

Transit Station Charge (TSC)

External Implementation Guide

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Introduction

Over the next two decades, Ontario's population is projected to increase by 4.2 million people, leading to greater traffic congestion and significant demand for more public transportation and new transit connections.

The Ontario government is committed to advancing transit infrastructure across the Province, including the delivery of GO Expansion, to bring faster, more frequent train service and shorten journey times while reducing gridlock.

Ontario is working with its municipal partners to speed up the construction of transit stations, connect growing communities, and make it easier and faster to travel across the Greater Golden Horseshoe.

As part of its plan to deliver the largest expansion of public transit in North America, the Province is providing municipalities with access to the Transit Station Charge (TSC), a new optional tool that aims to enable transit opportunities by allowing municipalities to fund GO stations, then recover their contributions over time as development is built around the station. The TSC will help municipalities unlock housing opportunities to build vibrant, mixed-used communities around future GO stations. This includes transit-oriented communities (TOCs), which will bring more housing and jobs closer to transit by giving residents access to new travel options and spurring growth and development in their communities.

Context

The Ministry of Infrastructure (MOI) has enabled the TSC through the *GO Transit Station Funding Act, 2023*. The Act provides the Minister of Infrastructure with the authority to provide consent (to a prescribed municipality) to implement a TSC by-law. See Appendix A for the list of prescribed municipalities. Note that approval of a TSC application is not guaranteed. The process to obtain approvals is a discretionary, non-entitlement process. Only applications that demonstrate strategic alignment with the Province's interest to build housing and transit cost effectively will be selected to move forward.

1. Overview

1.1 Purpose of this Guide

The purpose of the Transit Station Charge Implementation Guide (“this guide”) is to provide municipalities with information about the requirements to implement the TSC, including process, eligibility, roles and responsibilities.

1.2 The Transit Station Charge

The TSC is a charge that municipalities can use to support the delivery of new GO stations by fully or partially funding the design and construction costs of a new GO station. Municipalities can recoup the costs over time as new development is built around the station.

As per [section 3\(3\) of the Act](#), municipalities can only use the TSC if construction of new GO stations began on or after December 4, 2023 (the day the *Transportation for the Future Act, 2023* received Royal Assent). It cannot be used for existing GO stations that require improvements. [Section 4\(1\) of O.Reg 207/25](#) further outlines the definition of construction of a new GO transit station.

1.3 How the Transit Station Charge Works

Following a pre-consultation meeting with the Ministry and submission of a Letter of Intent (LOI), a municipality must meet the requirements outlined in [section 6\(1\) of the Act](#) to pass a Transit Station Charge By-Law:

- complete a background study that includes the prescribed information and meets any other prescribed requirements;
- give the public notice of the background study and the proposed by-law in a manner that the municipality considers appropriate and consult with such persons, public bodies and communities as the municipality considers appropriate;
- pass a resolution requesting that the Minister consent to the passing of the by-law; and
- obtain the Minister’s consent to pass the by-law, subject to any modifications that the Minister may specify.

Once implemented, the TSC would allow the municipality to charge a fee on new development (e.g., housing, commercial) built around the new GO station and to recoup its contribution towards the station over time.

The TSC would support the principle of “growth pays for growth” and would represent a new charge collected by municipalities, in this case, targeting development around a new GO station.

2. How to Initiate a Transit Station Charge

The following sections detail each step required for a municipality to seek the Minister of Infrastructure’s consent to pass the TSC by-law and help fund a new GO station.

The table below provides a quick reference of steps to follow. Note that, in addition to these steps, MOI leads several steps to help manage government approvals. MOI will work with the Ministry of Transportation (MTO) for any steps related to transit or GO stations.

TSC Guide Section	Step	Description	Lead
2.2	1a	Municipality schedules a pre-consultation meeting with MOI.	Municipality
2.3	1b	Municipality submits an LOI to MOI to use the TSC.	Municipality
2.4 2.5	2a	Province assesses request, including alignment with provincial priorities (such as transit), and obtains approvals to advance the new GO station design.	Province
2.6	2b	Province informs the municipality to proceed with a background study.	Province
3	3	Municipality develops a background study (with feedback from the Province) to: <ul style="list-style-type: none"> a. Identify the proposed geographic boundary of the charge; b. Identify the municipal contribution (that will be recovered through the TSC) towards the design and construction costs; c. Identify the amount of development expected within the proposed geographic boundary of the charge; 	Municipality

TSC Guide Section	Step	Description	Lead
		d. Determine the amount of the fee that will be charged, and; e. Determine how the capital cost contribution will be recovered, including the strategy to implement measures that will offset the financial impact of the contribution.	
4	4	Municipality develops a by-law to use the TSC that is sent to MOI to seek Minister's consent. If approved, Municipal Council passes the proposed by-law.	Municipality
	5	Internal provincial approvals to proceed with construction of the new station delivery model.	Province
5.2	6	Province informs the municipality whether MOI Minister has provided consent.	Province
	7	Municipality enters into agreements with Metrolinx to fund the design and delivery of new GO stations.	Municipality
5.3	8	Municipality implements the TSC by-law.	Municipality

2.1 Transit Station Charge Eligibility Criteria

To be eligible for the TSC, the proposed new station must meet the following criteria¹:

- New station development aligns with provincial priorities
- Proposed station is along existing or planned GO rail corridors, as confirmed by the Province
- Metrolinx has confirmed that the proposed station would have no negative impacts on the existing and planned system/service levels and the project offers strategic network benefit
 - If the project is located along a corridor not owned by Metrolinx, Metrolinx has confirmed that there are ongoing negotiations with the owner that are consistent with the new station request
- The municipality can make a funding commitment towards the station through the TSC or other municipal contributions (e.g., lands and/or other funding)

¹ If a station is eligible for the TSC and/or the municipality initiates the process to request a TSC by-law, the Province is not committed to approving and/or funding the proposed station.

2.2 Pre-Consultation Meeting

If the proposed new station is deemed to meet the criteria, municipalities interested in using the TSC must email MOI at TransitStationCharge@ontario.ca to schedule a consultation meeting to learn more about the TSC and discuss the requirements and processes to establish the charge.

2.3 Letter of Intent

The municipality must issue an LOI to MOI to officially begin the process if the municipality decides after the pre-consultation to request to use the TSC. A City Manager or Chief Administrative Officer (CAO) of a prescribed municipality should email the LOI to the ministry at TransitStationCharge@ontario.ca. See Appendix A for the list of prescribed municipalities.

The LOI may be submitted by an upper- or lower-tier municipality, and must include the following:

1. Municipality's interest in using a TSC to fund a new GO station within its boundaries (including a statement of whether the corresponding upper- or lower-tier municipality agrees);
2. Location of the proposed station(s);
3. An overview of how the municipality could support a new GO station(s), such as:
 - i. Current or expected future planning context for the area (i.e., ongoing or expected Official Plan or zoning amendments that will increase density and support regional transit viability);
 - ii. Potential adjustments to municipal transit routes and services that could bring new commuters into the potential future GO station(s);
 - iii. Plans for municipal infrastructure that could be improved to increase development capacity for the area;
 - iv. Potential new ridership generators (e.g., major attractions, office clusters, and community hubs).
4. A statement disclosing the estimated sources of funding that the municipality intends to use to finance the costs related to the design and construction of the proposed new station, including any plans to borrow funds, provincial or federal

funding, or funds from the reserve fund established in respect of the station, and a mitigation strategy for the increase of development costs.²

2.4 Financial Assessment

Once the Province reviews the LOI, the Province will conduct a financial assessment to understand whether a municipality's proposed funding contribution is reasonable given its overall borrowing capacity and other debt obligations.

If the provincial financial assessment is supportive, the Province will conduct an analysis of the viability of the proposed GO station.

If the financial assessment is not supportive of municipal implementation of a TSC, the Province will notify the municipality.

2.5 Transit Priority Assessment

Following a supportive financial assessment, the Province will conduct a Transit Priority Assessment (TPA) to determine viability for the proposed GO station, or whether additional analysis is required.

The TPA will typically include:

- verifying whether a Station Viability Assessment (SVA)³ already exists for the station,
- confirming existing or required government approvals, and
- highlighting any known challenges to delivering the necessary infrastructure.

2.5.1 Station Viability Assessment

An SVA provides an evidence-based overview of the proposed investment and its contribution to the goals and objectives of the Province. It includes the benefits, costs and risks of the proposed investment through the Metrolinx business case framework and its four cases (Strategic, Economic, Financial, and Deliverability and Operations),

² Sources of funding can include any borrowed funds, funds from provincial or federal funding, or funds the municipality plans to raise through the Transit Station Charge (TSC). For the estimated amount of funding the municipality anticipates contributing towards the station which it will recover through the TSC, the estimate must be supported by economic analysis of development potential in the area surrounding the proposed station. This analysis must also be submitted to the Ministry of Infrastructure.

³ An SVA is equivalent to an Initial Business Case conducted by Metrolinx.

and provides evidence-based support for why or if the new GO station should be implemented.

An SVA is one of several studies and factors used in making a final decision about a project. Other factors will vary on a project-by-project basis including broad economic objectives, local community considerations and affordability.

2.5.1.1 Timing of the Station Viability Assessment

Metrolinx may take a minimum of 12 months to complete an SVA, depending on the complexity of the project. The Province, at its sole discretion, has the right to determine the timeline for the assessment based on resource capacity, prior commitments and business priorities.

2.5.1.2 Funding for the Station Viability Assessment

Metrolinx will determine the scope of work, cost and timeline for the SVA. Municipalities are expected to fund the cost of this work, which is estimated to be up to \$500,000 depending on anticipated scope of work. Municipalities may need to enter into an agreement with Metrolinx.

If the Minister of Infrastructure consents for a TSC by-law to pass, the municipalities will have the option to recover the cost of an SVA through the TSC.

2.6 Response Letter

Once the Province completes the Financial Assessment and the Transit Priority Assessment, the Province will communicate the outcome of the analyses to the municipality.

- If the assessments are not favourable, there are two options:
 - the Province determines no further evaluation is needed, the Province will share the results of the analyses and inform the municipality that it will not move forward with implementation of the TSC
 - the Province determines that further analyses is required to evaluate the proposed GO station, the Province will communicate
 - 1) the estimated cost for the municipality to fund the additional analysis required and seek to enter into a binding agreement to recover these costs, and
 - 2) that the TSC process will be paused until such analysis is complete.

- If the assessments are favourable, the Province will share the results of the analyses and direct the municipality to take the next steps to implement a TSC. This includes the requirements for the background study and feedback on drafting the TSC by-law and planning for public consultation.

3. Background Study

A background study will be required for a municipality to inform and draft a TSC by-law to implement a TSC. The intention of the background study is for the municipality to clearly assess and demonstrate the estimated contribution it expects to provide towards the new station. The background study would also identify the geographic boundary subject to the charge, as well as how the upfront costs paid by the municipality will be recovered and the mitigation strategy against any increased cost of development or change in planned development within the geographic boundary of the TSC area.

It is important to note that Metrolinx will own/control the station and ancillary infrastructure (e.g., parking lot), as well as the associated rail corridor. It will also be responsible for designing the station, obtaining all permits, and delivering the project.

Municipalities are expected to seek MOI's feedback on the background study components early and on an iterative basis to ensure alignment on what constitutes strong rationale for a municipality to use the TSC.

As set out in Section 8(1) of O. Reg 207/25, the background study must include the following:

- a) The proposed geographic boundary to be subject to the TSC, and the criteria used to determine the boundaries of the fee area
- b) The costs that the municipality agrees to pay towards the new station
- c) The amount of development expected to take place within the proposed geographic boundary that the TSC would apply to
- d) The proposed amount of the TSC based on cost estimates and the amount of anticipated development
- e) The municipality's strategy to implement measures to offset the financial impact of the TSC on anticipated development.

In addition to the above requirements, Section 6(1)(b) of the Act also requires that municipalities give notice and consult with the public on the background study.

The following sections provide municipalities conducting a background study additional guidance and considerations for the prescribed information listed above.

3.1 Proposed Geographic Boundary

O. Reg 207/25 does not set out any specific requirements for the mapping of the area to be subject to the TSC. As each municipality and station site will be unique, mapping boundaries of what the TSC may apply to will likely vary from one project to the next. Municipalities should clearly articulate the rationale, expressed as the criteria, used to determine the recommended geographical boundary for applying the TSC.

Municipalities should keep the following principles in mind when proposing an area to apply the TSC:

- The geographic boundary should relate to the impact that the new transit station would have on real estate value. Those who would likely benefit the most from having the station should be considered in the boundary, similar to how TOCs are built within a 1200 m radius of GO transit stations.
- Where a boundary is proposed to extend far beyond the immediate vicinity of the station (or even the Major Transit Station Area), the TSC may vary depending on proximity to the station. Section 7(4) of the regulation contemplates a graduated charge in these situations.
- The geographical boundaries of the TSC could be proposed to cross municipal boundaries; however, impacted municipalities would need to agree.
- Where a single TSC by-law applies to more than one station, provided the requirements of the Act and regulation are complied with, the by-law must include a distinct geographic boundary and charge for each station.

Please note, when a TSC is set within two different municipal boundaries (e.g., two lower-tier municipalities or upper- and lower-tier municipalities), one municipality must be designated as the lead to ensure alignment and coordination with MOI.

3.2 Municipal Funding Contribution

The TSC may only be imposed by a municipality to recoup the station costs related to the design and construction of a new GO station for which the municipality has agreed to pay. As such, municipalities must clearly outline the estimated municipal funding contribution within the background study.

Section 3 of O. Reg. 207/25 outlines the eligible costs that municipalities can recover through the TSC.

- 1) **Station Design and Construction:** Costs to design and build the new GO Transit station as outlined in the municipal agreement with Metrolinx.
- 2) **Land Acquisition:** Costs associated with the purchase of land for the new station.
- 3) **Background Study:** Costs incurred by the municipality to undertake the background study.
- 4) **Financing and Interest:** Any loans or financing incurred by the municipality with respect to the above (i.e., station design and construction, land acquisition, background study).
- 5) **Station Viability Assessment:** Conditional to the TSC By-Law receiving Minister consent, municipalities may recoup the cost of the SVA through the TSC as a “cost related to the design and construction of the GO station”. An SVA is estimated to be up to \$500,000 depending on the anticipated scope of work.

3.3 Amount of Development

Municipalities must include a long-term growth forecast outlining the anticipated amount of development expected within the proposed geographic boundary for the TSC to be charged. O. Reg 207/25 does not set out specific requirements on how to conduct this analysis; however, municipalities should consider an approach that includes the following:

- Anticipated population growth based on the Ontario Ministry of Finance’s Population Projections, which informs the Provincial Planning Statement
- Characteristics of the proposed geographic location (i.e., land uses and market trends, growth projections in recent development charge background studies and municipal Official Plans)
- Amount and type of redevelopment opportunities
- Expected market absorption rates
- Examination of growth in similar areas with and without TOCs
- Based on the above factors, overall amount of development anticipated by land use (i.e., residential, commercial, industrial)

3.4 Calculating the Proposed Transit Station Charge

Municipalities must provide a clear explanation of how they calculated the TSC amount. This calculation should be expressed as a function of the total municipal contribution for the design and construction costs of a new station and the anticipated amount of development around the station.

As per Section 7 of O. Reg 207/25 , municipalities can express the charge:

- for commercial development on a per square foot basis.
- for residential uses on a per housing unit or per square foot basis.
- for any other land uses (i.e., industrial, institutional) on a per square foot basis.

Municipalities must clearly demonstrate the basis for the TSC, regardless of the selected approach (e.g., for residential uses, imposing the TSC on a per unit or per square foot basis). Furthermore, if the TSC is structured a certain way (e.g., if a municipality proposes to vary the TSC depending on proximity to the station or for specific land uses), municipalities must provide the rationale for doing so.

3.5 Municipal Plan to Offset the Transit Station Charge

As set out in Section 8(1), paragraph 5, O. Reg 207/25, the background study must include a plan for the implementation of measures that will offset the financial impact of the charge on developers and ultimately, homeowners. These measures could be quantitative or qualitative if they include efforts that reduce development related costs (such as eliminating fees or requirements), or time savings equivalent to financial relief (such as implementing higher density zoning, expedite planning approvals, or prioritizing servicing allocations).

It is expected that municipalities discuss potential and proposed offset strategies with stakeholders (e.g., development community) and the public. The plan should include a schedule that illustrates when the municipality anticipates bringing these measures into effect, especially for those that require new by-laws, or amendments to existing by-laws. Municipalities are also required to share proposed offset strategies with MOI on an iterative basis to receive feedback prior to seeking the Minister of Infrastructure's consent to use the TSC.

The Province will consider the following when evaluating these measures:

- Were any other development-related cost offsets considered (e.g., redirection of DCs or DC relief or application fees for development in the TSC area)?
- Will the municipality reduce any requirements for new development within the TSC area? If so, when?
- Is the municipality planning to amend the zoning by-law to increase development densities within the TSC area and/or expedite other planning approvals (e.g., pre-zoning to avoid waiting for zoning applications)? If so, when?
- Will the municipality provide guaranteed or fixed approval timelines for review and development decisions in the TSC area?
- Will the municipality contribute to building infrastructure that developers would otherwise pay for (e.g., roads, water/sewer)?
- Is the municipality planning to increase local transit service within the TSC area? If so, when?
- Will the municipality prioritize infrastructure allocation and fixed municipal approval timelines within the TSC area? If so, how, when, and what will the impact on development timelines be?
- What was the public's feedback, including the development community, regarding discussions on proposed measures and how was that feedback used to develop the offset plan?

4. Municipal Transit Station Charge By-Law

Municipalities must use the background study as the basis for drafting the TSC by-law. Section 3(1) of the Act states that municipalities should be guided by the following principles when considering whether to pass a by-law:

- Support the creation of more transit connections
- Encourage TOCs around GO stations
- Recover the costs for the capital funding of a new GO station in a reasonable, transparent and fair manner

As described below, the by-law must include a map of the area to which it applies, as well as clear rules to determine whether it is payable and by what amount.

Municipalities must also consult the public and impacted stakeholders on the draft by-law.

To allow for maximum flexibility, municipalities can update their TSC by-law as needed over the course of the TSC collection period. See Section 5.4 of this guide for more information on amending a TSC by-law.

4.1 Map of Area

The map must clearly show the area that the TSC will be imposed in as determined by the municipality and follow from the analysis detailed in the background study.

4.2 Rules to Determine Applicability

The draft by-law must state the rules used to determine which developments would be subject to the TSC (based on proximity to the GO station), which developments would be exempt from the TSC, as well as the fee amount that will be imposed on new development within the geographic boundary, and timing to collect the TSC.

4.2.1 Applicable Developments

Under Section 3(5) of the Act, the TSC can be imposed for development that requires:

- Zoning by-law including amendments to a zoning by-law
- Minor variances
- Conveyance of land
- Plans of subdivision and consent under section 53 of the *Planning Act*
- Plan of condominiums
- Issuance of building or occupancy permits

Section 6 of O. Reg 207/25 exempts certain land uses from the TSC including:

- Developments that enlarge an existing residential unit, permit additional rental units, or add dwelling units to an existing dwelling
- Long-term care homes
- Retirement homes
- Post-secondary institutions
- Royal Canadian Legion memorial home, clubhouse, or athletic ground
- Hospices

4.2.2 Timing

As outlined in Section 7 of the Act, the TSC is payable by the developer to the municipality when a building permit has been issued for a development. Rental housing developments have a longer timeframe to pay the TSC and may pay in equal annual instalments over five (5) years from when the building permit is issued or the building is

first occupied, whichever comes first. Per Section 8 of the Act, municipalities may provide flexibility to vary timing of the payment of the TSC.

If the TSC is not paid by the due date, municipalities will not be required to issue a building permit or can choose to charge interest.

4.2.3 Amount

The TSC may be imposed on either a per square foot basis or on a per residential unit basis. Municipalities may choose either option based on their preference. As detailed in Section 3 of this guide, the background study would discuss the potential TSC as well as the rationale.

4.3 Consultation on Draft Transit Station Charge By-Law

As with the background study, municipalities must make the draft TSC by-law available for public consultation. Municipalities are expected to use discretion to determine the most appropriate and efficient way to do this (e.g., consulting on the by-law at the same time as the background study).

Municipalities are encouraged to use this opportunity to gather feedback from impacted stakeholders, especially the development community, on issues ranging from application and amount of the charge to offset measures, as well as to address any concerns that have been raised.

5. Enacting a Transit Station Charge By-Law

Following consultation on the background study and draft by-law, the municipal Council must pass a resolution that requests the Minister of Infrastructure to consent to the passing of the draft TSC by-law and that authorizes the municipality to contribute a fixed amount towards the new station.

The Council resolution must include a copy of the proposed TSC by-law along with an explicit commitment to use the full amount of the TSC collected, minus recoverable costs noted in this guide towards the design and construction costs of a new GO station, and a map of the TSC area. The resolution must be forwarded to the Ministry of Infrastructure within 15 calendar days of being passed.

5.1 Submission to the Minister of Infrastructure

Municipalities should include the following when submitting the Council-approved resolution and package to the Minister of Infrastructure:

- a) Cover letter, addressed to the Minister of Infrastructure, requesting consent to implement the TSC by-law and committing to using the full amount of the TSC collected, minus recoverable costs noted in this guide, to the new GO station
- b) Copy of the Council-endorsed TSC by-law
- c) Copy of the Council-endorsed background study
- d) Description of the municipality's consultation record for both the background study and draft by-law
- e) Statement disclosing the funding sources that the municipality intends to use to cover design and construction costs for the proposed new station
 - o Sources of funding can include any borrowed funds, provincial or federal funding, or funds from the reserve funds specifically established for the station
- f) Statement disclosing the qualitative and quantitative measures to offset the TSC towards minimizing impacts to development costs

All submissions must be sent to TransitStationCharge@ontario.ca.

The Minister of Infrastructure may require municipalities to provide additional information or materials that the Minister considers necessary to assess the submission prior to approving the use of the TSC. For example, if a municipality plans to use borrowed funds, the Minister may request credit information (e.g., municipality's credit rating).

Municipalities are encouraged to work closely with MOI throughout this process to ensure the package that is sent to the Minister meets all requirements.

5.2 Minister of Infrastructure to Consent to the Use of the TSC

Ministry staff will review the background study and draft by-law after receiving the municipality's submission and make a recommendation to the Minister of Infrastructure.

It is at the Minister of Infrastructure's discretion whether to grant or deny the municipality's request to use the TSC. In addition, granted consent could be subject to modifications that the municipality must accept, when passing the final TSC by-law.

5.3 Final Transit Station Charge By-Law

If the Minister of Infrastructure requested modifications to the draft TSC by-law, municipalities may implement the TSC by-law once they have updated the proposed by-law accordingly.

Municipalities must enter into all necessary agreements with Metrolinx on the delivery of the new GO station, after the by-law is approved by the Minister.

For full transparency, any binding agreement between the Province and/or Metrolinx and the municipality will formalize the amount that the municipality would contribute to fund the design and construction of the new station, including the frequency of payments and milestones.

In addition, it should be noted that only the municipality is expected to collect the TSC. Metrolinx will not collect the charge on behalf of the municipality.

Lastly, the by-law should also outline that Metrolinx (on behalf of the Province) will own/control the station and ancillary infrastructure (e.g., parking lot), as well as the associated rail corridor. It should also be noted that Metrolinx will also be responsible for designing the station, obtaining all permits, delivering the project and consulting with the municipality throughout the process.

5.4 Amending a Transit Station Charge By-Law

Municipalities are given the flexibility to amend the TSC by-law if market conditions or other circumstances change. Amendments may include the TSC fee, the projected development growth or applicable geographies or other aspects such as the time frames, etc.

A municipality must make a submission to MOI to request the Minister's consent to amend a TSC by-law. The submission can be emailed to TransitStationCharge@ontario.ca and include the following:

- a) Cover letter, addressed to the Minister of Infrastructure, requesting consent to amend the TSC by-law and includes the rationale for the amendments
- b) Council resolution endorsing the by-law amendment and requesting that the Minister consent to the amendment
- c) Updated sections of the (original) background study applicable to the proposed changes, including growth forecasts, development projections, fee calculations and geographic basis

- d) Updated sections of the contractual agreement with Metrolinx to denote changes in payment amounts, timelines or any other impacted sections based on the nature of the bylaw amendment

Similar to enacting the initial TSC by-law, the amended by-law will come into effect after the Minister consents and Council approves.

6. Monitoring the Transit Station Charge By-Law

Once implemented, municipalities will be responsible for monitoring and reporting to the Province on the progress of implementing the TSC by-law on an annual basis.

Municipalities are required to submit an annual update to MOI at TransitStationCharge@ontario.ca to monitor a TSC against the intended outcomes and to ensure accountability and transparency. Per Section 12 of O.Reg 207/25, this update must be submitted on June 1 each year that the TSC by-law is in effect.

The annual update must include the following components:

- 1) **Station update:** Progress towards construction of a new GO station. This section can be linked to the payments of the contractual agreement with Metrolinx. The municipality is encouraged to work with Metrolinx to provide the relevant information.
- 2) **Development update:** Progress on the residential, commercial and other expected development that the TSC calculation was based on within the geographic boundary that the TSC applies.
- 3) **Revenue update:** A financial statement of the preceding outlines the municipal contribution towards the total cost of the station, amount collected through the TSC and the amount remaining (see O.Reg 207/25 s.12, and s. 17 of the Act for more information).
- 4) **Pooling of funds (if applicable):** If a municipality decides to pool the revenue raised through a bylaw that applies to more than one new station, the municipality will continue to be accountable for documenting fee collection on a “per station basis” and ensure fees are used for the construction/financing of the particular station that the fee was collected for.
- 5) **Amendments (if applicable):** A rationale for any amendments to the by-law (e.g., change in fee calculation or geographic area of the TSC).

Frequently Asked Questions

1. How does a TSC differ from a Development Charge?

A TSC is a development related charge that can support the delivery of new GO stations by enabling municipalities to fund all or some of the cost of a new GO station, and recoup costs as new development is built around the station over time.

Development charges (DC) help municipalities recover a portion of growth-related capital costs incurred to provide services to new residents and businesses. The revenue from development charges helps municipalities build critical infrastructure, such as water, wastewater, roads and fire protection, to ensure development can proceed; and community infrastructure, such as transit, affordable housing, parks, recreation and public libraries in or around the developments to make them more attractive to new residents.

Similarities in the principles of these charges include:

- **Discretionary charge:** Municipalities may choose to levy a DC on new developments and/or re-developments to fund infrastructure.
- **Growth pays for Growth:** DCs must be tied to the cost of providing infrastructure for growth-related services.
- **Accountability and Transparency:** Accountability mechanisms in legislation provide for administration and spending of the collected funds along with recourse for developers and other stakeholders should they not agree with the DC levied on them.

2. When should a municipality expect to make payments towards funding the design and construction of a new GO station?

Municipalities are required to make payments to Metrolinx per the timelines in a contribution agreement. Final payments for the design and construction of new GO stations will be due while stations are under construction at or near the completion of the station.

3. How many years could it take a municipality to recover their contribution to station construction through the TSC?

It is anticipated that it may take upwards of 20 years for a municipality to recoup their contribution to the construction of a new GO station through a TSC, but this will be dependent on how quickly development progresses in the area prescribed in the by-law.

4. Are municipalities able to pool the revenue raised for one transit station to cover the costs of another station, resulting in cross-subsidization?

TSC funds raised for one transit station may be pooled to cover the costs of another station. However, municipalities must share a copy of the statement with the Province annually as part of the Statement of Treasurer, outlined in [section 17 of the Act](#). This includes how much funds were received through the TSC, and which station costs the funds covered. This will help ensure that the funds recouped through the TSC are being appropriately allocated.

5. Are municipalities expected to fully fund the design and construction costs of a new GO Station?

There is no minimum threshold for the municipal contribution in relation to the total cost of a new station; however, municipalities are expected to inform the Province about the municipal contribution as part of the LOI. The Province, on a case-by-case basis, will assess the request.

In its sole discretion, the Province may decide to seek approval to bridge any funding gaps.

6. How does the fee relate to existing funding commitments made by Metrolinx for Capital Projects and GO Transit Development Charges?

Metrolinx will continue to be responsible for owning and delivering GO infrastructure. The TSC will provide an offset towards the cost of delivering key GO stations. The TSC is separate from GO Transit Development Charges. MOI will work with MTO to ensure there is no duplication of charges.

7. What happens if the TSC is not paid to the municipality by the developer?

Under [Section 9 of the GO Transit Station Funding Act, 2023](#), a municipality is not required to issue a building permit if a fee that is payable has not been paid. [Section 10 of the Act](#) also allows a municipality to charge interest on any outstanding charge that is not paid.

8. Would the TSC apply to a development that has submitted permit applications before the TSC by-law is implemented?

[Per Section 3\(5\) of the Act](#), the TSC may only be imposed to developments that require a permit issued under the *Building Code Act, 1992* in relation to a building or structure. Therefore, development that has already received a permit may not be subject to the TSC.

9. What options do municipalities have if the financial assessment is not supportive of a municipality to implement a TSC?

Financial assessments are based on reported and publicly available information. A municipality may have an opportunity to discuss the outcome with the Province if the Province's financial assessment of the municipality does not support implementing a TSC. The municipality may also work with Province to explore other financing options that may aid the implementation of a TSC.

Appendix A: Prescribed Municipalities

Town of Ajax	Town of Milton
Town of Aurora	City of Mississauga
City of Barrie	Town of Newmarket
Town of Bradford West Gwillimbury	Regional Municipality of Niagara
City of Brampton	City of Niagara Falls
City of Burlington	Town of Oakville
Municipality of Clarington	City of Oshawa
Regional Municipality of Durham	Regional Municipality of Peel
Town of East Gwillimbury	City of Pickering
Town of Grimsby	City of Richmond Hill
City of Guelph	County of Simcoe
Regional Municipality of Halton	City of St. Catharines
Town of Halton Hills	City of Toronto
City of Hamilton	City of Vaughan
Town of Innisfil	Regional Municipality of Waterloo
Township of King	Town of Whitby
City of Kitchener	Town of Whitchurch-Stouffville
Town of Lincoln	Township of Woolwich
City of Markham	Regional Municipality of York