

Report to Planning & Development Committee

Report Number: PLN 24-20 Date: December 7, 2020

From: Kyle Bentley Director, City Development & CBO

Subject: City Initiated Official Plan Amendment: Ecosystem Compensation Recommended Amendment 35 to the Pickering Official Plan File: OPA 19-003/P

Recommendation:

- 1. That Official Plan Amendment Application OPA 19-003/P, initiated by the City of Pickering, to amend existing policies and introduce new policies to the Pickering Official Plan with regard to ecosystem loss and compensation, as set out in Exhibit 'A' to Appendix I to Report PLN 24-20 be approved;
- 2. That the Draft By-law to adopt Amendment 35 to the Pickering Official Plan, to amend existing policies and introduce new policies to the Pickering Official Plan with regard to ecosystem loss and compensation, as set out in Appendix I to Report PLN 24-20, be forwarded to Council for enactment; and
- 3. That the City Clerk forward the Notice of Adoption to the Region of Durham and to each person or public body that provided written or verbal comments at the Open House, the Public Meeting, the Planning & Development Committee or the City Council meetings.

Executive Summary: The purpose of Amendment 35 is to amend the City of Pickering Official Plan by adding new policies and changing existing policies in the Pickering Official Plan with regard to ecosystem loss and compensation. The full amendment is contained in Exhibit 'A' to Appendix I to this report. A general description of the amendment is provided in Section 5.1 of this report.

Financial Implications: The implementation of Amendment 35 would provide a new revenue stream to the City to compensate for ecosystem loss through tree planting and project-specific restoration projects in accordance with conditions of approval for new development.

Discussion:

1. Purpose

1.1 The *Planning Act* identifies the protection of ecological systems, including natural areas, features and functions as a matter of Provincial interest. Similarly, the Provincial Policy Statement requires that the long-term ecological function and biodiversity of natural heritage systems should be maintained, restored or enhanced where possible.

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- 1.2 Although the principle of compensation is already established in the Pickering Official Plan, the current policies regarding compensation are specific to only infrastructure expansions, certain urban neighbourhoods and certain natural heritage features, and do not directly address ecosystem loss and compensation due to development impacts, on a City-wide basis.
- 1.3 The City works with the Toronto and Region Conservation Authority (TRCA) and the development industry to seek favorable outcomes where the loss of critical ecological functions and components are unavoidable. Yet, the absence of City-wide policies in relation to ecosystem loss and compensation leaves a policy void. This void can hamper the City and TRCA's efforts to achieve shared objectives for a connected and robust natural heritage system and to reach a satisfactory level of compensation to provide meaningful replacement of or enhancement to the natural heritage system.
- 1.4 Council's passing of the By-law to adopt the Recommended Amendment will strengthen the principle of ecosystem compensation (where all options for protection have been exhausted) in the Pickering Official Plan, and provide a stronger basis for collaboration between parties and to achieve consistent and transparent approach to compensation through the implementation of approved development proposals.
- 1.5 A Memorandum of Understanding (MOU) between the City and TRCA, regarding the Implementation of Ecosystem Compensation in accordance with TRCA's Guideline to Determine Ecosystem Compensation (the "Guideline"), dated June 2018, will guide the City in its implementation of Amendment 35 to the Pickering Official Plan. For more information regarding the MOU, please refer to Report PLN 25-20 dated December 7, 2020.

2. Statutory Public Meeting and Open House

In accordance with the *Planning Act*, a notice of the statutory public meeting and open house was published in the Pickering News Advertiser on May 29, 2019 and again on June 5, 2019. In addition, notice of the open house and the statutory public meeting was advertised on the City of Pickering website. The open house and statutory public meeting were held on June 17, 2019.

The open house drew one attendee, a planner from Evans Planning Inc., inquiring about the applicability of the proposed policies to approved but not yet built plans of subdivisions. Evans Planning also submitted a follow-up email, inquiring about the same matter. No members of the public spoke to the Proposed Amendment at the statutory public meeting.

3. Agency Consultation

- 3.1 The Proposed Amendment and Information Report 09-19 were circulated to public agencies on May 24, 2019. Written submissions were received from TRCA and the Regional Municipality of Durham (Region).
- 3.2 TRCA had no comments to offer in regard to the Proposed Amendment, and expressed its appreciation of the City's efforts on this matter and that it was looking forward to working with the City on a MOU to administer and implement ecosystem compensation.

3.3 The Region's comments are contained in Attachment #1 to this report. As noted in their response, Recommended Amendment 35 is exempt from Regional approval, in accordance with the Region's By-law 11-2000.

4. Minor modifications to the Amendment text

- 4.1 In response to the Region's comments, staff has made a minor technical change to Amendment item #1, Policy 2.5 (d), by splitting the long sentence into 2, as suggested.
- 4.2 In response to Evans Planning Inc.'s inquiry (concerning the applicability of the proposed policies to approved but not yet built plans of subdivisions), and following consultation with TRCA regarding the MOU to administer and implement Ecosystem Compensation in accordance with the TRCA Guideline, staff re-examined the location of the new policy language in Policy 2.5 (d) (Ecological System) and the policy language in relation to conditions of approval for previously approved developments, and determined that the following minor revisions be incorporated in the amendment:
 - 4.2.1 that the new policy language initially proposed in Policy 2.5 (d) be removed and inserted in Policy 10.12 (Key Natural Heritage and Key Hydrologic Features) and numbered 10.12 (f).
 - Note: Policy 10.12 is better suited because it deals with the Management of the Natural Heritage System whereas Policy 2.5 deals with the goals of Pickering's Ecological System.
 - 4.2.1 that Policy 10.12 be further revised by adding a new subsection (g) to read as follows, and renumbering the subsequent subsections accordingly:
 - "....; accordingly, City Council shall:
 - (g) not require ecosystem compensation in accordance with Section 10.12 (f) of this Plan where removal of features and/or ecosystem functions without compensation has been determined as part of a previous approval under the *Planning Act*, or where compensation for the loss of the features and/or ecosystem functions has already been determined in accordance with an approved Master Environmental Servicing Plan or Environmental Assessment. However, the relevant conservation authority's guideline shall apply to any new or revised approvals under the Conservation Authorities Act permitting process."
 - Note: The above clarification clause would alleviate any fears of developers from being required to pay compensation twice for the removal of features and/or ecosystem functions.
 - 4.2.3 that the initial revision to Policy 16.10 (h), Environmental Report Contents, in Chapter 16 Development Review be removed from the amendment.
 - Note: Since the same policy language will be contained in Policy 10.12 (f), duplicating the same policy language in Policy 16.10 (h) is deemed superfluous.

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4.3 The 3 minor technical modifications do not detract from the original intent or purpose of Amendment 35.

5. Recommended Amendment

- 5.1 Exhibit 'A' to Appendix I is the Recommended Amendment 35 to the City of Pickering Official Plan. It introduces revisions to Pickering's Resource Protection and Enhancement policies in Chapter 10 – Resource Management of the Pickering Official Plan. More specifically, the key proposed amendments to the Official Plan text:
 - expand the requirement for restoration and rehabilitation of degraded and damaged ecosystems, to also include the option of ecosystem compensation due to development impacts (where all options for protection have been exhausted), through the implementation of approved development applications; and
 - clarifies the condition under which previously approved developments would be exempted from ecosystem compensation.

6. Conclusion

- 6.1 Strengthening the policy framework in relation to ecosystem loss and compensation though this official plan amendment provides a stronger basis for collaboration between parties, and achieves a consistent and transparent approach to compensation through the implementation of approved development.
- 6.2 Recommended Amendment 35 incorporates appropriate modifications to the initial amendment, based on comments received through the consultation process.
- 6.3 Staff recommend that Council endorse Recommended Amendment 35 to the Pickering Official Plan by passing the by-law to adopt Amendment 35, as set out in Appendix I to this report.

Appendix

Appendix I Draft By-law to Adopt Recommended Amendment 35 to the Pickering Official Plan

Attachment:

1. Regional Municipality of Durham comments, dated July 17, 2019

Subject: Official Plan Amendment Application OPA 19-003/P

Prepared By:

Déan Jacobs, MCIP, RPP Manager, Policy & Geomatics

Approved/Endorsed By:

Catherine R

Catherine Rose, MCIP, RPP Chief Planner

Kyle Bentley

Kyle Bentley, P. Eng. Director, City Development & CBO

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Recommended for the consideration of Pickering City Council

Marisa Carpino, M.A. Interim Chief Administrative Officer

Appendix No. I to Report No. PLN 24-20

By-law to Adopt Amendment 35

to the City of Pickering Official Plan



The Corporation of the City of Pickering

By-law No. XXXX/20

Being a by-law to adopt Amendment 35 to the Official Plan for the City of Pickering (OPA 19-003/P)

Whereas pursuant to the *Planning Act*, R.S.O. 1990, c.p. 13, subsections 17(22) and 21(1), the Council of the Corporation of the City of Pickering may by by-law adopt amendments to the Official Plan for the City of Pickering;

Whereas pursuant to Section 17(10) of the *Planning Act*, the Minister of Municipal Affairs and Housing has by order authorized Regional Council to pass a by-law to exempt proposed area municipal official plan amendments from its approval;

Whereas the *Planning Act* identifies the protection of ecological systems, including natural areas, features and functions as a matter of Provincial interest, and the Provincial Policy Statement 2020 requires that the long term ecological function and biodiversity of natural heritage systems should be maintained, restored or enhanced where possible;

Whereas the Region has advised that, in accordance with By-law 11-2000, Amendment 35 to the City of Pickering Official Plan is exempt from Regional approval;

Now therefore the Council of The Corporation of the City of Pickering hereby enacts as follows:

- 1. That Amendment 35 to the Official Plan for the City of Pickering, attached hereto as Exhibit "A", is hereby adopted;
- 2. That the City Clerk is hereby authorized and directed to forward to the Regional Municipality of Durham the documentation required by Procedure: Area Municipal Official Plans and Amendments;
- 3. This By-law shall come into force and take effect on the day of the final passing hereof.

By-law passed this XX day of XXXX, 2020.

Draft David Ryan, Mayor

Draft Susan Cassel, City Clerk

Exhibit "A" to By-law XXXX/20

Recommended Amendment 35

to the City of Pickering Official Plan

- **Purpose:** The purpose of this Amendment is to add new policies to and change existing policies in the Pickering Official Plan with regard to ecosystem loss and compensation.
- **Location:** The Amendment applies City-wide.
- **Basis:** There is a strong policy framework in Ontario to protect and expand the natural heritage system. The *Planning Act* identifies the protection of ecological systems, including natural areas, features and functions as a matter of Provincial interest. Similarly, the Provincial Policy Statement requires that the long-term ecological function and biodiversity of natural heritage systems should be maintained, restored or enhanced where possible.

The natural heritage system and features continue to be compromised or lost through development and the effects of climate change.

Embedding the principle of ecosystem compensation (where all options for protection have been exhausted) in the Pickering Official Plan will provide a stronger basis for collaboration between parties and achieves a consistent and transparent approach to compensation through the implementation of approved development proposals.

The compensation will enable the replanting, restoration and/or enhancement of the natural heritage system.

Actual The City of Pickering Official Plan is hereby amended by: Amendment:

(New text is shown as underlined text, deleted text is shown as strikeout text, and retained text is shown as unchanged text.)

- Revising Section 10.12, Key Natural and Key Hydrologic Features, in Chapter 10 Resource Management, by deleting "and" at the end of subsection (d); deleting the period "."and adding "; and" at the end of subsection (e); and adding new subsections (f) and (g) to read as follows:
 - "10.12 City Council recognizes the significance and sensitivity of key natural heritage and key hydrologic features and their inter-related systems of water resources, biotic habitat, natural and cultural heritage, and landform; accordingly, Council shall:
 - (a) to (c) ...;
 - (d) ...; and
 - (e)<u>; and</u>

- (f) require compensation for the loss of ecosystem functions due to development impacts, after all other options for protection, minimization and mitigation have been exhausted, in accordance with the relevant conservation authority's guideline for determining ecosystem compensation, with the exception of tree removal that falls under the purview of the City's Tree Removal Compensation Fee, where applicable; and
- (g) not require ecosystem compensation in accordance with Section 10.12 (f) of this Plan where removal of features and/or ecosystem functions without compensation has been determined as part of a previous approval under the *Planning Act*, or where compensation for the loss of the features and/or ecosystem functions has already been determined in accordance with an approved Master Environmental Servicing Plan or Environmental Assessment. However, the relevant conservation authority's guideline for determining ecosystem compensation shall apply to any new or revised approvals under the *Conservation Authorities Act* permitting process.
- **Implementation:** The provisions set forth in the City of Pickering Official Plan, as amended, regarding the implementation of the Plan shall apply in regard to this Amendment. In light of the numerous components of the Official Plan that are being revised concurrently, the numbering of the policy sections in this amendment is subject to change in accordance with the sequencing of approvals.
- Interpretation: The provisions set forth in the City of Pickering Official Plan as amended, regarding the interpretation of the Plan shall apply in regard to this Amendment, except as revised by this amendment.

Cross Reference: OPA 19-003/P City Initiated

Attachment #1 to Report#PLN 24-20



The Regional Municipality of Durham

Planning and Economic Development Department

Planning Division

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Brian Bridgeman, MCIP, RPP Commissioner of Planning and Economic Development July 17, 2019

Mr. Déan Jacobs Principal Planner City Development Department City of Pickering One The Esplanade Pickering, ON L1V 6K7

Dear Mr. Jacobs:

Re: Regional Comments on a Proposed Amendment to the City of Pickering Official Plan File: OPA 19-003/P Applicant: City of Pickering Location: All lands in the municipality City of Pickering

The proposed amendment has been reviewed and the following comments are offered with respect to the Regional Official Plan (ROP) and Provincial Plans and policies.

The purpose of the proposed amendment to the City of Pickering's Official Plan is to add a new policy and to change an existing policy with regard to ecosystem loss and compensation.

Durham Regional Official Plan

The ROP identifies the general location of key natural heritage/key hydrologic features and requires that the location and extent of the feature be confirmed through an appropriate study such as an Environmental Impact Study. The planning and development process often identifies features that are not considered "significant" under Provincial Policy. The proposed amendment, requiring compensation for the loss of these features would help to address the loss of the ecosystem function. The proposed amendment is consistent with the policies of the ROP.

Moreover, through the Region's Municipal Comprehensive Review process "Envision Durham", the Region is examining the concept of ecosystem loss and compensation and will consider adding policies in this regard to the ROP.

Provincial Policy

The Provincial Policy Statement and Provincial Plans, such as the Growth Plan, Greenbelt Plan and Oak Ridges Moraine Conservation Plan requires that Planning Authorities protect natural heritage features that are considered significant. However, there exist a number of features that may not be

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considered "significant" but still provide an important role in the ecosystem. These features are often impacted in the planning and development process. The proposed compensation policies recognize this loss, and recommends the use of compensation, as a last resort when protection and mitigation options have been exhausted. This will provide funding to restore ecosystem functions, through actions such as tree planting, or meadow or wetland restoration. The proposed amendment is consistent with the Provincial Policy Statement and Provincial Plans, such as the Greenbelt Plan, the Growth Plan and the Oak Ridges Moraine Conservation Plan.

Amendment Item 1

It is suggested, for clarity purposes, that Amendment Item 1, Policy 2.5 (d), be broken into two sentences, so that the policy reads as follows:

"require compensation for the loss of ecosystem functions due to development impacts, after all other options for protection, minimization and mitigation have been exhausted. **Compensation shall be** in accordance with the relevant conservation authority's guideline for determining ecosystem compensation, with the exception of tree removal that falls under the purview of the City's Tree Removal Compensation Fee, where applicable."

Exemption

In accordance with By-law 11-2000 the Official Plan Amendment application is exempt from Regional Approval.

Please advise the Commissioner of Planning and Economic Development of your Council's decision. If Council adopts an Amendment, a record must be submitted to this Department within 15 days of the date of adoption. The record must include the following:

- two (2) copies of the adopted Amendment;
- a copy of the adopting by-law; and
- a copy of the staff report and any relevant materials.

Please contact myself or Lori Riviere-Doersam, Principal Planner, in this Department with any questions or concerns.

Yours truly,

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Gary Muller, MCIP, RPP Director of Planning

c.c. Kristy Kilbourne, Policy Planning