Not Requiring Separate Discussion" be adopted as submitted to the Board, and staff be authorized to take all necessary action required to give effect to same. **Carried**

1. Correspondence

BOD-102-21 **Resolved That** correspondence listed in the agenda as Item 1a) be received for information. **Carried**

2. Conservation Authorities Act - Phase 1 Consultation Guide

BOD-103-21 **Resolved That** Staff Report No. 32-21-BOD regarding Provincial Bill 229 Regulatory Proposal Consultation Guide be received; and

Further That the attached Comments Letter be approved for submission to the Environmental Registry of Ontario ahead of the June 27, 2021 deadline. **Carried**

3. Conservation Ontario's Governance Accountability and Transparency Initiative

BOD-104-21 **Resolved That** Staff Report No. 33-21-BOD regarding Conservation Ontario's Governance Accountability and Transparency Initiative be received; and

Further that the Lake Simcoe Region Conservation Authority Board of Directors endorse the three key actions developed by the Conservation Ontario Steering Committee to update Administrative By-laws, to report proactively on priorities, and to promote/demonstrate results; and

Further That staff be directed to work with Conservation Ontario to implement these actions and to identify additional improvements and best management practices.

Carried

4. KD03 Sunnidale Road Stormwater Pond Retrofit Project

BOD-105-21 **Resolved That** Staff Report No. 34-21-BOD regarding the City of Barrie's KDO3 Sunnidale Road Stormwater Pond Retrofit Project be received; and

Further that funding for the project through the Authority's Offsetting Cash in Lieu funds from Water Balance and Lake Simcoe Phosphorus Offsetting as outlined in this report be approved. **Carried**

5. Amendments to Permit under O. Reg 179/06 and Pursuant to Subsection 28.0.1 of the Conservation Authorities Act (Ministerial Zoning Order) for 2639025 Ontario Inc. Oro Station Automotive Innovation Park

BOD-106-21 **Resolved That** Staff Report No. 36-21-BOD regarding Amendments to Permission (Permit OP.2021.027) under O. Reg 179/06, Pursuant to Subsection 28.0.1 of the Conservation Authorities Act (Ministerial Zoning Order) for 2639025 Ontario Inc. Oro Station Automotive Innovation Park be received; and

Further that the amended conditions to the permission as outlined in this report be approved; and

Further that the permit be valid for a period of sixty (60) months; and

Further that the Authority's Chief Administrative Officer be authorized to execute the agreement as required by the Conservation Authorities Act. **Carried**

XI. Consideration of Items Requiring Separate Discussion

No items were identified under items requiring separate discussion.

XII. Closed Session

The Board moved to Closed Session to deal with a confidential human resources matter.

Moved by: S. Harrison-McIntyre

Seconded by: C. Pettingill

BOD-107-21 **Resolved That** the Board move to Closed Session to deal with a confidential human resources matter; and

Further that the Chief Administrative Officer, members of the Executive Management Team, and the Coordinator BOD/CAO remain in the meeting for the discussion. **Carried**

The Board rose from Closed Session and reported findings.

Moved by: D. Barton

Seconded by: K. Aylwin

BOD-108-21 **Resolved That** the Board rise from Closed Session and report findings. **Carried**

a) Confidential Human Resources Matter

Moved by: K. Ferdinands

Seconded by: A. Eek

BOD-109-21 **Resolved That** Confidential Staff Report No. 35-21-BOD regarding a confidential human resources matter be endorsed. **Carried**

XIII. Other Business

- a) Mayor Quirk asked about the Authority's plans for the recently acquired land in Georgina. CAO Baldwin noted the agreement has not yet been signed and accordingly the property has not been transferred to the Authority, but he plans to bring a report to the September meeting when he anticipates the land will be owned by the Authority. Once the Authority receives the land, staff will learn the property and a management plan will be prepared in the future, which will involve the Town and interested residents.

XIV. Adjournment

Moved by: J. Gough

Seconded by: R. Greenlaw

BOD-110-21 **Resolved That** the meeting be adjourned at 11:40 a.m. **Carried**

Original to be signed by:

Regional Chairman Wayne Emmerson
Chair

Original to be signed by:

Rob Baldwin
Chief Administrative Officer

Staff Report

To: Board of Directors

From: Katherine Toffan, Manager of Finance

Date: July 12, 2021

Subject

Second Quarter 2021 Financial Report and Year-End Forecast

Recommendation

That Staff Report No. 37-21-BOD regarding the Second Quarter 2021 Financial Report and Year-End Forecast for the period ending June 30, 2021 be received for information.

Purpose of this Staff Report:

The purpose of this Staff Report No. 37-21-BOD is to provide the Board of Directors with a summary of financial activities for the period ending June 30, 2021, as they relate to the 2021 budget approved by the Board on March 26, 2021. Staff have also used this report to review the forecast, at a corporate level, the estimated year-end financial position of the Authority, along with high level issues and trends that staff have been observing through the first half of 2021.

Background:

The Budget Status Reports have been developed for the use of the Board and management, use the same format as the approved budget, and provide a status update on the programs and projects that fall under the Authority's seven service areas: Corporate Services, Ecological Management, Education & Engagement, Greenspace Services, Planning & Development Services, Water Risk Management and Watershed Studies & Strategies.

Issues:

The Corporate Budget Status report attached in Appendix 1 presents a surplus position of \$235K on June 30, 2021. The drivers of this surplus are outlined in the table below:

Service Area	Surplus	Drivers
Corporate Services	3	YTD interest and surplus from Solar Panel Revenue
Planning & Development	232	Variances in staffing, open positions and increased fees related to new fee charges and YTD applications
Overall Corporate Surplus on June 30	235	

Relevance to Authority Policy:

In keeping with Authority policy, this staff report has been prepared to provide a Q2 financial update on the current overall financial position, project expenditures, opportunities, and risks as they relate to the 2021 approved budget, as well as highlight variances identified through the year-end forecast.

Impact on Authority Finances:

a) Revenues

Overall revenues are in line with what would be expected against the 6-month YTD budget. Revenues are recognized based on the source of the revenue stream and by the expenditures that are incurred to prompt recognition of revenue. The General Levy, Special Capital Levy and Provincial & Federal funding revenues are recognized as related expenses are incurred. Municipal partner funding and Revenue Generated by the Authority are generally fee-based revenues and recognized as invoiced for projects or fee for service agreements as services are delivered.

Provincial & Federal funding is below YTD budget and is mainly related to timing of some of our MECP provincial grant agreement deliverables. Our Monitoring group is ramping up, but it has been a slower start with some of our monitoring projects as there were drier than normal conditions during the first 4-5 months of 2021.

The Revenue Generated by Authority revenues are trending just above YTD budget and are driven by the Planning and Development Services and Education and Engagement programs.

As outlined in Staff Report No. 39-21-BOD included in the July 2021 agenda, the Planning and Development program is realizing higher volumes of applications in the first 6 months of 2021 over 2020, which is in line with the average application numbers seen prior to 2020.

The Education and Engagement program wrapped up delivery of virtual learning with York Region District and Simcoe County District School Boards and are just ahead of the YTD revenue Budget for School Programming.

Staff have worked with the program and project managers on year-end revenue forecasts and will continue to monitor the ongoing impact to the Authority's operations.

b) Expenditures:

Some variances in the budget related to staffing are contributing to the surplus in the Planning and Development program. A turnover in staff and delayed hiring of open positions has resulted in salary gapping while replacements are recruited.

There has also been lower than expected expenses for legal in this program because of courts being closed. As legal proceedings start to resume, we expect some of this gapping to even out by year end.

c) Timing Variances:

There are some year-to-date revenue and expense variances that can be attributed to timing. Timing variances occur when expenditures have not yet happened, and accordingly recognition of the related revenue is deferred until the project work commences.

Expenditures in Corporate Services are below expected against YTD budget, and this is being driven by the expected spending that will take place for consultation and architectural design of the new Scanlon Creek Nature Centre and renovations at Head Office and the Scanlon Creek Operations Centre. The RFP for the Nature Centre architect was posted on July 12th, closes in early August, and will be reviewed with the Board at the September 2021 meeting. The contractor has been secured for Head Office renovations, with an expected completion date of end of August.

Capital projects in some service areas are in progress and or deferred into Q3 and Q4. The deferral of work will not have a large impact on the overall financial position, as these projects are covered by Special Capital, Provincial and/or Partner funding. Key areas of these variances include:

i. Ecological Management - \$800K of projects in the Ecological Restoration program include:

- Ecological Offsetting Capital Projects
- Grassland/Meadow Restoration
- Grants to Partner/Landowners for projects

Projects substantially completed at Q2:

- Kettleby Creek Restoration
- Circle Park Wetland Restoration

Other projects in progress:

- Park Road and Innisfil Beach Park Wetland and Channel Realignment
- Kennedy Street Stream and Wetland Creation

ii. Water Risk Management - \$1.3M of projects in the Water Management/ Restoration program include:

- Water Balance and LSPOP Capital Projects
- Stormwater Monitoring Projects
- Provincial Funding Agreements – Lake Simcoe Protection Plan

Projects currently underway or wrapping up:

- York Stormwater Management – Tamarac site
- Aurora LID Monitoring
- East Holland Monitoring
- Mouth of Western Creek Restoration

- Town of Aurora – Pond Maintenance
- KD03 Sunnidale Road Stormwater Pond Retrofit
- All Provincial Funding Agreements under the Lake Simcoe Protection Plan as outlined in Staff Report 20-21-BOD from the April 23rd Board Meeting.

d) High Level Forecast to the End of 2021:

Staff have conducted a high-level program and project review to help develop a forecast for Q2 through year end and have identified variances that will impact the Authority's year-end financial position.

Through working with program managers, staff are forecasting a year-end surplus position of \$495K. Outlined below are some of the main drivers contributing to the forecasted surplus:

- i) There is an overall forecasted surplus related to staffing variances of about \$315K across the organization. This variance is a result of delayed hiring of open FTE positions, staff turnover and redeployment opportunities. Salary gapping is being realized while recruiting for candidates and replacements happens. These variances are mainly in our fee for service-based programs and therefore will recognize a surplus as work is continuing to be delivered. Program managers have built expected start dates into the forecast for replacements and will continue to monitor program revenues and workload of staff.
- ii) There is an overall amount of \$215K in additional revenue over budget forecasted at Q2. About \$200K of this projection is being driven by forecasted revenue assumptions in our Planning and Development Services Program. The remainder is projected for additional fees being realized for the corporate overhead charge from various projects that are being worked on in 2021. This is a result of reviewing our costing models and ensuring that we are operating under a full cost recovery model for new projects, agreements, or services we are delivering.
- iii) There is an overall amount of \$15K in savings being forecasted for operational expenses across the organization, net of some additional return to work expenditures. These savings are a result of staff still working from home for the majority of 2021. Staff mileage, catering, venue rental, cleaning, hydro and gas expenditures are areas that are contributing to this expected savings. Some additional costs related to cleaning, cleaning supplies and equipment are expected and are included in the forecast. The forecast has assumed staff return to offices in the Fall and spending will be reviewed and presented in the Q3 forecast update to the Board in October.
- iv) Staff are looking at Asset Management options for aging equipment and are forecasting the utilization of up to \$50K, alleviating future budget pressures.
- v) At Q2 we are anticipating that we will meet all budgeted reserve transfers as presented in the 2021 budget. The budgeted reserve draws will only be made if the related expenditure is made.

Staff will continue to monitor the ongoing financial position of the organization, conduct regular updates with program managers to ensure that assumptions used in the Q2 review are still in line with the year end forecast. Program Managers will be monitoring workload of existing staff and proceeding with hiring of budgeted staff positions to ensure that program outcomes are still being achieved. Staff will also conduct a Q3 review against current forecast and prepare an update for the Board of Directors in October.

Summary and Recommendations:

It is therefore **Recommended That** Staff Report No. 37-21-BOD regarding the Second Quarter 2021 Financial Report and Year-End Forecast for the period ending June 30, 2021 be received for information.

Pre-Submission Review:

This Staff Report has been reviewed by the General Manager, Corporate and Financial Services/CFO and the Chief Administrative Officer.

Signed by:

Signed by:

Mark Critch

Rob Baldwin

General Manager, Corporate and Financial
Services/CFO

Chief Administrative Officer

Attachments:

Appendix 1 – Q2 Corporate Budget Status Report

Appendix 2 –Service Area Budget Status Reports

At June 30 2021 - shown in '000's

Revenue:	Full Year Budget	YTD Budget	Actual YTD	% of YTD Budget
General Levy	\$ 4,049	\$ 2,024	\$ 1,061	52%
Special Capital Levy & Municipal Partners	6,216	3,108	3,232	104%
Provincial & Federal Funding	2,312	1,156	512	44%
Revenue Generated by Authority	5,196	2,598	2,767	107%
Other Revenue	235	118	9	7%
Total Revenue:	18,008	9,004	7,581	84%
Expenses:				
Corporate Services	5,482	2,741	2,233	81%
Ecological Management	3,459	1,730	1,433	83%
Education & Engagement	695	348	327	94%
Greenspace Services	913	457	437	96%
Planning & Development Services	3,608	1,804	1,534	85%
Water Risk Management	3,152	1,576	966	61%
Watershed Studies & Strategies	1,879	939	595	63%
Total Gross Expenses:	19,188	9,594	7,525	78%
Expenses included above related to:				
Internal Fee for Service	1,193	596	561	94%
Net Expenses:	17,995	8,998	6,964	77%
Net surplus before reserve activity	13	6	617	
Board approved draws on reserve:	399	200	-	
Board approved transfers to reserves:	(412)	(206)	(98)	
Other reserve activity:				
Transfer for offsetting operational surplus to payback reserve draws from prior years:	-	-	(284)	
Operational Surplus at June 30	\$ -	\$ -	\$ 235	

**Lake Simcoe Region Conservation Authority
Harmonized Service Area Budget Status Report
For period ending June 30, 2019 (shown in 000's)**

	2021 Full Year Budget	2021 YTD Budget	2021 YTD Actual	% of YTD Budget
Corporate Services				
Revenue:				
General Levy	\$ 2,703	\$ 1,351	\$ 874	65%
Special Capital Levy & Municipal Partners	1,066	533	885	166%
Provincial & Federal Funding	2	1	-	0%
Revenue Generated by Authority	447	223	148	66%
Other Revenue	28	14	3	20%
Total Revenue:	4,245	2,123	1,909	90%
Expenses:				
Corporate Communications	747	374	371	99%
Facility Management	1,073	537	231	43%
Financial Management	1,342	671	533	79%
Governance	584	292	308	105%
Human Resource Management	508	254	215	85%
Information Management	1,227	613	574	94%
Total Gross Expenses:	5,482	2,741	2,233	81%
Expenses included above related to:				
Internal Fee for Service	1,148	574	531	93%
Net Expenses:	4,334	2,167	1,702	79%
Net surplus/(deficit) before reserve activity	(89)	(45)	208	
Board approved draws on reserve:	309	155	-	
Board approved transfers to reserve:	(220)	(110)	(98)	
Other reserve activity:				
Transfer for offsetting surplus:	-	-	(107)	
Operational surplus at June 30	\$ -	\$ -	\$ 3	

	2021 Full Year Budget	2021 YTD Budget	2021 YTD Actual	% of YTD Budget
Ecological Management				
Revenue :				
General Levy	\$ 6	\$ 3	\$ -	0%
Special Capital Levy & Municipal Partners	1,964	982	709	72%
Provincial & Federal Funding	347	174	151	87%
Revenue Generated by Authority	1,113	557	572	103%
Other Revenue	56	28	-	0%
Total Revenue:	3,487	1,743	1,432	82%
Expenses:				
Ecosystem Science & Monitoring	908	454	456	100%
Forestry Services	745	372	331	89%
Restoration & Regeneration	1,807	903	646	71%
Total Gross Expenses:	3,459	1,730	1,433	83%
Expenses included above related to:				
Internal Fee for Service	-	-	6	
Net Expenses:	3,459	1,730	1,427	82%
Net surplus before reserve activity	27	14	5	
Board approved transfers to reserve:	(12)	(6)	-	
Other reserve activity:				
Transfer for offsetting operational surplus to payback reserve draws from prior years:	-	-	(5)	
Net position at June 30	\$ 15	\$ 7	\$ -	

**Lake Simcoe Region Conservation Authority
Harmonized Service Area Budget Status Report
For period ending June 30, 2019 (shown in 000's)**

	2021 Full Year Budget	2021 YTD Budget	2021 YTD Actual	% of YTD Budget
Education and Engagement				
Revenue :				
General Levy	\$ 337	\$ 168	\$ 93	55%
Revenue Generated by Authority	312	156	207	133%
Other Revenue	6	3	6	200%
Total Revenue:	655	327	306	93%
Expenses:				
Community Programming	144	72	27	38%
School Programming	551	276	300	109%
Total gross expenses:	695	348	327	94%
Expenses included above related to:				
Internal Fee for Service	41	20	21	105%
Net Expenses:	655	327	306	93%
Net position before reserve activity	-	-	-	
Board approved draws on reserve:	-	-	-	
Net position at June 30	\$ -	\$ -	\$ -	

	2021 Full Year Budget	2021 YTD Budget	2021 YTD Actual	% of YTD Budget
Greenspace Services				
Revenue :				
General Levy	\$ 414	\$ 207	\$ 81	39%
Special Capital Levy & Municipal Partner	368	184	330	180%
Provincial & Federal Funding	11	6	-	0%
Revenue Generated by Authority	55	28	23	85%
Other Revenue	26	13	-	0%
Total Revenue:	874	437	435	99%
Expenses:				
Management	695	347	346	100%
Property Services	97	49	22	45%
Securement	121	61	69	114%
Total Gross Expenses:	913	457	437	96%
Expenses included above related to:				
Internal Fee for Service	4	2	2	105%
Net Expenses:	909	455	435	96%
Net (deficit) before reserve activity	(36)	(18)	-	
Board approved draws on reserve:	36	18	-	0%
Net position at June 30	\$ -	\$ -	\$ -	

**Lake Simcoe Region Conservation Authority
Harmonized Service Area Budget Status Report
For period ending June 30, 2019 (shown in 000's)**

Planning and Development	2021 Full Year Budget	2021 YTD Budget	2021 YTD Actual	% of YTD Budget
Revenue :				
General Levy	\$ 490	\$ 245	\$ -	0%
Special Capital Levy & Municipal Partners	405	203	190	94%
Provincial & Federal Funding	22	11	-	0%
Revenue Generated by Authority	2,690	1,345	1,576	117%
Total Revenue:	3,608	1,804	1,766	98%
Expenses:				
Development Planning	1,879	940	838	89%
Permitting & Enforcement	1,728	864	696	81%
Total Gross Expenses:	3,608	1,804	1,534	85%
Expenses included above related to:				
Internal Fee for Service	-	-	-	
Net Expenses:	3,608	1,804	1,534	85%
Net surplus before reserve activity	-	-	232	
Board approved draws on reserve:	-	-	-	
Operational surplus at June 30	\$ -	\$ -	\$ 232	

Water Risk Management	2021 Full Year Budget	2021 YTD Budget	2021 YTD Actual	% of YTD Budget
Revenue :				
General Levy	\$ 99	\$ 50	\$ 14	28%
Special Capital Levy & Municipal Partners	1,349	675	654	97%
Provincial & Federal Funding	1,164	582	230	39%
Revenue Generated by Authority	579	290	241	83%
Total Revenue:	3,192	1,596	1,138	71%
Expenses:				
Flood Management & Warning	440	220	203	92%
Source Water Protection	752	376	224	60%
Water Management & Restoration	1,276	638	238	37%
Water Science & Monitoring	683	341	301	88%
Total Gross Expenses:	3,152	1,576	966	61%
Expenses included above related to:				
Internal Fee for Service	-	-	-	
Net Expenses:	3,152	1,576	966	61%
Net surplus before reserve activity	40	20	172	
Board approved draws on reserve:	46	23	-	
Board approved transfers to reserve:	(86)	(43)	-	
Other reserve activity:				
Transfer for offsetting surplus:	-	-	(172)	
Net position at June 30	\$ -	\$ -	\$ -	

**Lake Simcoe Region Conservation Authority
Harmonized Service Area Budget Status Report
For period ending June 30, 2019 (shown in 000's)**

Watershed Studies and Strategies	2021 Full Year Budget	2021 YTD Budget	2021 YTD Actual	% of YTD Budget
Revenue :				
Special Capital Levy & Municipal Partner	\$ 1,064	\$ 532	\$ 464	87%
Provincial & Federal Funding	765	382	131	34%
Other Revenue	120	60	-	0%
Total Revenue:	1,949	974	595	61%
Expenses:				
Climate Change Adaptation	194	97	63	65%
Research & Innovation	646	323	235	73%
Watershed Subwatershed Planning	1,039	519	298	57%
Total Gross Expenses:	1,879	939	595	63%
Expenses included above related to:				
Internal Fee for Service	-	-	-	
Net Expenses:	1,879	939	595	63%
Net surplus before reserve activity	70	35	-	
Board approved transfers to reserve:	(70)	(35)	-	
Net position at June 30	\$ -	\$ -	\$ -	

Staff Report

To: Board of Directors

From: Bill Thompson, Manager of Watershed Plans and Strategies

Date: July 15, 2021

Subject:

Project Update: Implementation of Climate Change Adaptation and Mitigation Strategies

Recommendation:

That Staff Report No. 38-21-BOD regarding the Authority's initial work to implement the Climate Change Adaptation and Mitigation Strategies be received for information.

Purpose of this Staff Report:

The purpose of this Staff Report No. 38-21-BOD is to provide an update on the continued efforts of the Lake Simcoe Region Conservation Authority (Authority) to build resilience in the face of climate change, including efforts to support municipal partners in undertaking similar climate change action.

Background:

The July 2021 Board meeting falls one year after the Board of Directors approved the Authority's Climate Change Mitigation Strategy (Staff Report No. 34-20-BOD, July 2020) and 17 months after Board approval of the Climate Change Adaptation Strategy (Staff Report No. 02-20-BOD, February 2020). Since these approvals, a companion Implementation Plan has been drafted which identifies specific actions to be undertaken, departments leads for each, and a timeline for completion to ensure the recommendations are implemented.

Actions in the Implementation Plan range from ensuring restoration projects consider climate change, to reviewing stormwater management guidelines, to researching how climate change effects the aquatic community of Lake Simcoe's tributaries. Implementation of the Strategies' recommendations are well underway, including the development of curriculum material for teachers, and the hosting of a four-part webinar series on climate action for local partners.

The curriculum material was developed by the Authority's Education department in 2020 to meet the needs identified by both educators and students. It has been recognized that schools need to spend more time educating students about climate change, however many teachers feel ill-equipped to do so. Similarly, students are experiencing feelings of hopelessness related

to climate change, as they feel that there is little they can do to address the problem. In order to address these challenges, Authority staff developed a free climate change presentation for grade 7 and 8 teachers in our watershed, as well as an integrated learning program on climate change for the York Region District School Board. These materials include information on the local context of climate change; both projected impacts, as well as local actions that could be taken, based on the Authority's Climate Strategies. It is also worth highlighting the climate change podcast series recently launched by the Education department. The Lake Simcoe Sessions Podcast is a listenable learning journey, where you hear about how climate change is impacting us locally here in the Lake Simcoe region.

The webinar series was similarly intended to raise awareness of the projected local impacts of climate change, as well as actions that can be undertaken, but the primary audience for the webinars was municipal staff. All municipalities in the Lake Simcoe watershed have staff who are concerned about climate change and its potential impacts on municipal residents, and while some municipalities have developed climate change action plans, others are exploring ways to better integrate climate change action into municipal business. The webinar series was intended to introduce municipal staff from our watershed to other municipalities who have taken interesting and effective approaches to dealing with some of the major steps in climate change action, from strategic planning, to risk and vulnerability assessments, to tangible projects and public education. The similarities that emerged from presentations from our guest speakers suggests that opportunities may exist for municipalities to adopt and adapt climate change approaches taken in nearby similar-sized municipalities.

Feedback from municipal staff during the webinar series clearly indicated that all municipalities were concerned about climate change, and that the availability of funding and the presence of a climate change "champion" in a leadership role were key determinants of success. It also became clear that the declaration of a Climate Emergency provided necessary focus on this important topic. The Authority will continue to support our municipal partners through activities such as participation in municipal round tables, hosting annual climate change workshops, supporting grant applications, and providing local climate change projections.

Issues:

Combined, the Climate Change Adaptation and Mitigation Strategies include 46 recommendations for action. While early action has been taken on a number of these recommendations, it will be necessary to maintain momentum to ensure that all recommendations are implemented.

The recommendations in these strategies represent, in some cases, new work for existing staff. In other cases, they represent possible changes to how the Authority operates. In all cases, these are new expectations coming to staff who are already extremely busy and receiving other requests to continue to be flexible as policies and programs evolve. An important role of the Climate Change Specialist position hired at the end of 2020 is to help coordinate implementation of the plans across the Authority.

Similarly, external partners (including municipal staff) are also extremely busy, dealing with the pandemic, its recovery, or the ongoing demands of a rapidly growing watershed population. As identified above, Authority staff will need to continue to assess how best to engage these partners, and how to support them in their own climate change actions.

The Implementation Plan will include a process for periodic updates to the Board of Directors on our progress in implementing the strategies' recommendations, as one measure to maintain momentum on this important topic.

Relevance to Authority Policy:

Early implementation of recommendations in the Climate Change Adaptation and Mitigation Strategies demonstrates the Authority's commitment to meet the intent of 2016-2020 Strategic Plan, which directed us to increase our certainty around the impacts of climate change and improve watershed resilience. Staff are currently assessing how best to inform the update to the Authority's new Strategic Plan, based on the climate change strategies.

Ongoing implementation of recommendations within the Climate Change Adaptation and Mitigation Strategies may include a review of current guidelines and policies, at which time any recommended changes would be brought to the Board of Directors for approval.

Impact on Authority Finances:

Implementation of the recommendations in the Climate Change Adaptation and Mitigation Strategies will be built into the existing Authority budget, as well as through pursuing external funding as opportunities arise.

The Climate Change Specialist position is funded through municipal special capital. This position was created to spearhead the implementation of the Climate Change Strategies, as well as participate on municipal working groups, and pursue external funding opportunities.

Summary and Recommendations:

One year after Board approval of the Authority's Climate Change Adaptation and Mitigation Strategies, staff have initiated work to implement several of their recommendations. Further

action to achieve the recommendations in these strategies will be guided by an Implementation Plan, and progress reports will be provided to the Board on a periodic basis.

It is therefore recommended that Staff Report No. 38-21-BOD regarding the Lake Simcoe Region Conservation Authority's initial work to implement the Climate Change Adaptation and Mitigation Strategies be received for information.

Pre-Submission Review:

This Staff Report has been reviewed by the General Manager, Integrated Watershed Management and the Chief Administrative Officer.

Signed by:

Signed by:

Ben Longstaff
General Manager,
Integrated Watershed Management

Rob Baldwin
Chief Administrative Officer

Staff Report

To: Board of Directors

From: Melinda Bessey, Director - Planning and Ashlea Brown, Director - Regulations

Date: July 15, 2021

Subject

Monitoring Report – Planning and Development Applications for the Period January 1 through June 30, 2021

Recommendation

That Staff Report No. 39-21-BOD regarding monitoring of planning and development applications for the period January 1 through June 30, 2021 be received for information.

Purpose of this Staff Report:

The purpose of this Staff Report No. 39-21-BOD is to provide the Board of Directors with an update of the progress of planning and development applications made under the *Planning Act* (Planning Approvals), *Conservation Authorities Act* (Permits), *Environmental Assessment Act*, and *Ontario Water Resources Act* (Environmental Compliance Approvals for Stormwater Management) submitted to the Lake Simcoe Region Conservation Authority (Authority) for the period January 1 through June 30, 2021.

Background:

A summary of the total number of applications for this period is shown in Tables 1, 2, 3 and 4 attached. These tables summarize the number of applications received by application type and by municipality, as well as the number of pre-consultations, non-application technical reviews, and general inquiries. The types of applications reviewed and processed are statutory requirements under the following legislation:

Planning Act (Table 1)

- Official Plans, Secondary Plans, Community Plans and Amendments
- Comprehensive Zoning By-Laws and Amendments
- Consent and Minor Variance Applications
- Plans of Subdivision and Condominium
- Site Plan Applications

Conservation Authorities Act (Tables 2 and 3)

- Section 28 Permit Applications
- Public Information Requests (PIR)
- Site Clearances
- Solicitor Inquiries

Other Legislation (Table 2)

- Undertakings in accordance with the Environmental Assessment Act

Environmental Compliance Approvals (ECA) (Table 4)

- Environmental Compliance Approval Applications in accordance with our Transfer of Review Agreements with York Region, Durham Region and the Town of Bradford West Gwillimbury.

Tables 5, 6, 7 and 8 summarize the total number of planning and development applications and inquiries for the period January 1 through June 30, 2020, as well as the number of Environmental Compliance Approval applications received for comparison.

In general, the total number of applications received under the *Planning Act* as of June 30, 2021 was 14% higher than the total number of applications received January-June 2020. During this same time period last year, the industry slowed considerably with the onset of the COVID-19 pandemic as investors and developers felt insecure about what the future would hold. When examining the number of applications submitted during the same time period over the past few years, it appears that this 14% increase is bringing the application numbers back to a more normal average amount.

Tables 1 and 5 also identify reviews carried out by planning staff in advance of an application under the *Planning Act* being submitted. These include pre-consultation reviews, non-application technical reviews (often carried out to determine development potential of a site) and peer reviews of technical documents as requested by our municipal partners. For 2021, we have experienced a 41% increase in pre-consultation reviews. The Authority encourages its industry partners to engage staff early in the development design process to ensure that any major hurdles can be identified early and therefore will allow for a streamlined and timely approval process once a complete application under the *Planning Act* has been received. If even half of the pre-consultation concepts that staff will review this year return to as applications for planning and permit approval next year, staff will be in for a busy time! This is an indicator of increasing applications under the *Planning Act* and *Conservation Authorities Act* in the Authority's future.

The total number of applications received as of June 30, 2021, under the *Conservation Authorities Act* was 67% higher than the number of applications received for the same period in 2020.

It is assumed that COVID-19 was a major factor in the reduction of applications in 2020 under the *Conservation Authorities Act*. However, a large increase in the number of applications was seen at the start of 2021. This is likely the result of the projects that were put on hold in 2020.

Tables 3 and 7 summarize the customer service statistics for January to June 30, 2020, and 2021 respectively. The number of inquiries has increased 17% from this period in 2020.

Tables 4 and 8 summarize the Environmental Compliance Approval applications reviewed under the transfer of review agreements which are in place between the Authority and York Region, Durham Region and the Town of Bradford West Gwillimbury. This program has assisted in the streamlining of development approvals as it allows the Authority's engineering staff the ability to review these applications under the *Ontario Water Resources Act* concurrently with the normal review of an application for Plan of Subdivision or Site Plan approval under the Planning Act. In doing so, it eliminates the duplication of review which would be taking place between conservation authority staff and Provincial (Ministry of the Environment Conservation and Parks) staff and ultimately leads to more timely approvals. In this area, staff have seen a decrease of 50%, however it is anticipated that the number of Environmental Compliance Approval applications will increase in Q3 and Q4 of this year.

Issues:

The statistics presented in the attached tables do not provide any indication of the complexity of the applications. Many of the new development applications are being proposed on lands that have previously been overlooked due to the constraints that are associated with them. Additionally, the increasing pressures of shorter review and approval timelines coupled with the changes resulting from Bill 229 (Schedule 6), have added layers of intricacy to many of the larger development applications that staff are reviewing.

Relevance to Authority Policy:

Client service and satisfaction was identified as an important guiding principle in the Authority's Strategic Plan 2016-2020, and this focus has continued moving forward into 2021. In addition, in response to Bill 108 Conservation Ontario has engaged senior conservation authority staff in a streamlining initiative. This initiative provides a commitment to improve plan and permitting review through improving client service and accountability, increasing the speed of approvals, and reducing red tape and regulatory burden. To ensure staff are capable of meeting customer service targets, it is important to monitor the number of applications processed by the Authority.

Impact on Authority Finances:

The Authority's Planning and Development departments aims to operate on a cost recovery rate of 100% for the review and processing of planning and permit applications. Therefore, the

increase to applications has positively impacted the departments' budgets, and it is hoped that any forecasted surplus will be directed toward managing the workload due to increased volume of applications and submissions. Continued monitoring of application numbers is important in understanding staffing requirements of the departments and to assess revenue generation against the approved budget.

Summary and Recommendations:

It is therefore recommended that Staff Report No. 39-21-BOD regarding monitoring of planning and development applications for the period January 1 through June 30, 2021 be received for information.

Pre-Submission Review:

This Staff Report has been reviewed by the General Manager, Planning, Development & Restoration and the Chief Administrative Officer.

Signed by:

Signed by:

Glenn MacMillan

Rob Baldwin

General Manager, Planning, Development & Restoration

Chief Administrative Officer

Attachments:

Tables 1, 2,3, 4 – Summary of Planning, Regulations and ECA Program Statistics – January 1 – June 30, 2021

Tables 5, 6, 7 8 – Summary of Planning, Regulations and ECA Program Statistics – January 1 – June 30, 2020

Table #1

Summary of Planning Program Statistics January 1 - June 30, 2021 - Review of Applications under the Planning Act																					
Application Type	City of Kawartha Lakes	City of Orillia	City of Barrie	County of Simcoe					Region of Durham				Region of York						Region of Peel (Incl Caledon)	Total Number of Applications by Type	
				Bradford West Gwillimbury	Innisfil	New Tecumseth	Oro-Medonte	Ramara	Brock	Scugog	Uxbridge	Region of Durham	Aurora	East Gwillimbury	Georgina	King	Newmarket	Whitchurch-Stouffville			Region of York
Official Plans, Official Plan Amendments	0	1	2	1	0	0	0	0	1	1	2	1	5	0	2	0	3	4	0	2	25
Secondary Plan Review	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Zoning By-laws, Zoning By-law Amendments	0	0	5	3	6	1	0	0	1	0	5	0	5	1	6	0	7	5	0	2	47
Plans of Subdivision, Plans of Condominium	0	0	4	2	1	0	0	0	1	0	1	0	1	2	4	0	0	1	0	0	17
Site Plans	0	0	16	8	8	0	9	0	2	0	2	0	19	10	8	10	5	14	0	0	111
Consents	0	0	4	2	5	2	2	1	5	0	8	0	3	0	5	3	1	0	0	0	41
Minor Variances	2	0	5	6	7	0	18	7	5	0	2	0	10	5	16	1	5	8	0	0	97
Peer Review	0	0	0	0	0	0	0	0	0	0	0	0	2	0	0	0	2	0	0	0	4
Tech Review/ Special Studies	0	0	3	1	1	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	6
Preconsultation	5	0	47	14	23	1	8	1	6	2	6	0	26	21	32	5	17	31	0	0	245
Total Number of Applications by Municipality	7		86	37	51	4	37	9	21	3	26	1	72	39	73	19	40	63	0	4	593

Table #2

Summary of Regulations Program Statistics January 1 - June 30, 2021 - Review of Applications under the Conservation Authorities Act and Environmental Assessment Act																					
Application Type	City of Kawartha Lakes	City of Orillia	City of Barrie	County of Simcoe					Region of Durham				Region of York						Region of Peel (Incl Caledon)	Total Number of Applications by Type	
				Bradford West Gwillimbury	Innisfil	New Tecumseth	Oro-Medonte	Ramara	Brock	Scugog	Uxbridge	Region of Durham	Aurora	East Gwillimbury	Georgina	King	Newmarket	Whitchurch-Stouffville			Region of York
Section 28 Applications	4	0	41	14	125	0	58	74	28	1	23	0	34	43	113	36	20	14	0	0	628
Legal Inquiries	2	0	23	11	18	1	1	4	3	0	4	0	10	5	10	13	9	2	0	0	116
Site Clearances	1	0	9	0	8	1	3	1	1	1	3	0	1	7	4	3	1	1	0	0	45
Environmental Assessment Undertakings	0	1	3	1	1	0	0	0	0	0	0	0	2	1	0	1	1	0	0	0	11
Total Number of Applications by Municipality	7	1	76	26	152	2	62	79	32	2	30	0	47	56	127	53	31	17	0	0	800

Table #3

Summary of Regulations Program Customer Service Statistics January 1 - June 30, 2021																					
Application Type	City of Kawartha Lakes	Outside of Watershed & General	City of Barrie	County of Simcoe					Region of Durham				Region of York						Region of Peel (Incl Caledon)	Total Number of Applications by Type	
				Bradford West Gwillimbury	Innisfil	New Tecumseth	Oro-Medonte	Ramara	Brock	Scugog	Uxbridge	Region of Durham	Aurora	East Gwillimbury	Georgina	King	Newmarket	Whitchurch-Stouffville			Region of York
Calls / Emails	25	75	87	53	247	11	94	128	111	4	172	0	48	146	573	106	64	60	0	0	2004
Counter Visits	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Number of Applications by Municipality	25	75	87	53	247	11	94	128	111	4	172	0	48	146	573	106	64	60	0	0	2004

Table #4

Summary of Environmental Compliance Approval Program Statistics January 1 - June 30, 2021 - Transfer of Review - Applications under the Ontario Water Resources Act																						
Application Type	City of Kawartha Lakes	City of Orillia	City of Barrie	County of Simcoe					Region of Durham					Region of York					Region of Peel (Incl Caledon)	Total Number of Applications by Type		
				Bradford West Gwillimbury	Innisfil	New Tecumseth	Oro-Medonte	Ramara	Brock	Scugog	Uxbridge	Region of Durham	Aurora	East Gwillimbury	Georgina	King	Newmarket	Whitchurch-Stouffville			Region of York	
Major ECA Stormwater Works >5ha	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	1
Major Stormwater Conveyance System	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Minor Stormwater <2h and Conveyance System	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	1	0	0	0	2
Moderate ECA Stormwater Works 2ha to 5ha	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Number of Applications by Municipality	0	0	0	0	0	0	0	0	0	0	0	0	0	2	0	0	0	1	0	0	0	3

Table #5

Summary of Planning Program Statistics January 1 - June 30, 2020 - Review of Applications under the Planning Act																					
Application Type	City of Kawartha Lakes	Simcoe County	City of Barrie	County of Simcoe					Region of Durham				Region of York						Region of Peel (Incl Caledon)	Total Number of Applications by Type	
				Bradford West Gwillimbury	Innisfil	New Tecumseth	Oro-Medonte	Ramara	Brock	Scugog	Uxbridge	Region of Durham	Aurora	East Gwillimbury	Georgina	King	Newmarket	Whitchurch-Stouffville			Region of York
Official Plans, Official Plan Amendments	0	0	6	1	1	1	2	1	3	0	1	0	7	3	1	0	2	1	0	0	30
Secondary Plan Review	0	0	1	2	1	0	2	0	0	0	0	0	1	1	0	0	1	1	0	0	10
Zoning By-laws, Zoning By-law Amendments	0	0	15	7	2	3	3	0	3	0	2	0	7	5	11	2	4	4	0	0	68
Plans of Subdivision, Plans of Condominium	0	0	3	3	2	0	2	0	1	0	1	0	3	2	0	1	0	0	0	0	18
Site Plans	0	0	15	12	4	1	2	0	2	0	3	0	15	5	6	8	5	12	0	0	90
Consents	1	0	1	0	0	0	4	0	8	1	0	0	4	4	0	3	0	0	0	0	26
Minor Variances	1	0	2	2	7	1	5	0	1	0	0	0	6	9	2	4	2	7	0	0	49
Peer Review	1	0	9	5	7	0	6	1	1	4	1	0	1	7	3	5	4	3	0	0	58
Tech Review/ Special Studies	1	0	34	18	18	1	16	2	2	5	7	0	1	1	5	12	13	14	0	0	150
Preconsultation	1	0	35	14	14	0	8	0	5	0	5	0	16	8	5	10	12	12	0	0	145
Total Number of Applications by Municipality	5	0	121	64	56	7	50	4	26	10	20	0	61	45	33	45	43	54	0	0	644

Table #6

Summary of Regulations Program Statistics January 1 - June 30, 2020 - Review of Applications under the Conservation Authorities Act and Environmental Assessment Act																					
Application Type	City of Kawartha Lakes	City of Orillia	City of Barrie	County of Simcoe					Region of Durham				Region of York						Region of Peel (Incl Caledon)	Total Number of Applications by Type	
				Bradford West Gwillimbury	Innisfil	New Tecumseth	Oro-Medonte	Ramara	Brock	Scugog	Uxbridge	Region of Durham	Aurora	East Gwillimbury	Georgina	King	Newmarket	Whitchurch-Stouffville			Region of York
Section 28 Applications	4	0	27	22	61	0	35	48	21	1	26	0	17	27	73	24	14	6	0	0	406
Legal Inquiries	0	0	11	4	7	0	3	1	0	0	0	0	7	7	10	3	4	2	0	0	57
Site Clearances	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1
Environmental Assessment Undertakings	0	0	1	0	1	0	0	0	1	0	0	0	0	1	0	0	1	0	0	0	15
Total Number of Applications by Municipality	4	0	39	26	69	0	38	49	22	1	26	0	24	35	83	27	19	8	0	0	479

Table #7

Summary of Regulations Program Customer Service Statistics January 1 - June 30, 2020																					
Application Type	City of Kawartha Lakes	Outside of Watershed & General	City of Barrie	County of Simcoe					Region of Durham				Region of York						Region of Peel (Incl Caledon)	Total Number of Applications by Type	
				Bradford West Gwillimbury	Innisfil	New Tecumseth	Oro-Medonte	Ramara	Brock	Scugog	Uxbridge	Region of Durham	Aurora	East Gwillimbury	Georgina	King	Newmarket	Whitchurch-Stouffville			Region of York
Calls / Emails	9	31	35	37	152	6	111	116	68	1	71	0	63	64	332	82	55	29	0	0	1513
Counter Visits	1	0	2	2	5	0	2	4	2	0	2	0	1	6	10	8	2	3	0	0	205
Total Number of Applications by	10	31	37	39	157	6	113	120	70	1	73	0	64	70	342	90	57	32	0	0	1718

Table #8

Summary of Environmental Compliance Approval Program Statistics January 1 - June 30, 2020 - Transfer of Review - Applications under the Ontario Water Resources Act																					
Application Type	City of Kawartha Lakes	City of Orillia	City of Barrie	County of Simcoe					Region of Durham				Region of York						Region of Peel (Incl Caledon)	Total Number of Applications by Type	
				Bradford West Gwillimbury	Innisfil	New Tecumseth	Oro-Medonte	Ramara	Brock	Scugog	Uxbridge	Region of Durham	Aurora	East Gwillimbury	Georgina	King	Newmarket	Whitchurch-Stouffville			Region of York
Major ECA Stormwater Works >5ha	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	1
Major Stormwater Conveyance System	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	1
Minor Stormwater <2h and Conveyance System	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	1
Moderate ECA Stormwater Works 2ha to 5ha	0	0	0	0	0	0	0	0	0	0	0	0	0	3	0	0	0	0	0	0	3
Total Number of Applications by Municipality	0	0	0	0	0	0	0	0	0	0	0	0	1	3	0	0	2	0	0	0	6

Staff Report

To: Board of Directors

From: Melinda Bessey, Director – Planning and Christa Sharp, Manager – Restoration Services

Date: July 12, 2021

Subject

Lake Simcoe Region Conservation Authority Offsetting Policies Housekeeping Updates

Recommendation

That Staff Report No. 40-21-BOD regarding the Housekeeping Updates to the Lake Simcoe Region Conservation Authority Offsetting Policies be received; and

Further that the updated Lake Simcoe Region Conservation Authority Ecological Offsetting Policy, as attached, be approved; and

Further that the updated Lake Simcoe Region Phosphorus Offsetting Policy, as attached, be approved; and

Further that the updated Lake Simcoe Region Protection Plan Water Balance Recharge Policy, as attached, be approved.

Purpose of this Staff Report:

The purpose of this Staff Report No. 40-21-BOD is to seek the Board's approval of Lake Simcoe Region Conservation Authority (Authority) Offsetting Policies Housekeeping Updates; namely, the Lake Simcoe Ecological Offsetting Policy, the Lake Simcoe Phosphorus Offsetting Policy, and the Lake Simcoe Protection Plan Water Balance Recharge Policy.

Background:

At present, the Authority has three offsetting policies in force and effect to address the loss of natural heritage features, post development phosphorus loading and post development groundwater recharge deficit.

The first is the Ecological Offsetting Policy, which was approved by the Board of Directors in 2017 and was put in place to address the loss of natural heritage features and their associated vegetation protection zones. The second is the Lake Simcoe Phosphorus Offsetting Policy, which was approved by the Board of Directors in September 2017 with the intent to address post development phosphorus loading in our watershed. The third is the Water Balance Recharge Policy, which was approved by the Board of Directors in 2018, and its goal is to ensure that adequate groundwater recharge is maintained throughout the entire Lake Simcoe watershed. This policy was developed to mirror the policies of the Source Protection Plan and to accompany Lake Simcoe Protection Plan policies 6.40-DP and 4.8-DP and applies to all

applications for major development outside of the Wellhead protection area (WHPA) Q2. This policy, as well as the WHPA Q2 policies of the Source Protection Plan (July 2015), address the deficit of groundwater recharge resulting from development.

The offsetting policies are tiered plans which provide direction for the development industry to avoid, minimize, mitigate, and compensate for any impacts noted above to the watershed.

Issues:

Authority staff have completed a review of the three policies, and through experience gained in implementing these policies, have updated them accordingly. Below is a high-level overview of these minor housekeeping updates. Please see the attachments for the full updated policies. Please note Authority staff will be working with the development industry over the next two years to carry out a more fulsome policy review and updates to these policies.

As more is learned through the implementation of these policies, as well as utilizing compensation monies for projects to address the impacts of development, potential challenges and successes are beginning to be identified. Over the next two years, Authority staff are looking forward to working with industry partners to ensure that these policies are in keeping with best practices and will continue to be supported by our partners.

Summary of Housekeeping Updates

- Minor wording changes and section updates throughout to improve the flow of the document and ensure a reader-friendly language;
- Schedules have been updated to be more clear and comprehensible;
- Offsetting fees need to be adjusted annually to account for the increased cost of the offsetting work. To ensure fees keep pace with costs, offsetting fees will be indexed annually in March based on the annual consumer price index provided by Statistics Canada: <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1810000413>
- A **transition policy** has been added to these policies as they apply to applications under the *Planning Act* that are received and deemed complete after 1st January 2019. To be consistent with section 3 of the *Planning Act*, the required compensation / offsetting will be in accordance with the current approved policy on the date of the approval under the *Planning Act*.

Additional updates to the Lake Simcoe Phosphorus Offsetting Policy:

- External Review committee has been removed, and there will be an **internal review committee** and an annual meeting with the Building Industry Land Development Association (BILD) in its place.

Additional updates to the Water Balance Recharge Policy:

- The title was changed from Lake Simcoe Protection Plan Water Budget Policy for Lake Simcoe Protection Plan 4.8-DP and 6.40- DP to Water Balance Recharge Policy for Lake Simcoe Protection Plan.

Relevance to Authority Policy:

One of the goals of the Authority's strategic plan, *Vision to Action, Action to Results*, is to support a safer, healthier and livable watershed through exceptional integrated watershed management. The development and implementation of the offsetting policies assist in achieving this goal by providing a consistent approach.

Impact on Authority Finances:

This update will not impact Authority finances. As provided in previous reports to the Board of Directors, a record of the collection and allocation of funds will be made available to watershed municipalities, BILD and other interested stakeholders, on an annual basis, through a report to the Authority's Board of Directors.

Summary and Recommendations:

It is therefore **Recommended That** Staff Report No. Staff Report No. 40-21-BOD regarding the Housekeeping Updates to the Lake Simcoe Region Conservation Authority Offsetting Policies be received; and **Further that** the updated Lake Simcoe Region Conservation Authority Ecological Offsetting Policy, as attached, be approved; and **Further that** the updated Lake Simcoe Region Phosphorus Offsetting Policy, as attached, be approved; and **Further that** the updated Lake Simcoe Region Protection Plan Water Balance Recharge Policy, as attached, be approved.

Pre-Submission Review:

This Staff Report has been reviewed by the General Manager, Planning, Development and Restoration and the Chief Administrative Officer.

Signed by:

Signed by:

Glenn MacMillan
General Manager, Planning, Development
and RestorationRob Baldwin
CAO**Attachments:**Draft Ecological Offsetting Policy
Draft Phosphorus Offsetting Policy
Draft Water Balance Recharge Policy for Lake Simcoe Protection Plan



Lake Simcoe Region
conservation authority

Ecological Offsetting Policy

July 2021



For more information, contact:

Planning, Development and Restoration Services
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Conservation Authority Resolution

At the LSRCA Board of Directors' meeting on May 26, 2017, the Ecological Offsetting Plan was approved by the Board of Directors through the following resolution:

BOD-078-17 **Resolved that** Staff Report No. 22-17-BOD regarding the Ecological Offsetting Plan process be received; and
Further that the Ecological Offsetting Plan be approved. **Carried**

At the LSRCA Board of Directors' meeting on May 24, 2019, amendments to the Ecological offsetting Policy were approved by the board of Directors through the following resolution:

BOD-084-19 **Resolved that** Staff Report No. 30-19-BOD regarding proposed amendments to LSRCA's Ecological Offsetting Plan, the Lake Simcoe Phosphorus Offsetting Policy, and the Lake Simcoe Protection Plan Water Budget Policy for 48.-DP and 6.40-DP be approved. **Carried**



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Appendices

Appendix A – Offset Programs

Appendix B – Components of an Ecological Offsetting Strategy

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Revisions Registry

Identification	Date	Description of revision
Draft Policy	May 2017	Presented to Board and approved
Housekeeping Policy Update	May 2019	Minor housekeeping updates approved by Board

1.0 Introduction

The Lake Simcoe Region Conservation Authority (LSRCA) Strategic Plan (2016 – 2020) sets the groundwork for achieving a healthier watershed by 2041 than we have today. Through identified action items and goals, the LSRCA envisions a thriving environment that inspires and sustains the needs of generations to come. Goal one of the Strategic Plan is to support a safer, healthier and more livable watershed through exceptional integrated watershed management. The development and implementation of an Ecological Offsetting Policy supports this goal by providing a consistent approach to natural heritage protection, enhancement and restoration throughout the watershed.

A review of international ecological offsetting programs (Appendix A) reinforces LSRCA’s current approach as it relates to the conservation of natural heritage features susceptible to impacts from development. A hierarchical approach is a common theme across ecological offsetting programs, which follows a series of steps that support the principle of “no net loss”. This mitigation hierarchy calls for the avoidance of impacts first, then minimization followed by mitigation, with compensation as a final option. The mitigation hierarchy¹ is as follows:

1. **Avoid** - Prevent impacts from occurring by changing project location, scope, nature of timing of activities.
2. **Minimize** - Reduce the duration, intensity and/or extent of impacts that cannot be avoided.
3. **Mitigate** - Rehabilitate or restore features or functions that have been exposed to impacts that could not be avoided or minimized.
4. **Compensate** - Create or restore new habitat to compensate for loss that could not be avoided, minimized or mitigated.

Some development proposals, however, despite having followed the first three steps of the mitigation hierarchy approach, result in a loss of natural heritage feature. Infrastructure proposals, such as new roads, are examples where the loss of features is sometimes unavoidable. Infill development within settlement areas in isolated natural heritage features is another example. In these situations, where compensation is the only option, a “net gain” in natural heritage features must be pursued. The LSRCA will work with the proponent or developer to ensure that any unavoidable loss of feature is appropriately compensated for.

¹ Mitigation Hierarchy adapted from *Wetland Conservation in Ontario: A Discussion Paper*, MNRF, 2015

2.0 Context

Ecological offsetting for the loss of natural heritage features and upholding the principle of “no net loss” is an important step towards achieving environmental sustainability in Ontario. The policies within the following provincial, municipal, and watershed documents provide the basis and justification for LSRCA’s Ecological Offsetting Policy for the Lake Simcoe watershed:

- Provincial Policy Statement (e.g. Sections 1.8 and 2.1.2)
- Lake Simcoe Protection Plan (e.g. 40% natural vegetative cover target)
- Regional and Local Official Plans
- Natural Heritage System and Restoration Strategy for the Lake Simcoe Watershed (2018)
- Subwatershed Plans

To further support the implementation of LSRCA’s Ecological Offsetting Policy, publications such as Key Issues in Biodiversity Offset Law and Policy, June 2015 by Ontario Nature, provide valuable context and background on the implementation of ecological offsetting, both locally and within an international setting. In addition, the Valuing Natural Capital in the Lake Simcoe Watershed (2017) report from Green Analytics provides an assessment of the value of ecological goods and services provided by ecosystems within the watershed. These values are essential for recognizing the comprehensive cost of impacts to natural heritage features.

3.0 Guidelines

3.1. General

Development proposals and infrastructure projects subject to *Planning Act* or *Environmental Assessment Act* approvals that will result in the loss of wetland and/or woodland natural heritage features, despite having followed the mitigation hierarchy, as outlined in Appendix D, Figure 1, will be required to compensate for the loss of these features. Certain exceptions may apply and are further described in sections 3.2.1, 3.3.1.1 and 3.3.2.1.

Recognizing that there are limits, and certain natural heritage features may be irreplaceable, offsetting will not be considered for features that contain rare vegetation communities as defined by the *Natural Heritage Reference Manual (MNRF, 2010)*, bogs or fens. Generally, offsetting will also not be considered for watercourses, as defined by the *Conservation Authorities Act* or for the minimum vegetation protection zone abutting the Lake Simcoe shoreline.



3.2. Prerequisites for Ecological Offsetting

Prior to the approval of any development application proposing compensation for the loss of wetland or woodland feature, the following conditions must first be satisfied through an approved Environmental Impact Study (EIS), Natural Heritage Evaluation (NHE) or equivalent:

- Demonstrate conformity with applicable provincial, regional and local plans, including the Oak Ridges Moraine Conservation Plan, Greenbelt Plan, A Place to Grow: Growth Plan for the Greater Golden Horseshoe, Lake Simcoe Protection Plan, and Official Plans.
- Satisfy the “no negative impact test” for the loss of natural heritage feature to ensure consistency with Section 2.1 of the Provincial Policy Statement (PPS).
- Assess the impacts to natural heritage features such as wetlands, woodlands, and watercourses, as well as their associated vegetation protection zones.
- Demonstrate that the mitigation hierarchy steps of avoiding, minimizing and mitigating have been followed and that compensation is the only viable option.
- Include a preliminary Ecological Offsetting Strategy (EOS) that describes, in concept, how the loss of natural heritage feature will be compensated for. This would include identifying the feature to be removed, location where it will be replaced and general principles for feature creation.

3.2.1 Exceptions

Applications under the *Planning Act* that facilitate permitted agricultural uses or the construction of an accessory structure (e.g. garage) or a single family dwelling on an existing lot of record will not be subject to ecological offsetting requirements. In addition, proposals requiring approval under Ontario Regulation 179/06 via the *Conservation Authorities Act* that do not also require approval under the *Planning Act* will not be subject to the requirements of this Ecological Offsetting Policy. Note: this Ecological Offsetting Policy will be applied where section 28.0.1 of the *Conservation Authorities Act* applies.

3.3. Ecological Offsetting Strategy

An Ecological Offsetting Strategy (EOS) will be required where compensation is the only viable option. It will be the responsibility of the developer or proponent to develop and implement this EOS. The EOS must demonstrate how the loss of natural heritage feature will be compensated for and that this offset will result in a “net gain” of natural heritage features. Ecological offsetting compensation projects must be both feasible and completed within a reasonable timeframe, preferably prior to the removal of the original feature. The EOS must also include a monitoring component to ensure the successful installation of compensation projects. The components of an EOS are further described in Appendix B.



To assist in determining an appropriate opportunity and location for ecological offsetting compensation projects, LSRCA will provide, upon request, advice on ecological restoration and natural heritage feature creation opportunities. In general, compensation projects should:

- Be located within the same subwatershed as where the natural heritage feature is lost.
- preferably be located on sites that are currently owned by or that may be transferred to a public agency.
- Expand or enhance the natural heritage system as defined by the municipalities in their Official Plans or as identified in LSRCA's Natural Heritage System and Restoration Strategy for the Lake Simcoe Watershed (2018).

In most instances, compensation projects will be required to recreate similar features to those that are lost. Offsetting requirements for both wetlands and woodlands are described in section 3.3.1 and 3.3.2, respectively. However, in some situations, it may be more appropriate for ecological offsetting to include alternative compensation projects that result in an equivalent ecological gain. If alternative compensation projects are being considered, the developer or proponent is encouraged to first consult with LSRCA to determine the appropriateness of the project.

3.3.1 Wetlands

All wetlands eligible for offsetting must be identified according to provincial standards such as the Ontario Wetland Evaluation System (OWES) or Ecological Land Classification (ELC). Ecological offsetting may be considered for the loss of wetland provided that the wetland is not a bog, fen or rare vegetation community as defined by the Natural Heritage Reference Manual (MNRF, 2010).

The loss of wetland and associated vegetation protection zone will be offset at a replacement ratio based on areal extent combined with the Ecosystem Services Values identified in Appendix C. The replacement ratio for the areal extent of the feature will be 3:1; the replacement ratio for the areal extent of the associated vegetation protection zone will be 1:1. This considers the replacement values from the perspective of form and function across spatial and time scales to ensure that the value of loss is supported with an appropriate net gain. The restoration of historically functioning wetlands and/or severely degraded wetlands may be considered as potential opportunities for offsetting. Consideration will be given for a lower replacement ratio, provided it is demonstrated that the functional improvement represents a net gain. Payment of Ecosystem Service Values will not be required when the replacement feature is in place prior to removal of the feature being replaced.



3.3.1.1. Exceptions

Ecological offsetting will not be required for wetlands that are smaller than 0.5 ha or manmade features where it can be demonstrated to the satisfaction of the LSRCA, that the wetland or feature does not provide any of the following features or functions:

- A groundwater hydrologic linkage to an adjacent key hydrologic or protected feature.
- A component of or ecological linkage to an adjacent key natural heritage or protected feature.
- A surface water hydrologic linkage (permanent or intermittent surface water connection) between the wetland and an adjacent key hydrologic or protected feature.

Ecological offsetting will not be required for restoration projects such as dam removals to enhance fish habitat.

3.3.2 Woodlands

All woodlands eligible for offsetting must be identified according to provincial standards such as Ecological Land Classification (ELC) and the provincial criteria for defining woodlands. Ecological offsetting may be considered for the loss of woodland provided that the woodland is not a rare vegetation community as defined by the Natural Heritage Reference Manual (MNRF, 2010).

The loss of woodland and associated vegetation protection zone will be offset at a replacement ratio based on areal extent combined with the Ecosystem Services Values presented in Appendix C. The replacement ratio for the areal extent of the feature will be 2:1; the replacement ratio for the areal extent of the associated vegetation protection zone will be 1:1. This considers the replacement values from the perspective of form and function across spatial and time scales to ensure that the value of loss is supported with an appropriate net gain. Consideration will be given for a lower replacement ratio, provided it is demonstrated that the functional improvement represents a net gain. Payment of Ecosystem Service Values will not be required when the replacement feature is in place prior to removal of the feature being replaced.

3.3.2.1. Exceptions

Ecological offsetting will not be required for woodlands that are within municipalities that have tree by-laws with comparable compensation requirements and duplication of tree replacement will also be avoided. Ecological offsetting will also not be required for woodlands that are plantations managed for the production of fruits, nuts, Christmas trees, nursery stock or tree products or for woodlands identified smaller than 0.5 ha where it can be demonstrated to the satisfaction of the LSRCA that it does not provide any of the following features or functions:

- Any woodlands wholly or partially within 30 m of a key natural heritage / key hydrological or protected feature.



- Any woodland containing a provincially rare treed vegetation community with an S1, S2 or S3 in its ranking by the Ministry of Natural Resources and Forestry Natural Heritage Information Centre (NHIC).

Additional exclusions may be considered for communities that are dominated by the invasive non-native tree species buckthorn (*Rhamnus* species) or Norway maple (*Acer platanoides*), which threaten good forestry practices and environmental management. Such exceptions may be considered where native species cover less than 10% of the ground and are represented by less than 100 stems of any size per hectare.

3.3.3 Cash-in-Lieu Compensation

In certain instances, where it may not be feasible for the developer or proponent to independently compensate for the loss of natural heritage feature, cash-in-lieu or land purchase/securement may be considered as part of the Ecological Offsetting Strategy. Offsetting for feature loss may also be accomplished through a combination of feature replacement and cash-in-lieu.

A properly administered cash-in-lieu system that is fair, consistent and transparent will ensure that a “net gain” is achieved. To support the success of compensation projects, partnerships between the proponent, Non-Governmental Organizations (NGO), municipalities and the LSRCA should be pursued where appropriate.

The LSRCA, in consultation with its partners, will administer the cash-in-lieu option for the loss of natural heritage features. Any funds collected through the cash-in-lieu compensation option will be directed towards the creation, protection and/or restoration of natural heritage features in the watershed to ensure that a net ecological gain is achieved.

3.3.3.1. Calculation

The cash-in-lieu amount will be determined based on the required area of feature replacement and cost to recreate that feature and its function, as well as the ecosystem service value for the area of feature lost. An example of how to calculate the appropriate amount of offsetting compensation is found in Appendix D.



4.0 Implementation

This Ecological Offsetting Policy will be primarily implemented through Ontario's land use planning process under the *Planning Act* and the *Environmental Assessment Act*. For example, a preliminary Ecological Offsetting Strategy (EOS) will be required for the loss of a natural feature as part of any EIS or NHE while a detailed EOS will be required as a condition of draft approval for the related plan of subdivision or plan of condominium. A detailed EOS will also be required as a condition of site plan approval or the granting of provisional consent to create a new lot. Other planning instruments that may be used to ensure implementation of an approved EOS include subdivision agreements, condominium agreements, development agreements, and site plan agreements under the *Planning Act* or *Condominium Act*, and conservation easements under the *Conservation Land Act*. This Ecological Offsetting Policy will be applied through the permitting process under section 28(1) of the *Conservation Authorities Act* where a Zoning Order has been made by the Minister of Municipal Affairs and Housing under section 47 of the *Planning Act*.

4.1. Transition

For consistency with Section 3 of the *Planning Act*, the required compensation/offsetting will be in accordance with the current approved Ecological Offsetting Policy on the date of approval under the *Planning Act*. It is noted that the Authority will honour any previous offsetting strategies or compensation which have been agreed to and approved *in writing* by Authority staff prior to the Board of Directors approval of the current version of this policy.

5.0 Effectiveness Monitoring

5.1. Compensation Project Monitoring

The developer or proponent responsible for implementing approved ecological offsetting compensation projects will also be responsible for demonstrating that the projects have been completed and the associated natural heritage features are functioning as anticipated. Any monitoring or reporting requirements should be determined through the Ecological Offsetting Strategy (EOS), in consultation with LSRCA, prior to the implementation of any ecological offsetting compensation projects.

5.2. Cash-in-Lieu Monitoring

To ensure effectiveness and transparency, a record of the collection and allocation of funds received through cash-in-lieu compensation will be made available to the Building Industry and Land Development Association (BILD), watershed municipalities and other interested stakeholders, on an annual basis, in an update to the LSRCA Board of Directors. The implementation guidelines for cash-in-lieu offsetting are detailed in Appendix E.

Appendix A

Offset Programs

Appendix A – Offset Programs

Canada (Fisheries Act, 1985)

The federal Fisheries Act, 1985 is a Canadian example of an ecological offsetting program that has upheld the philosophy of no net loss of fish habitat since 1985. With the changes to the legislation in 2013, the prominence of ecological offsetting has been elevated through its inclusion in the text of the legislation itself rather than strictly within policy. The Fisheries Protection Policy Statement (2013) supports the application of the mitigation hierarchy of the Business and Biodiversity Offset Programme (2013) by stating that “It is much more difficult and expensive to repair or restore damaged ecosystems to maintain fisheries productivity than it is to avoid adverse impacts. For this reason the Department emphasizes avoidance and mitigation as the main steps in the hierarchy, followed by offsetting as a means of last resort”. This program is administered by Fisheries and Oceans Canada.

Ontario (Endangered Species Act, 2007)

The Endangered Species Act, 2007 in Ontario protects specific species, as well as their habitat. In situations where avoidance and mitigation cannot be achieved, the Act provides the ability to obtain an overall benefit permit to conduct work as long as an overall benefit to the species in Ontario is demonstrated. This program is an example of an ecological offsetting program on a species specific basis. As such, achieving overall benefit is similar to the no net loss principle. In this case the objective is to increase the number of individual species living in the wild, increase the distribution of the species, remove threats to the species and increase the quality or amount of habitat for specific species in Ontario (www.ontario.ca). This program is administered by the Ministry of Natural Resources and Forestry.

Australia (Native Vegetation)

In 2000, the State of Victoria, Australia estimated that 66% of its native vegetation has been lost through development and population growth. The State’s intent was to reverse this trend and try to achieve a ‘net gain’ in the extent and quality of vegetation. As outlined in ‘Victoria’s Native Vegetation Management – A Framework for Action’ document (2002), the State moved forward to address these losses using the practice of biodiversity offsets. The implementation of ‘habitat hectares’ as currency metric was seen as an innovative approach to evaluating losses. It considered both the area lost and its quality rating and determined what the required offset would be. In 2007, the government established a credit trading system to help implement the biodiversity offsetting program.

United States (Wetlands)

The United States has had a history of using biodiversity offsets as the means for compensating for unavoidable loss of wetlands. Under the Clean Water Act (1972) provisions were made through a permitting process where proponents were expected to avoid and/or minimize impacts to wetland features or provide compensation for any losses. By 1988, a policy of no net loss of wetland values or functions was adopted where 'like-kind' replacement and 'functional' replacement of those values were emphasized as opposed to size.

Appendix B

Components of an Ecological Offsetting Strategy

Appendix B – Components of an Ecological Offsetting Strategy

Through an agreed upon Terms of Reference with LSRCA, an Ecological Offsetting Strategy (EOS) must include the following information:

- Description, location and area of feature being lost.
- Description, location and area for where feature replacement is proposed.
- Description, location and area for any proposed feature enhancements (e.g. invasive species management, habitat creation, etc.).
- Cash-in-lieu calculation, as applicable.
- Detailed design drawings for feature replacement and any enhancements.
- Timing for implementation and project completion.
- Monitoring plan and schedule to demonstrate that features are functioning as anticipated.
- Contingency plan should timelines not be met or features not function as anticipated.
- Mechanism for ensuring features are protected in perpetuity (e.g. zoning, transfer to public agency, etc.).
- Commitment to complete ecological offsetting requirements through a formal written agreement, as applicable.

Appendix C

Ecosystem Service Values

Appendix C – Ecosystem Service Values

Ecosystem services are the beneficial goods and services provided by the natural environment on an annual basis. These goods and services include things like carbon storage and sequestration, flood attenuation, water purification, climate regulation, biodiversity, nutrient cycling and soil stabilization. The Ecosystem Service Values provided by woodlands and wetlands in the Lake Simcoe watershed are displayed in Table 1.

Table 1 – Approximate Annual Ecosystem Service Values¹ by Land Cover Type, total per ha (\$/ha)²

Land Cover Type	2017	2018 (2.3%)	2019 (1.9%)	2020 (0.9%)	2021 (2.2%)
Woodland	\$5,800	\$5,933	\$6,046	\$6,100	\$6,234
Wetland	\$7,474	\$7,646	\$7,791	\$7,861	\$8,034

¹ Ecosystem service values are extrapolated from *Valuing Natural Capital in the Lake Simcoe Watershed*, Green Analytics, 2017: <https://www.lsrca.on.ca/Shared%20Documents/reports/Ecosystem-Service-Values.pdf>

² Inflation is reflected in the ecosystem service values and is updated in March based on the annual consumer price index provided by Statistics Canada: <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1810000413>

Appendix D

Ecological Offsetting Analysis and Costing

Appendix D – Ecological Offsetting Analysis and Costing

To provide an example of how an appropriate ecological offset for the loss of a natural heritage feature and associated vegetation protection zone may be determined, consider the following scenario:

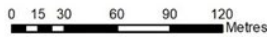
As part of a *Planning Act* application, a natural heritage feature was assessed and a section of the woodland is proposed for removal after demonstrating through an Environmental Impact Study that there will be no negative impact to the feature. Figure 1 shows a study area with an area of a natural heritage feature and vegetation protection zone (VPZ) that will be removed as well as a candidate location for feature replacement. It is important to note that the candidate feature replacement location is in addition to retained natural features and associated VPZ.



Legend

-  Study Area
-  Vegetation Protection Zone
-  Feature to be Removed
-  Candidate Feature Replacement Area
-  Natural Heritage Feature

Ecological Offsetting Example



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Figure 1 – Area where a feature will be removed (1.5 ha of woodland, 0.3 ha of Vegetative Protective Zone) and the areas where it could be replaced

Based on the Ecological Offsetting Policy, Table 1 presents two options to offset for the removal of 1.5 ha of woodland and 0.3 ha of vegetation protection zone. Option 1 is proponent led feature replacement while Option 2 is cash-in-lieu with LSRCA leading feature replacement. Table 2 and Table 3 includes the costing associated with feature replacement where the cash-in-lieu option is pursued.

Table 1 – Ecological offsetting options for the removal of 1.5 ha of woodland and 0.3 ha of vegetation protection zone

Ecological Offsetting Option #1 (preferred option)	Ecological Offsetting Option #2
Feature Replacement (Proponent Led)	Cash-in-Lieu (LSRCA Led Feature Replacement)
<p>Feature replacement requirement: 2:1 for woodland and 1:1 for VPZ = (woodland area x 2) + (VPZ area x 1) = (1.5 ha x 2) + (0.3 ha x 1) = 3.3 ha of woodland replacement</p>	<p>Feature creation cost: 2:1 for woodland and 1:1 for VPZ Woodland replacement cost = \$50,013/ha (Table 2) = [(woodland area x 2) + (VPZ area x 1)] x \$50,013/ha = [(1.5 ha x 2) + (0.3 ha x 1)] x \$50,013/ha = 3.3 ha x \$50,013/ha = \$165,042.90</p>
<p>Ecosystem Service Value (ESV) payment requirement: Woodland ESV = \$6,234/ha (Appendix III) = (woodland area + VPZ area) x woodland ESV = (1.5 ha + 0.3 ha) x \$6,234/ha = \$11,221.20</p>	<p>Ecosystem Service Value (ESV) cost: Woodland ESV = \$6,234/ha (Appendix III) = (woodland area + VPZ area) x woodland ESV = (1.5 ha + 0.3 ha) x \$6,234/ha = \$11,221.20</p>
<p>Land Securement Cost = 0</p>	<p>Land securement cost: 15% of (feature creation cost + ESV cost) = 0.15 x (\$165,042.90 + \$11,221.20) = \$26,439.62</p>

Ecological Offsetting Option #1 (preferred option)	Ecological Offsetting Option #2
Administration Fee = 0	Administration fee: 15% of all costs $= 0.15 \times (\$165,042.90 + \$11,221.20 + \$26,439.62)$ $= 0.15 \times \$202,703.72$ $= \$30,405.56$
Total requirement:	Total requirement:
Payment of \$11,221.20 for ESV Replacement of 3.3 ha of woodland	Payment of \$202,703.72 for feature creation cost, ESV, and land securement cost Payment of \$30,405.56 for administration fee Total payment = \$233,109.27

Table 2 – Cash-in-Lieu feature wetland creation costing for ecological offsetting¹

Wetland (1 ha) Cost	2019	2020 (0.9%)	2021 (2.2%)
Planning and Design	\$13,000	\$13,117	\$13,406
Site Preparation and Construction	\$37,600	\$37,938	\$38,773
Wetland Plant Material (1100 aquatic plugs, 1000 trees/shrubs, seed)	\$41,900	\$42,277	\$43,207
TOTAL	\$92,500/ha	\$93,332/ha	\$95,386/ha

¹ Values are adapted from LSRCA restoration project costs and TRCA, NGO and private consulting estimates. Values are reviewed annually and may be subject to adjustment to account for inflation or fluctuations in service and/or material costs. Adjustments for inflation are based on the annual consumer price index, updated in March, as provided by Statistics Canada:
<https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1810000413>

Table 3 – Cash-in-Lieu feature woodland creation costing for ecological offsetting¹

Woodland (1 ha) Cost	2019	2020 (0.9%)	2021 (2.2%)
Planning and Design	\$5,000	\$5,045	\$5,156
Site Preparation and Construction	\$16,000	\$16,144	\$16,499
Woodland Plant Material (2100 trees/shrubs, seed)	\$27,500	\$27,748	\$28,358
TOTAL	\$48,500/ha	\$48,937/ha	\$50,013/ha

Administration Fee

An Administration Fee to cover program costs is applied to cash-in-lieu values. This fee is based on a percentage of the calculated offset cost, which is the total Feature Creation Cost + Ecosystem Service Value (ESV) Cost + Land Securement Cost.

The Administration Fee is 15%.

Appendix E

Implementation Guidelines for Cash-in-Lieu Offsetting

Appendix E – Implementation Guidelines for Cash-in-Lieu Offsetting

The following sections outline the implementation guidelines for LSRCA’s Cash-in-Lieu Ecological Offsetting: Implementation Committee, Project Selection Criteria, Project Funding, Project Execution, Interest on Cash-in-lieu Funds and Project Reporting.

Implementation Committee

An Implementation Committee (Committee) will be established to assist in implementation through informed decision making. The members will be responsible for:

- Identifying, reviewing and approving potential natural heritage projects as per all applicable policies;
- Ensuring that projects are implemented as approved;
- Reviewing annual ecological offsetting reports and ensuring that desired outcomes are being achieved; and
- Providing advice and direction on ways to improve the program.

The Implementation Committee will establish and follow a Terms of Reference and will be comprised of members from the following service areas: Corporate Services, Planning & Development, Conservation Lands and Watershed Restoration Services.

Project Funding

The cash-in-lieu value collected through the EOP includes an administration fee, project implementation costs and land securement allocation.

A review of the project funds, including the administration fee, will be completed annually to ensure the amount is appropriate.

Project Execution

Projects will be executed by LSRCA. Exceptions may be made at the discretion of the Committee and a grant agreement and/or MOU must be signed by the executing party.

LSRCA’s Board of Directors have provided governance for the internal review committee to procure consultants and contractors and to issue grants to agencies, partners and participants in accordance with the current LSRCA Purchasing Policy.

Financial Controls

Offsetting funds will be tracked within a sub-watershed grouping account. Once a project has been approved the approved budget will be transferred to the project account. Internal monthly reporting on project budget versus actual will be prepared and reviewed at each Committee meeting.

Interest on Cash-in-Lieu Funds

Due to timing difference between EOP revenue and project expenditures, LSRCA staff will segregate the idle EOP money and invest under the strict provisions of the LSRCA Investment Policy.

Interest revenue earned will be allocated with 15% going to Program and Operational costs and 85% to Project costs. All interest attributed to Project Costs will be returned to the General Pool.

Reconciliation of Projects (Project close out)

At the conclusion of the project, any remaining funds from the project would be returned to a General Pool of water balance funding for redeployment towards other projects at the general discretion of the Committee and approved by the Board.

Reporting

Annual audited balances will be available at year-end or (unaudited) available upon request by the Committee or BOD.

Based on the audited balances and ecological offsetting reports, the Committee may provide recommendations on ways to improve the program.

Annual audited balances (by sub-watershed or aggregate) will be available at year end or (unaudited) will be available upon request of the Committee or Board.



Lake Simcoe Region
conservation authority

Phosphorus Offsetting Policy

July 2021



For more information, contact:

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Acknowledgements

This policy could not have been developed without the participation of and collaboration with:

- Ministry of the Environment and Climate Change (MOECC)
- Chippewas of Georgina Island First Nation
- City of Barrie
- City of Kawartha Lakes
- Regional Municipality of Durham
- Township of Brock
- Township of Scugog
- Township of Uxbridge
- Town of Bradford West Gwillimbury
- Town of Innisfil
- Town of New Tecumseth
- Township of Oro-Medonte
- Township of Ramara
- Regional Municipality of York
- Town of Aurora
- Town of East Gwillimbury
- Town of Georgina
- Township of King
- Town of Newmarket
- Town of Whitchurch-Stouffville
- Building Industry and Land Development Association (BILD)
- Ontario Federation of Agriculture (Simcoe Chapter)

The Lake Simcoe Region Conservation Authority would especially like to acknowledge the support of the Minister of Environment and Climate Change, the Hon. Glen Murray.



Conservation Authority Resolution

The LSRCA Board of Directors on September 22, 2017 adopted the Phosphorus Offsetting Policy by resolution as follows:

Moved by: S. Macpherson

Seconded by: P. Ferragine

BOD-131-17 **Resolved that** Staff Report No. 38-17-BOD regarding the Lake Simcoe Phosphorus Offsetting Program be received; and

Further that the Phosphorus Offsetting policy be approved to take effect January 1, 2018; and

Further that LSRCA's member municipalities and the Building Industry and Land Development Association be notified accordingly. CARRIED



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Revisions Registry

Identification	Date	Description of revision
Draft Policy	September 2017	Presented to Board for approval
Housekeeping Policy Update	May 2019	Minor housekeeping updates approved by Board

1.0 Introduction

The Lake Simcoe Region Conservation Authority (LSRCA) Strategic Plan (2016–2020) sets the groundwork for achieving a healthier watershed by 2041 than we have today. The Strategic Plan provides action items and goals which speak to a thriving environment that inspires and sustains the needs of generations to come. The first goal of the Strategic Plan is to support a safer, healthier and livable watershed through exceptional integrated watershed management. The initiation of a Lake Simcoe Phosphorus Offsetting Program (LSPOP) to reduce phosphorus is one of the plan’s key activities and will ultimately protect and improve the water quality in Lake Simcoe and its tributaries.

The LSPOP is the product of more than 4 years of work in collaboration with the First Nations, Chippewas of Georgina, the Ministry of the Environment and Climate Change (MOECC), our municipal partners, the Building Industry and Land Development Association (BILD) and the watershed community. Extensive consultation was held during the study and to develop policy to operationalize the program. This policy outlines the steps needed to facilitate an offset with the development industry and is intended to aid in operationalizing the program. The effective launch date of January 1, 2018 has been selected in order to provide a transitional period for municipalities and members of the Building Industry and Land Development Association.

It is noted that the Lake Simcoe Phosphorus Offsetting Program will result in many other environmental, social and economic benefits including:

- Reduced peak flows, frequency and severity of flooding, risk to life, property, and social disruption,
- Increased resilience of communities to climate change,
- Enhanced groundwater recharge to maintain ground-water drinking supplies and ecological services,
- Creation of green industry - jobs in construction, operation, and maintenance,
- Facilities that are aesthetically attractive and provide opportunities for carbon offsetting and climate change mitigation.

2.0 Context

LSPOP requires that all new development must control 100% of the phosphorus from leaving their property. This is referred to as the Zero Export Target, a key component of the LSPOP that ensures new development or redevelopment activities do not continue to contribute to phosphorus loading to Lake Simcoe. Under this Policy, as new urban growth occurs phosphorus loads will be controlled to the maximum extent possible using the best available control



technology within the development itself in compliance with the MECP Stormwater Guidelines and the LSRCA Watershed Development Guidelines, whichever is most stringent. Any remaining stormwater phosphorus load that cannot be controlled would trigger the need for an offset to achieve a net zero target. An offset ratio of 2.5:1 would be applied meaning that 2.5 kg of phosphorus per year would be removed for every 1 kg required to be offset. The offset measures would consist of phosphorus load reduction through the use of Low Impact Development (LID) techniques and the retrofit of existing stormwater discharges elsewhere in a sub-watershed or in adjacent sub-watersheds.

LSPOP is based on the following provincial, regional, and watershed documents in the Lake Simcoe watershed:

- Lake Simcoe Environmental Management Strategy (1990 – 2007)
- Assimilative Capacity Study (2006)
- Lake Simcoe Protection Plan (2009)
- Lake Simcoe Phosphorus Offsetting Program (2014)
- Provincial Policy Statement (2020)
- Growth Plan for the Greater Golden Horseshoe (2020)
- *Ontario Water Resources Act* (R.S.O. – 2017)
- Subwatershed Plans (2009 – 2017)

For example, Chapter 4 of the Lake Simcoe Protection Plan identifies that phosphorus loadings should be reduced to achieve a target for dissolved oxygen of 7mg/L in Lake Simcoe, which equates to a long-term goal of 44 tonnes per year. Phosphorus offsetting is a means to help achieve this long-term goal and target.

3.0 Principles

LSPOP is based on the following principles:

Accountable: Mechanisms will be in place to demonstrate that actual phosphorus reductions will result from the offsets and that program implementation and decisions will be transparent.

Beneficial Offsetting will result in net water quality benefits to Lake Simcoe.

Defensible Offsetting parameters, such as credits and ratios, will be based on reliable scientific evidence and methods.

Economical Reductions in phosphorus loadings to Lake Simcoe that result from offsetting should be at an overall lower cost than traditional approaches to water quality improvement.

Enforceable Offsetting procedures will be simple, consistent and implementable.



- Equitable** Offsetting will avoid bias in terms of participation, location of trades, and value of credits.
- Adaptable** Information about program operation and water quality improvements will be reviewed from time to time and will be used to adapt offsetting to changing knowledge and technology.



Figure 3-1 – Examples of stormwater control

4.0 Policy Approach

4.1. Goals

- To maintain and/or improve the water quality of Lake Simcoe and its tributaries by addressing stormwater, which is defined as wastewater and should not be discharged to a receiving water body that is at or as a result of the discharge, would exceed its assimilative capacity,
- To assist in achieving the Lake Simcoe Protection Plan target for dissolved oxygen of 7mg/L in Lake Simcoe with an annual phosphorus load of 44 tonnes per year.

4.2. Objectives

- To reduce stormwater runoff to pre-development conditions as close to the source as possible,
- To ensure that development within the watershed contributes to the protection or enhancement of water quality and quantity through the implementation of LID techniques such as enhanced swales, rain-gardens, and permeable surfaces,
- To prevent increases in phosphorus loads to Lake Simcoe and its tributaries by utilizing LID principles,
- To recognize stormwater retrofit projects on public lands as a means to achieving the overall phosphorus water quality target.

4.3. Definition

- Phosphorus offsetting will be applied to the following applications under the *Planning Act*, *Condominium Act* and *Conservation Authorities Act* as well as to Environmental Compliance Approvals:
- Plans of subdivision,
- Plans of condominium,
- Site plans involving major development,
- Consent applications resulting in the creation of four or more new lots
- Applications under the *Conservation Authorities Act* where s28.0.1 applies

- 4.3.1 Exceptions: applications made under the *Planning Act* that facilitate permitted agricultural uses or the construction of an accessory structure (e.g., garage or barn and non-commercial structures) or a single family dwelling on an existing lot of record will not be subject to the Phosphorous Offsetting Policy requirements.

For the purposes of this Policy, major development is defined as a proposed impervious area that is greater than (>) 500m².

4.4. Phosphorus Offsetting Policies

- 4.4.1 An application as identified in Section 4.3 shall be accompanied by a Preliminary Phosphorus Budget as part of an overall Functional Servicing Report or Preliminary Stormwater Management Report. This evaluation shall be prepared by a qualified professional to the satisfaction of the municipality and local conservation authority prior to any draft plan of subdivision, site plan approval or granting of provisional consent. A Detailed Phosphorus Budget, based on the approved Preliminary Report, will be required as a condition of draft plan of subdivision/condominium or site plan approval or granting of provisional consent.

- 4.4.2 The Phosphorus Budget identified in Section 4.4.1 must demonstrate that the phosphorus load from the development on the property will be zero. The Phosphorus Budget shall be prepared in accordance with the following:

- i. Municipality's Comprehensive Stormwater Management Master Plan prepared under 4.5-SA of the Lake Simcoe Protection Plan (2009)
- ii. Subwatershed Evaluations under 8.3-SA of the Lake Simcoe Protection Plan
- iii. Designated Policy 4.8 of the Lake Simcoe Protection Plan
- iv. Section 2.2 of the Provincial Policy Statement (2014)
- v. LSRCA's Technical Guidelines for Stormwater Management Submissions
- vi. Provisions and Regulations of the *Ontario Water Resources Act*
- vii. Policy 3.2.7 of the Growth Plan for the Greater Golden Horseshoe (2017)



4.4.3 In situations where the phosphorus load cannot be met or demonstrated in a post-development scenario to achieve the Zero Phosphorus, the developer or proponent shall be required to provide phosphorus offsetting to the LSRCA.

The Phosphorus Offsetting Fee will be calculated as follows:

- Offset Ratio = 2.5:1
- Offset Value = \$35,770/kg/year¹
- Offset Calculation = (ratio (2.5) x P load in kg x \$35,770)

And Administration Fee (15%) will be added to the Phosphorus Offsetting Fee for Lake Simcoe Conservation Authority Program Costs.

4.4.4 The revenue generated through phosphorus offsetting will be used to reduce the phosphorus load in other parts of the subwatershed by funding the construction of; stormwater pond retrofits, Low Impact Development best management practices. The offset shall generally occur in the same catchment as the subject lands, subwatershed, or watershed in order of priority. See Appendix A for details on Implementation of Cash in Lieu revenue.

4.4.5 Proper agreements shall be established in order to ensure the phosphorus offset will be employed and maintained in perpetuity. The following agreements or legal instruments, where appropriate, shall be required as a condition of approval for any draft plan of subdivision or condominium, site plan under Section 41 of the *Planning Act*, or consent application:

- Subdivision or consent agreement;
- Condominium agreement;
- Site plan agreement;
- Purchase and sale agreements; and,
- Covenants as per the *Conservation Land Act* registered under the *Land Titles Act*.

4.4.6 Council may enact by-laws under the *Municipal Act* to help implement the approved phosphorus offset. Existing fill or site alteration by-laws may be amended or updated to include the offset requirements.

¹ Values are adapted from LSRCA restoration project costs and TRCA, NGO and private consulting estimates. Values are reviewed annually and may be subject to adjustment to account for inflation or fluctuations in service and/or material costs. Adjustments for inflation are based on the annual consumer price index, updated in March, as provided by Statistics Canada:

<https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1810000413>



4.4.7 Applications under the *Planning Act* that facilitate permitted agricultural uses or the construction of an accessory structure (e.g., garage) or a single-family dwelling on an existing lot of record will not be subject to this Phosphorus Offsetting Policy. In addition, proposals requiring approval under Ontario Regulation 179/06 via the *Conservation Authorities Act* will not be subject to the requirements of this Policy.

4.5. Transition

Table 4-1 – Transition Policy

Application Type	Phosphorus Offsetting Applicability	Commentary
All applications under the <i>Planning Act</i>	yes	Applies to all applications submitted after January 1, 2018 that constitute major development (>500m ² of impervious area)
Draft plan of subdivision applications submitted prior to January 1, 2018	yes	Provided draft approval was <u>not</u> granted before January 1, 2018
Registered Plans of Subdivision	no	Registered Plans are grandfathered
Draft approved plans of subdivision prior to January 1, 2018	no	Provided an extension to draft approval is not required
Red-Line revision to plan of subdivision that was draft approved prior to January 1, 2018	yes	Only if there is a substantive change to the approved storm water management scheme
Extension to draft approval	yes	Provided the extension is granted after January 1, 2018
Site Plan Approval for a Block on a Registered Plan	no	Provided there is no substantive change to the approved storm water management scheme
Site Plan Approval for a Block on a Plan of Subdivision that was draft approved prior to January 1, 2018	no	Provided there is no substantive change to the approved storm water management scheme
Site Plan Amendment	no	Provided there is no substantive change to the approved storm water management scheme

Appendix A

Implementation

Appendix A – Implementation

The following sections outline the implementation guidelines for LSRCA’s Cash-in-Lieu Ecological Offsetting: Implementation Committee, Project Selection Criteria, Project Funding, Project Execution, Interest on Cash-in-lieu Funds and Project Reporting.

Implementation Committee

An Implementation Committee (Committee) will be established to assist in implementation through informed decision making. The members will be responsible for:

- Reviewing potential LID and retrofit projects for funding utilizing the LSPOP revenue.
- Ensuring that the projects meet LSPOP Implementation Criteria and either approving or denying projects.
- Reviewing and recommending which approved projects need to be monitored for water quality/quantity efficacy.
- Reviewing the annual reports and ensuring that desired outcomes are being achieved.
- Providing advice and direction on ways to improve the program.

The Implementation Committee will establish and follow a Terms of Reference and will be comprised of members from the following service areas: Corporate Services, Planning & Development, and Watershed Restoration Services.

Project Funding

Phosphorus offsetting will be invoiced to the development applicant at issuance of the ECA. A review of the project funds, including the administration fee, will be completed annually to ensure the amount is appropriate.

A review of the project funds, including the administration fee, will be completed annually to ensure the amount is appropriate.

Project Execution

Projects will be executed by LSRCA. Exceptions may be made at the discretion of the Committee and a grant agreement and/or MOU must be signed by the executing party.

LSRCA’s Board of Directors have provided governance for the internal review committee to procure consultants and contractors and to issue grants to agencies, partners and participants in accordance with the current LSRCA Purchasing Policy.

Financial Controls

Offsetting funds will be tracked within a sub-watershed grouping account. Once a project has been approved by the Board the approved budget will be transferred to the project account. Internal monthly reporting on project budget versus actual will be prepared and reviewed at each Committee meeting.

Interest on LSPOP Revenue

Due to timing difference between LSPOP revenue and project expenditures, LSRCA staff will segregate the idle LSPOP money and invest under the strict provisions of the LSRCA Investment Policy.

Interest revenue earned will be allocated with 15% going to Program and Operational costs and 85% to Project costs. All interest attributed to Project Costs will be returned to the General Pool.

Reconciliation of Projects (Project close out)

At the conclusion of the project, any remaining funds from the project would be returned to a General Pool of LSPOP funding for redeployment towards other projects at the general discretion of the Committee and approved by the Board.

Reporting

Project reporting will be done internally monthly and be reported as part of the quarterly reporting at the LSRCA (typically only done at the end of quarter 2,3 and 4).

Available sub-watershed grouping balances, revenue received less committed expenditures, will be available for each Committee meeting.

Other Reporting

Annual audited balances (by sub-watershed or aggregate) will be available at year end or (unaudited) will be available upon request of the Committee or Board.



Lake Simcoe Region
conservation authority

Water Balance Recharge Policy for the Lake Simcoe Protection Plan

July 2021



For more information, contact:

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Conservation Authority Resolution

At the LSRCA Board of Director's Meeting on December 14, 2018, the Water Balance Offsetting Policy was approved by the Board of Directors through the following resolution:

Moved by: P. Ferragine

Seconded by: M. Quirk

BOD-179-18 **Resolved that** Staff Report No. 51-18-BOD regarding the Water Balance Offsetting Policy be received; and

Further that the Water Balance Offsetting Policy be approved for implementation effective January 1, 2019.



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Appendices

Appendix A – Implementation Guidelines for Water Balance Offsetting – Cash-in-Lieu

Revisions Registry

Identification	Date	Description of revision
Draft Policy	November 2018	Presented to Board and approved
Housekeeping Policy Update	May 2019	Minor housekeeping updates approved by Board



1.0 Introduction

The Lake Simcoe Region Conservation Authority (LSRCA) Strategic Plan (2016 – 2020) sets the groundwork for achieving a healthier watershed by 2041 than we have today. Through identified action items and goals, the LSRCA envisions a thriving environment that inspires and sustains the needs of generations to come. Goal one of the Strategic Plan is to support a safer, healthier and more livable watershed through exceptional integrated watershed management. The development and implementation of a Water Balance Recharge Policy supports this goal by providing a consistent approach to groundwater recharge, throughout the watershed.

2.0 Background

Recharge areas are the areas of land over which precipitation in the form of rain or snow infiltrates into the ground and flows to an aquifer. Recharge areas tend to be characterized by permeable and porous soils such as sand or gravel. These soils allow water to percolate downward and replenish the water system. A recharge area is considered to be significant when it helps to maintain the water level in an aquifer that supplies drinking water, or groundwater to a cold water ecosystem that is dependent on this recharge to maintain its ecological function. Recharge can occur in all areas where the ground surface is permeable and groundwater is below surface. This policy document establishes goals for the different areas where recharge occurs and establishes the maximum allowable infiltration deficit before offsetting will be applicable.

The policies within the following provincial, municipal, and watershed documents provide the basis and justification for LSRCA's Water Balance Recharge Policy:

- Provincial Policy Statement (2020; Section 2.2)
- Growth Plan for the Greater Golden Horseshoe (2020; Section 4.2)
- Greenbelt Plan (2017; Section 3.2.3)
- Lake Simcoe Protection Plan
- Regional and Local Official Plans
- Subwatershed Plans

The Lake Simcoe Protection Plan came into effect in 2009. Since then, the Significant Groundwater Recharge Areas (SGRAs) and Ecologically Significant recharge Areas (ESGRAs) have been identified and mapped and by default areas of lower recharge have been established, recharge in these areas may still be substantial. Sub-watershed plans have been produced for each of the sub-watersheds within the Lake Simcoe Watershed.



Recognizing the importance of recharge areas to sustaining a healthy watershed the Lake Simcoe Protection Plan (LSPP) includes a number of policies to help identify and protect SGRAs and ESGRAs. The approach taken within the LSPP follows three basic steps: 1) define and identify SGRAs/ESGRAs; 2) develop guidance for their protection and restoration, and 3) incorporate policies into municipal official plans to protect, improve and restore.

This document will expand on the three points above by developing a Water Budget Recharge Policy for those areas where it is demonstrated that the post-development infiltration is unable to match the pre-development infiltration volume and an infiltration deficit remains in the post-development scenario. The proposed Water Budget Recharge Plan is based upon the program developed for the York Region Groundwater Recharge Management Area (WHPA-Q2). **The program has being developed for those regions that are outside of the Region of WHPA-Q2 area.**

County Simcoe

Town of Bradford West Gwillimbury (part)

Town of Innisfil

Township of Oro-Medonte

Township of Ramara

Regional Municipality of Durham

Township of Brock

Township of Scugog

Regional Municipality of York

Town of East Gwillimbury (part)

Town of Georgina

City of Barrie

The water balance review and compensation program has been developed to support Urban Watershed Restoration at Lake Simcoe Region Conservation Authority, as well as local and regional municipalities in the Lake Simcoe Watershed. This document has been developed to support this initiative as an internal tool to provide information and direction to assist planning and technical staff on the following:

1. LSPP policy requirements related to recharge policies.
2. Water balance technical study requirements.
3. Compensation process:
 - a. When recharge compensation would be required,
 - b. Process for implementation.

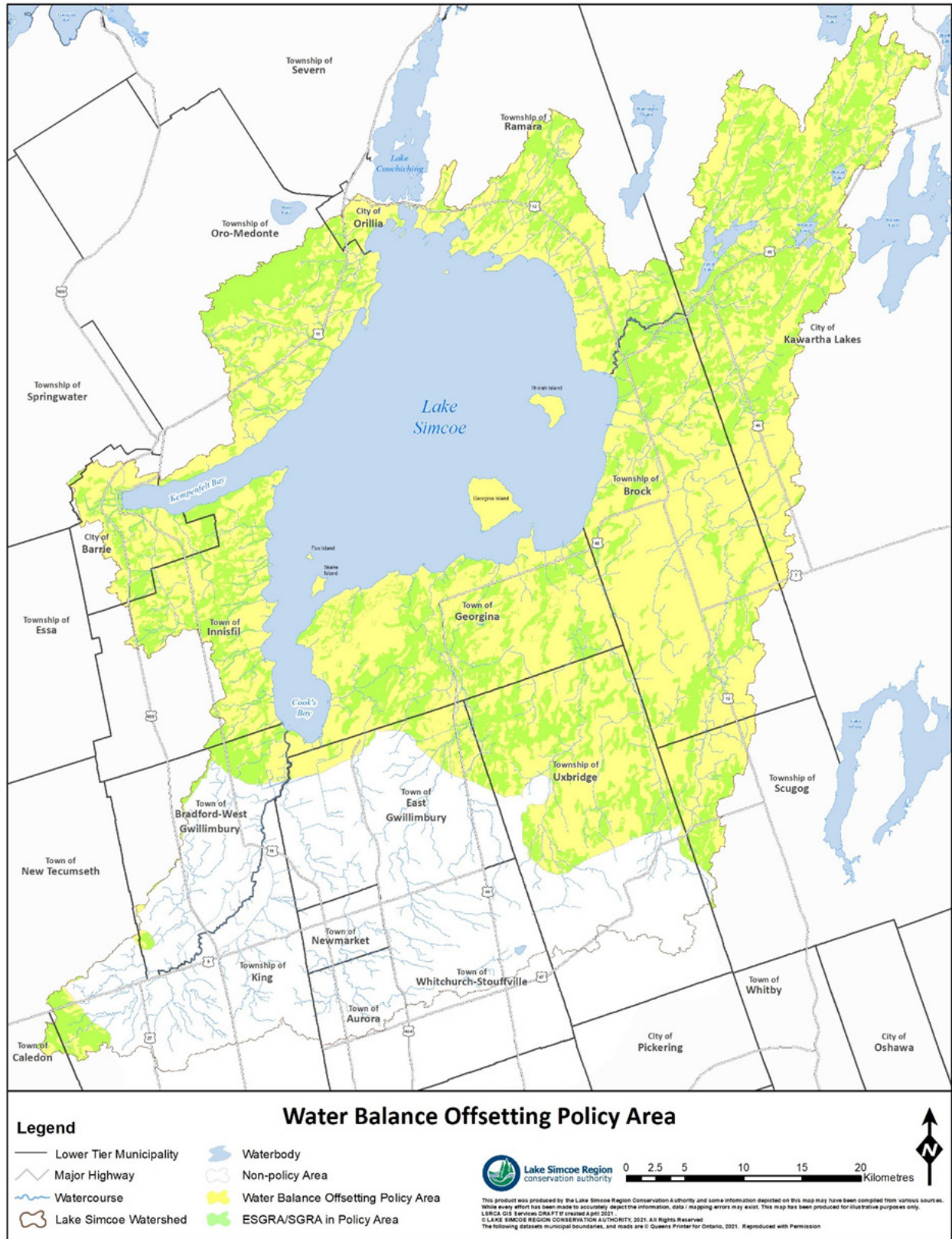


Figure 2-1 – Water Balance Recharge Policy Area

The location of the Region of York WHPA-Q2 is shown in Figure 2-1. Development within the Region of York WHPA-Q2 is subject to LUP-12. Development outside of the Region of York WHPA-Q2 is subject to this Water Balance Recharge Policy.

3.0 Water Balance Recharge Policy Requirements

As noted above, the Lake Simcoe Protection Plan (LSPP) was released in 2009. Both Policies 4.8-DP and 6.40-DP require the maintenance of pre-development recharge through a water balance assessment and/or a hydrogeological assessment for all planning applications for major development as defined by the LSPP (see Table 3-1).

Table 3-1 – Legislation requirements for water balance assessments within the Lake Simcoe Protection Plan

Legislative Authority	Policy Requirements
Lake Simcoe Protection Plan – 4.8 Designated Policy	Pre- and post-development water balance required for all major development and show how such changes shall be minimized.
Lake Simcoe Protection Plan – 6.40 Designated Policy	Outside of the Oak Ridges Moraine area, an application for major development within a significant groundwater recharge area (SGRA) shall be accompanied by an environmental impact study that demonstrates that the quality and quantity of groundwater in these areas and the function of the recharge areas will be protected, improved or restored.

Policy 4.8-DP requires the effects the development has on recharge reduction be minimized through various stormwater management methods. Implicit is the requirement for a climate-based water balance for the pre- and post-development scenarios and the use of BMP to minimize any infiltration deficit.

Policy 6.40-DP focuses specifically on Significant Groundwater Recharge Areas (SGRAs) and requires the demonstration that the quality and quantity of groundwater in these areas and the function of the recharge areas will be protected, improved or restored through the development. It should be noted that LSPP definition of SGRAs also includes areas delineated as Ecologically Significant Groundwater Recharge Areas (ESGRAs).

The definitions of a significant groundwater recharge areas, in accordance with LSPP policy 6.36-DP are as follows (Figure 2-1):

- a. Significant groundwater recharge area by any public body for the purposes of implementing the PPS,
- b. Significant groundwater recharge area (SGRA) in the Source Water Protection Assessment report required under the *Clean Water Act 2006 (CWA)*. Following the CWA definition, these are areas within which it is desirable to regulate or monitor drinking water threats that may affect the recharge of an aquifer, and
- c. An ecologically significant groundwater recharge area (ESGRA) is an area of land that is responsible for replenishing groundwater systems that directly support sensitive areas such as coldwater streams and wetlands.

A hydrogeological assessment, authored by a qualified person (i.e., P.Geo or exempted P.Eng as per *Professional Geoscientists Act (2000)*), including a detailed climate based water balance as outlined in the Hydrogeological Assessment Submissions, Conservation Authority Guidelines for Development Applications, 2013 should accompany all planning applications for major development. During the review process for the application the hydrogeological assessment should be reviewed by a qualified person.

4.0 Maintenance of Recharge

As noted above, a water balance analysis is required to estimate the pre-development and post-development infiltration and runoff for most development applications within the Lake Simcoe Region Conservation Authority, as outlined in Table 3-1. The purpose of the water balance analysis is to reasonably estimate the current infiltration to the subsurface and to then determine how much this rate will change as a result of the proposed development.

It should be noted that the terms ‘infiltration’ and ‘recharge’ are commonly used interchangeably in development application supporting documents. Infiltration is determined through the water balance assessment and relates to the capacity for the soil to allow water to enter the subsurface. Some of this infiltration results in lateral movement in the shallow unsaturated zone where interflow may predominate and some of the infiltration is directed downward to the deeper aquifer system. Whereas recharge is considered to be primarily water that reaches the saturated zone of the aquifer and becomes part of the regional groundwater flow system. The maintenance of infiltration rates is essential to the sustainability of the groundwater flow system which may support local significant ecological features. In addition, infiltration may move to a regional deeper flow system that may be important at a regional scale from either an ecological or water supply perspective.

The maintenance of recharge should be focused on the infiltration target (i.e. loss) identified through the water balance assessment. Infiltration Low Impact Development (LIDs) measures may reduce or eliminate the infiltration loss from a proposed development but can also pose an additional risk to groundwater quality if not designed correctly. Infiltration LIDs should consider the source of runoff being infiltrated, the receiving groundwater receiver and any additional policies that may apply to the stormwater management design of a site (e.g. municipal policies, source protection plan policies, stormwater management criteria).

5.0 Implementation

This Water Balance Recharge Policy is applicable to all lands subject to LSPP 4.8-DP or LSPP 6.40-DP.

This Water Balance Offsetting Policy will be primarily implemented through Ontario’s land use planning process under the *Planning Act*. A detailed climate based water balance (pre- and post-development will be required as part of the hydrogeological review). This water balance is to be assessed by a QP as defined under the *Professional Geoscientists Act*.

The Water Balance Recharge Policy will be applied to the following applications under the *Planning Act*, the *Condominium Act* and the *Conservation Authorities Act*:

- Plans of subdivision,
- Plans of condominium,
- Site plans involving major development, and
- Consent applications resulting in the creation of four (4) or more lots
- Applications under the *Conservation Authorities Act* where s28.0.1 applies

For the purposes of this Policy, major development is as defined in Section 3.0 above.

5.1. Transition Provisions for Applications under the *Planning Act*

This policy applies to applications under the *Planning Act* that are received and deemed complete after 1st January, 2019. To be consistent with section 3 of the *Planning Act*, the required compensation / offsetting will be in accordance with the current approved Water Balance Recharge Policy on the date of the approval under the *Planning Act*. It is noted that the Authority will honour any previous offsetting strategies or compensation which have been agreed to and approved prior to the Board of Directors approval of the current version of this policy.

This policy is tied to the Lake Simcoe Protection Plan which came into effect in 2009. At present, anything which was approved prior to 2009 is evaluated on a “best efforts” basis. It is also important to consider that when this policy as well as the Lake Simcoe Phosphorus



Offsetting Policy are both applied to an application, it is the greater of the two offsetting/compensation requirements which is required. For pre 2009 approvals, it is assumed that the Lake Simcoe Phosphorus Offsetting requirement would be greater and we will default to the Lake Simcoe Phosphorus Offsetting requirement noted above for pre 2009 approvals.

Designated policies 4.8 and 6.40 of the Lake Simcoe Protection Plan require the submission of a Hydrogeological Assessment / Water Balance, accordingly, any application for major development submitted 2009 or later will have considered the water balance requirements and as such we will apply the this policy in full when requested for updated conditions of approval for developments seeking an extension of approval under the *Planning Act*. Because the recharge compensation calculation is a 1:1 for cost per m³ to construct an infiltration facility (i.e. no multiplier), there is no consideration of relief similar to the pre 2016 approvals for phosphorus offsetting.

Authority Staff have worked through different examples/case studies and have evaluated if the groundwater recharge compensation should be calculated on a per unit basis or a calculated area basis. This has been triggered by inquiries about application of the offsetting policies through development phasing. Authority Staff have also had to consider that some secondary plan areas with many developments relying on / sharing facilities provided by adjacent landowners to meet Phosphorus and groundwater recharge targets. On this basis, Authority Staff have decided that it will be most user friendly and palatable to the development industry to apply on a per unit basis.

5.2. Exemptions

Applications under the *Planning Act* that facilitate permitted agricultural uses or the construction of an accessory structure (e.g., garage or barn and non-commercial structures) or a single-family dwelling on an existing lot of record will not be subject to the Water Balance Recharge compensation requirements.

6.0 Recharge Compensation Program

The preferred resolution is always for the post-development infiltration deficit to be mitigated during the development process by the proponent. However, it is recognized that this is not always possible such as in circumstances where the water table is high or the soils are impermeable (e.g., clay). In such circumstances and only after all reasonable efforts have been made to meet the infiltration deficit then cash compensation will be considered. In instances where the quantity of impervious area is an issue rather than high water table/impermeable soils options such as a redesign are to be considered (e.g., decrease in density).

6.1. Off-Site Compensation Process

Off-site compensation would be considered for development applications if they have met the following requirements:

1. All the required technical studies have been completed, and
2. It has been identified that one or more of the constraints previously mentioned make it difficult to maintain pre-development infiltration rates.

There are two processes in which off-site compensation may be achieved:

1. The developer may have an alternate site to make up the difference; or working with the developers of an adjacent property the infiltration deficit (for both properties) may be infiltrated in part or in full on the adjacent property. The requirement for the timing of the facility to be constructed by the developer on an alternate site will be addressed through a Development Agreement. It is preferred that the compensating facility be constructed prior to the subject development causing the recharge deficit, and
2. Provide a Water Balance Recharge Fee to LSRCA, thereby allowing LSRCA to implement low impact developments (LID) to make up the difference. See Appendix A – Implementation Guidelines for Water Balance Recharge – Cash-in-Lieu.

Should the goal not be met the charges are to include the entire volume of the remaining infiltration deficit after BMPs have been employed. Both conditions are to be met (percentage and volume).

Table 6-1 – Water Balance Recharge Fee for the recharge policies within the South Georgian Bay Lake Simcoe Source Protection Plan (2015) and the Lake Simcoe Protection Plan (2009)

Policy	Deficit Goal	Waived if Within	Costs/m ³ Deficit (2019)
LSPP 6.40-DP	0	150 m ³	\$44.97 ¹
LSPP 4.8-DP	0	200 m ³	\$44.97

¹ Values are adapted from LSRCA restoration project costs and TRCA, NGO and private consulting estimates. Values are reviewed annually and may be subject to adjustment to account for inflation or fluctuations in service and/or material costs. Adjustments for inflation are based on the annual consumer price index, updated in March, as provided by Statistics Canada:

<https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1810000413>



An Administration Fee of 15% will be added to the Offsetting Fee for Lake Simcoe Conservation Authority Program Costs.

References:

Lake Simcoe Region Conservation Authority, 2016; York region Source Protection Plan Water Balance Assessment and Compensation; p.21

Lake Simcoe Region Conservation Authority, 2017; Costing recharge Compensation Projects; p.12

The City of Barrie, 2017; Infiltration Low Impact Development Screening Process; p.18

Hydrogeological Assessment Submissions, Conservation Authority cash for Development Applications, 2013

LSRCA, Lake Simcoe Climate Data: A Reference Document to Support the Completion of Water Balance Assessments

Appendix A

Implementation Guidelines for Water Balance Offsetting – Cash-in-Lieu

Appendix A – Implementation Guidelines for Water Balance Offsetting – Cash-in-Lieu

Water Balance Recharge Committee

The following sections outline the implementation guidelines for LSRCA’s Cash-in-Lieu Ecological Offsetting: Implementation Committee, Project Selection Criteria, Project Funding, Project Execution, Interest on Cash-in-lieu Funds and Project Reporting.

Implementation Committee

An Implementation Committee (Committee) will be established to assist in implementation through informed decision making. The members will be responsible for:

- Reviewing potential LID projects for funding utilizing the Water Balance Offsetting revenue.
- Ensuring that the projects meet Water Balance Offsetting Implementation Criteria and either approving or denying projects.
- Reviewing and recommending which approved projects need to be monitored for water quality/quantity efficacy.
- Reviewing the annual reports and ensuring that desired outcomes are being achieved.
- Providing advice and direction on ways to improve the program.

The Implementation Committee will establish and follow a Terms of Reference and will be comprised of members from the following service areas: Corporate Services, Planning & Development, and Watershed Restoration Services.

Project Funding

Water Balance Recharge funding will be used to fund the project costs approved by the review committee. A review of the project funds, including the administration fee, will be completed annually to ensure the amount is appropriate.

Project Execution

Projects will be executed by LSRCA. Exceptions may be made at the discretion of the Committee and a grant agreement and/or MOU must be signed by the executing party.

LSRCA’s Board of Directors have provided governance for the internal review committee to procure consultants and contractors and to issue grants to agencies, partners and participants in accordance with the current LSRCA Purchasing Policy.

Financial Controls

Offsetting funds will be tracked within a sub-watershed grouping account. Once a project has been approved by the Board the approved budget will be transferred to the project account. Internal monthly reporting on project budget versus actual will be prepared and reviewed at each Committee meeting.

Interest on Water Balance Recharge Policy Revenue

Due to timing difference between water balance recharge revenue and project expenditures, LSRCA staff will segregate the idle water balance recharge money and invest under the strict provisions of the LSRCA Investment Policy.

Interest revenue earned will be allocated with 15% going to Program and Operational costs and 85% to Project costs. All interest attributed to Project Costs will be returned to the General Pool.

Reconciliation of Projects (Project close out)

At the conclusion of the project, any remaining funds from the project would be returned to a General Pool of water balance funding for redeployment towards other projects at the general discretion of the Committee and approved by the Board.

Reporting

Project reporting will be done internally monthly and be reported as part of the quarterly reporting at the LSRCA (typically only done at the end of quarter 2,3 and 4).

Available sub-watershed grouping balances, revenue received less committed expenditures, will be available for each Committee meeting.

Annual audited balances (by sub-watershed or aggregate) will be available at year end or (unaudited) will be available upon request of the Committee or Board.

Staff Report

To: Board of Directors

From: Steve Auger, Coordinator, Stormwater Management; and Christa Sharp, Manager, Watershed Restoration Services

Date: July 14, 2021

Subject:

Project Update: Tamarac Park - Stormwater Management Pond Retrofit

Recommendation:

That Staff Report No. 41-21-BOD regarding the Lake Simcoe Region Conservation Authority's efforts with the York Region Phosphorus Removal Demonstration Project Partnership: Tamarac Park - Stormwater Management Pond Retrofit be received; and

Further that the Board of Directors authorize the Purchase Order increase to \$1,621,087, to ensure compliance with the Authority's Purchasing Policy and associated signing authority provisions.

Purpose of this Staff Report:

The purpose of this Staff Report No. 41-21-BOD is to provide an update on the Authority's continued efforts working with York Region and consultants on this demonstration project. This update focuses on the need to increase the awarded budget to consultants through additional funds from York Region to see through the implementation of the stormwater management pond retrofit at Tamarac Park in Aurora.

Background:

In 2017, the Authority entered into an agreement with York Region to deliver a stormwater Total Phosphorus offset demonstration project. The goal of the demonstration project is to prepare York Region to deliver the total phosphorus offset program that is considered a requirement identified as part of the Upper York Sewage Solution Individual Environmental Assessment. The project involves completing stormwater management pond retrofits in the Towns of Aurora and East Gwillimbury.

At the November 16, 2017 York Region Council meeting, regional staff obtained the necessary approval to proceed with the design and construction phase. The approval provided a total

budget of \$1,087,400, including Project Management, Performance Monitoring and Evaluation and consulting services related to engineering, environmental assessment services, site investigations, conceptual and detailed design, municipal class environmental assessment, and other required studies. This budget was provided to both the Authority and the consultants hired to support detailed design and implementation of the stormwater management retrofits.

At the March 23, 2018 Authority Board of Directors' meeting, Staff Report No. 13-18-BOD approved AECOM as the consultant in accordance with the Authority's purchasing policies and procedures. AECOM's approved budget to undertake the Engineering and Environmental Assessment Design, Permitting, and Implementation Services was \$477,555.00 excluding HST.

Issues:

The Tamarac Park stormwater management retrofit in Aurora has proceeded to Phase 3 implementation starting in March 2020. This effort has been met with challenges with the original constructed wetland design, due to higher than anticipated ground water levels. Therefore, an updated dry pond design requiring a scope change to address this issue has been pursued. This dry pond will still provide the required additional storage volume in the feature identified by the Town at the start of the project.

The additional cost AECOM has outlined to undertake this scope change through to certification totals approximately \$185,700 excluding HST. York Region has issued a revision to the original purchase order on April 27, 2021, at \$1,621,087 to cover these additional consulting costs, the Authority's continued involvement, and contingency.

The Authority, working with AECOM, will exceed the purchasing policy exceedance limits of 15% for both contingency and change of scope for AECOM's continued efforts to see the project through. At present, over 50% of this additional work identified by AECOM has already been performed.

The site contractor is scheduled to complete this stormwater management retrofit at Tamarac Park before the end of September 2021. At present, Tamarac Park is now open to the public with the restored dry pond area still fenced off to allow the vegetation to establish.

York Region also still plans to perform post construction monitoring of the feature to evaluate the total phosphorus reduction benefit of this path forward.

Relevance to Authority Policy:

One of the goals of the Authority's strategic plan, *Vision to Action, Action to Results*, is to support a safer, healthier, and livable watershed through exceptional integrated watershed management. This York Region project partnership evaluating total phosphorous reduction

demonstration opportunities with stormwater management pond retrofits assists in achieving this goal through this retrofit opportunity.

Impact on Authority Finances:

The project's original budget of \$1,087,400 has been increased to \$1,621,087 to cover additional costs and contingency to see through a scope change for the Tamarac Park stormwater management pond retrofit effort. The Authority has been providing program management regarding this project and provides funding approved by York Region for this project to AECOM, hired to provide the detailed design and implementation services for certification of the stormwater management retrofits.

Summary and Recommendations:

The Tamarac Park stormwater project while being challenging will result in improved stormwater function. Detailed analysis of additional phosphorus capture will continue moving forward to fully evaluate effectiveness.

It is therefore **Recommended that** Staff Report No. 41-21-BOD regarding the Lake Simcoe Region Conservation Authority's efforts with the York Region Phosphorus Removal Demonstration Project Partnership: Tamarac Park - Stormwater Management Pond Retrofit be received; and **Further that** the Board of Directors authorize the Purchase Order increase to \$1,621,087, to ensure compliance with the Authority's Purchasing Policy and associated signing authority provisions.

Pre-Submission Review:

This Staff Report has been reviewed by the General Manager, Planning, Development, and Restoration Services and the Chief Administrative Officer.

Signed by:

Signed by:

Glenn MacMillan
General Manager,
Planning, Development, and Restoration
Services

Rob Baldwin
Chief Administrative Officer