



Staff Report PLAN-2026-038
Planning Committee
March 12, 2026

TO: Chair Bosomworth and Members of Planning Committee

AUTHOR: Emily Crowder, Senior Planner

SUBJECT: OPA-64, ZBA-22/23 (2666940 ONTARIO INC. & 2665556 ONTARIO INC.), Lot 23, Part of Lots 24 and 25, Concession 11, Parts 1-4, Plan BR-1608, Part 5, Plan 35R-21398, Parts 4-6, Plan 35R-7006 (Medora), Civic Address: 1048 Juddhaven Road, 1112 Juddhaven Road, Unit #1-7 & Not Assigned, Roll #: 4-14-058, 4-14-063 & 4-14-066

RECOMMENDATION

THAT decisions on Official Plan Amendment Application OPA-64 and Zoning By-law Amendment Application ZBA-22/23 be DEFERRED so that public and agency comments can be received, and that staff be directed to undertake a review and analysis of the submissions with a view to providing a recommendation to Planning Committee on the applications.

REPORT HIGHLIGHTS

This report provides background information on concurrent Official Plan Amendment Application OPA-64 and Zoning By-law Amendment Application ZBA-22/23 (2666940 ONTARIO INC. & 2665556 ONTARIO INC.) in support of the joint public meeting with the District Municipality of Muskoka. This report focuses on information that has been provided since the original Public Meeting which was held on November 25, 2025.

Staff will bring forward a report containing a planning recommendation at a future Planning Committee meeting.

BACKGROUND

Deferral

A public meeting for the subject applications was held on November 25, 2025, at which time a decision on the applications was deferred by Planning Committee for staff to undertake a review and analysis of submission received in response to the applications, and that as part of the deferral, the following be addressed:

- i) That the peer review process surrounding the Environmental Impact Study be

completed;

- ii) That a satisfactory Wetland Compensation and Net Environmental Benefit and Enhancement Report be submitted which includes sufficient enhancement, monitoring and other relevant measures to address proposed changes to the wetlands and result in an overall net environmental benefit to the applicant's landholdings to the satisfaction of the municipality;
- iii) A signed, finalized version of the Draft Surface Water Impact Assessment; and
- iv) An updated version of the Floodplain Delineation Memo which removes consideration related to wave uprush and includes details on the amount of fill proposed to raise the grade up to the recommended 227.3 masl elevation.

The original Staff Report [PLAN-2025-131](#) dated November 25, 2025 provides an overview of the applications and the materials provided in support of the applications. The original staff report states that the analysis of the applications, including the review of applicable policies, will be included in a future report which will also include a recommendation. The report provided today does not include an analysis of policy or make a recommendation. The intent of this report is to provide an update on items that have been received since the original public meeting and to support a joint public meeting with the District Municipality of Muskoka whom are providing background information on the submitted District Official Plan Amendment(s) for the proposal.

Updates

A number of documents have been received since the writing of the original staff report (linked above). These documents are summarized as follows:

Environmental Impact Study & Phosphorus Analysis Peer Review

The original [Environmental Impact Study](#) was prepared by Azimuth Environmental Consulting, Inc. and is dated November 9, 2023. The peer review process of these submissions was initiated in February 2024. Following summer field work and additional materials submitted by the proponent (i.e.: environmental overlay on [existing Phase 1](#) and [proposed Phase 1](#) provided in September 2024), an [initial peer review](#) was provided by Palmer (now SLR Consulting) on November 12, 2024. Azimuth (the proponent's consultant) provided a response to the peer review in two separate submissions dated [March 3, 2025](#) and [May 15, 2025](#). The proposal was revised to remove a "reflection pond" feature and an [updated EIS](#) was submitted on October 3, 2025. All of these documents have been previously provided to Council and noted in the previous staff report.

Since the November 25, 2025 public meeting SLR provided [a peer review](#) of Azimuth's updated EIS. SLR notes that several of their original comments are now considered to be sufficiently addressed, while others remain a concern. The items that remain a concern include:

1. Conversion of the Western Shallow Inlet's existing thicket swamp community to an open water marsh type. More detail is required to demonstrate impact mitigation and impacts to critical spawning habitat and Northern Pike.
2. The "Wetland Restoration Plan" referenced throughout the submission is expected to be an essential component of the proposed works and no such document is provided as part of the EIS for SLR to review (see comments below for further discussion).
3. Lack of consideration of wetland and shoreline buffers. In addition to the extensive removals/alterations of on-site natural heritage features, buffering of the limited retained ones has not been sufficiently demonstrated. SLR does not agree with the reasoning provided by Azimuth for why there is a proposed lack of buffers, being that the lands are currently developed and the existing wetland edges are already disturbed. This approach negates the functional purpose of a buffer and its importance in mitigating post-development impacts.
4. As noted in the EIS prepared by Azimuth, there is a notable lack of conformity with various federal, provincial and local natural heritage policies. It is SLR's understanding that the proponent seeks to be granted exceptions to regulatory requirements within the Federal Fisheries Act, Provincial Planning Statement (PPS), District of Muskoka Official Plan and the Township of Muskoka Lakes Official Plan. SLR is of the opinion that the number of non-conforming issues (as indicated by Azimuth), the proposal does not sufficiently address that negative environmental impacts will be mitigated. SLR recommends that greater efforts be made to bring the plans into closer conformity with applicable regulations.
5. Updated EIS speaks to lands that were not part of the original review and so comments on those areas (lands west of Juddhaven Road and lands to the Wallace Bay Marina access road) have not been considered in detail.
6. It is encouraged that all species at risk (SAR) related conclusions and mitigation measures be communicated with the Ministry of Environment, Conservation and Parks (MECP) as due diligence.
7. SLR has concern that the development plan may not conform to the requirements of the Fisheries Act. Consultation with the Department of Fisheries and Oceans Canada (DFO) should be initiated now.

A response from the proponent/their consultant has not been received to date and the applicant's agent has conveyed that one is not forthcoming.

Finalized Surface Water Impact Assessment

As requested by Planning Committee on November 25, 2025, a finalized version of the Surface Water Impact Assessment (SWIA) was submitted to the Township on March 2, 2026. The previously submitted version, dated May 2025, was labelled as a draft version. The finalized version includes an updated phosphorus budget, revised effluent criteria, an

update to the sewage treatment section of the report to include potential reuse of the lagoons, and an update to the site area to include the water-wastewater plant locations. Staff note that the “draft” version of the SWIA is what is currently being peer reviewed by J.L. Richards. These changes included in the finalized version of the report may warrant further review by the peer reviewer and/or some of the peer reviewers forthcoming comments (anticipated shortly) may be addressed through the finalized version already. Staff have not yet reviewed this finalized version.

Floodplain Delineation Memo

As requested at the public meeting held on November 25, 2025, a revised Floodplain Delineation Memo has been submitted to the Township, dated March 4, 2026. Staff have not yet reviewed this revised memo. The Floodplain Memo is part of the engineering peer review process, and the updated memo may need to be peer reviewed.

Wetland Compensation and Net Environmental Benefit and Enhancement Report

At the November 25th public meeting, in light of the characterization of the natural heritage features and the proposed impacts to the features, staff recommended that the wetland be subject to evaluation to determine if it was a Provincially Significant Wetland. As an alternative to this recommendation, Committee directed that the peer review process surrounding the EIS be completed and that a satisfactory Wetland Compensation and Net Environmental Benefit and Enhancement Report be submitted to the satisfaction of the Township. Per the resolution passed by Committee, the report shall “include sufficient enhancement, monitoring and other relevant measures to address proposed changes to the wetlands and result in an overall net environmental benefit to the applicant’s landholdings to the satisfaction of the municipality”.

Staff and the applicant’s agent have discussed the submitted plan, and the agent has indicated a willingness to review and update the EIS to reflect the recommendations of the Wetland Compensation and Net Environmental Benefit Report and consider additional compensation measures.

District Official Plan Amendment

An application to amend the District of Muskoka’s Official Plan (MOP) was deemed complete by the District on January 29, 2026. The Township is participating in a joint public meeting today, which is the first public meeting for proposed OPA-62, being the proposed OPA to the MOP. District Planning staff have prepared their own background report on the matter which is attached to the Agenda. The proposed District OPA seeks to permit development within a wetland provided that a study is prepared which demonstrates that the development will not result in a loss of wetland function, conflict with existing site-specific wetland management practice, and/or result in the loss of contiguous wetland area. If these conditions cannot be met, the proposal seeks to permit the use of enhancement and/or compensatory measures. The amendment also seeks to allow site alteration on lands adjacent to a wetland, significant wildlife habitat, and fish habitat. The amendment also seeks to permit commercial or residential accommodation

uses within 20 metres of the shoreline and flexibility with respect to the required 15 metre vegetation buffer adjacent to the lake. Lastly, the OPA seeks to permit development and site alteration within flood hazard lands.

Next Steps

Township staff will continue to review the revised documents noted above. It is staff's opinion that the peer review of the engineering documents, as noted in the previous staff report (linked above), should conclude prior to staff bringing forward a recommendation to Committee on the applications. Further, the Wetland Compensation and Net Environmental Benefit and Enhancement Report is going under further review by the proponents. Lastly, a list of items that are required to be addressed prior to the Township bringing forward a recommendation was sent to the applicant's agent on March 3, 2026. These include, but are not limited to, technical details required to draft a potential Zoning By-law amendment, consideration for items that may be able to be addressed through Holding (-H) provisions, updates to required documents, updates to the lands to be included in Phase 1, completion of the Environmental Assessment, etc.

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