

Proposed 7 Step Interim Section 37 Bonusing Process:

1. Notification of the Intent to Pursue Section 37

The prospect of an applicant pursuing Section 37 negotiations should be raised as early as possible in discussions of an application, based generally on the scale of the project and the increase in height, or as otherwise set out in the Official Plan policies, without committing in principle to any increase in height.

2. Independent Appraisal

As part of an application for a Zoning By-law Amendment or Zoning By-law Removal of Holding Provision application, the applicant will be required to provide an independent appraisal to determine the Uplift Value, which will be reviewed by the Development Planner, Real Estate Division, and potentially a qualified 3rd party appraiser. The appraisal must be prepared by a designated member of the Appraisal Institute of Canada and align with the City's terms of reference (a terms of reference has been drafted by our Real Estate Division).

3. Public Consultation

The Ward Councillor will be notified and a public consultation will be arranged to determine appropriate types of Community Benefits that are desirable for the area. The identification of an appropriate Community Benefit and its cost will be determined.

4. Valuation Estimate

The applicant will be required to provide an estimate to confirm the value of the agreed-upon Community Benefit. Planning Staff will work with the appropriate City departments to ensure the appraisal and cost estimate are satisfactory. This will include assessing the value of the Community Benefit against the Uplift Value to ensure that there is an equitable relationship between the established value of the increased height and the value of the Community Benefit in terms of financial cost and community importance.

5. Report to Planning Committee

The report to Planning Committee would include the Section 37 summary of the Community Benefits, the estimated cost or value of each Community Benefit and the timing of their provision, including the payment timing for cash payments and where possible, the anticipated timing of the use of the funds.

6. By-law with Community Benefit Details

A Section 37 agreement will be executed prior to the passing of the by-law that implements the Holding Removal or Site Specific Zoning By-law amendment as per Section 34 and 36 of the *Planning Act*. Development Review staff will advise Legal Services that a Sec. 37 agreement is required and request that the agreement be drafted for review and signing at Planning Committee prior to the passing of the by-law at Council. The Community Benefits will be outlined in the Site Specific Zoning By-law or Holding Removal By-law authorizing the increases in height and they will be secured in a legal agreement registered on title.

7. Receipt of Community Benefit

a. Cash payments will be required no later than at the time of issuance of any above-grade building permit. Cash payments will be collected by the Planning and Economic Development Department and held in a Section 37 Reserve Fund set up for that specific purpose. This fund will be managed by Financial Services and will be spent only on the Community Benefits specified in the Section 37 Agreement and associated By-law.

b. If the Community Benefit is being provided on-site as part of the development, such as day care space the timing may be determined on the basis of the development's construction schedule and clearly stated in the Section 37 agreement. Further details and securities for this type of Community Benefit will be secured through the Site Plan agreement.