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Region of Durham

GO Lakeshore East Extension: Transit Station Charge Background Study

May 2026



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Disclaimer:

The conclusions contained in this report have been prepared based on both primary and secondary data sources. NBLC makes every effort to ensure the data is correct but cannot guarantee its accuracy. It is also important to note that it is not possible to fully document all factors or account for all changes that may occur in the future and influence the viability of any development. NBLC, therefore, assumes no responsibility for losses sustained as a result of implementing any recommendation provided in this report.

This report has been prepared solely for the purposes outlined herein and is not to be relied upon, or used for any other purposes, or by any other party without the prior written authorization from N. Barry Lyon Consultants Limited and the Region of Durham.

Executive Summary

In 2023, the Province passed the *GO Transit Station Funding Act, 2023* ('the Act'), that provides an optional mechanism for municipalities to advance new GO Stations by contributing towards the upfront design and construction costs of new stations. The contributions are then recovered by collecting a Transit Station Charge ('TSC') on new development around the future station(s).

In the Region of Durham, the planned GO Lakeshore East Extension to Bowmanville is expected to have long-term, transformative impacts on lands surrounding the four planned stations at Thornton's Corners, Central Oshawa, Courtice, and Bowmanville. Access to GO train service is expected to underpin demand for new transit-oriented communities that will offer a broader range of housing options, including more affordable housing.

This report constitutes the Background Study required in support of the implementing TSC by-law that will allow the Region of Durham to contribute funding towards the planned stations. This Background Study has been prepared in accordance with the Act and Ontario Regulation 207/25.

At present, economic uncertainties associated with changes to U.S. trade policy, Federal immigration policies, rapid price and construction cost escalation and a number of other factors have undermined the feasibility of new housing and commercial investment. However, Canada and Durham's population will continue to grow and along with it a diversified demand for new homes and workspaces that will increasingly prioritize access to transit. It is expected that current economic and political challenges will be addressed and investment interest will grow, fuelling the real estate sector.

As a long-term funding tool, the TSC has therefore been designed to reflect today's real estate market but allows for the charge to be adjusted as markets change.

Transit Station Charge Areas

The TSC will be a tiered charge, with two zones around each station area:

- Zone 1: representing the boundaries of each Provincially approved Protected Major Transit Station Area ('PMTSA'). These zones are designated to achieve a minimum density of 150 people and jobs per hectare¹ in area municipal plans in anticipation of the planned GO service.
- Zone 2: captures additional properties outside of the PMTSA boundaries that will also benefit from the introduction of new transit. The size of Zone 2 varies significantly between stations based on a variety of factors such as current land uses, development potential, road network, and Secondary Plan boundaries. While PMTSAs in Zone 1 are delineated for higher densities to support provincial targets, the densities generally reduce as distance from the stations increase.

¹ Note: The density target for the Central Oshawa PMTSA is being updated to 175 people and jobs per hectare, pending provincial approval at the time this study is being published.

As such, planning permissions for transit-oriented densities such as those of PMTSAs may not necessarily be in place for Zone 2 at this time. Additional densities are subject to municipal planning approval. The properties within Zone 2 are further away from the station, and the TSC for these properties are therefore set at lower rate, as noted below.

The TSC areas are described in Section 5.0 of this report, which also includes detailed maps of the boundaries for Zone 1 and 2 at each station.

Initial TSC Rates and Contribution

The following are the initial TSC rates for the GO Lakeshore East Extension:

- \$10.00 psf of GFA for high-density residential uses and associated retail in Zone 1;
- \$12.50 psf of GFA for low and medium-density residential uses in Zone 1;
- \$7.00 psf of GFA for high-density residential uses and associated retail in Zone 2;
- \$8.75 psf of GFA for low and medium-density residential uses in Zone 2; and,
- \$2.50 psf of GFA for industrial or employment uses in Zone 1 and 2.

The introduction of the new stations and transit service will result in increased revenues, reduced costs of providing parking, and accelerated demand and absorptions demonstrating added benefits that will more than compensate for the TSC at these initial rates.

The TSC is only payable upon redevelopment of a property with more intensive uses. No impacts will be felt by landowners until such time as they plan to redevelop their property and apply for a building permit (or occupancy permit in the case of rental housing).

Based on the above initial TSC rates and the assumptions around growth forecasting in the TSC areas, as outlined in this report, a financial analysis conducted by Watson & Associates suggests that the Region of Durham would be able to commit to an initial station contribution in the range of **\$150 million to \$199 million**, depending on the costs of borrowing.

Growth in the Market and Future TSC Rates and Contributions

The TSC rates will be reassessed at pre-determined points in the future to ensure that they are adjusted to reflect market conditions. The first two triggers for reassessment will be:

- The start of station construction; and,
- The commencement of transit service.

The TSC will then be reassessed regularly over the 30-year borrowing period, at least every five years. Earlier reassessments – either between the start of construction and commencement of service, or between the five-year intervals after service begins – would be triggered if the average price of a new construction home changes by 10% or more year-over-year.

Any reassessment of the TSC will include a detailed pro forma analysis to understand the impact of transit on new development under current market conditions. The following are some of the metrics that would be considered during any pro forma analysis related to a reassessment of the TSC:

- Current revenues for built forms most likely to be constructed in the TSC area (e.g. apartments, townhouses, stacked townhouses, etc, both rental and ownership tenures);
- Absorption rates;
- Parking revenues and ratios;
- Hard and soft construction costs, including government fees and charges;
- The change in land values between developments with and without proximal transit access, as determined by local market shifts.

This report also illustrates how future increases to the TSC could have a considerable impact on the Region's contribution amount. Assuming that the initial TSC rates are increased by 50% at the commencement of transit service, and then again five years later to a rate that is 100% higher than the initial rates noted above, it is estimated that the Region's contribution amount could increase to **\$243 million to \$322 million**, depending on the costs of borrowing.

Offsets to the TSC

Ontario Regulation 207/25 Section 8 (1) 5 prescribes the following: *“If measures are required to offset the financial impact of the charge described in paragraph 4 on the development described in paragraph 3, a plan for the implementation of such measures.”*

The financial impacts of the charge are fully offset by the benefits that developers and landowners will receive as a result of the new transit services including:

- The introduction of transit allows for the creation of walkable communities that have proven to be more marketable than suburban models;
- These communities can offer a much wider of range of housing, retail and commercial uses in more dense forms making better economic use of land;
- The ability to offer a wider spectrum of pricing from affordable entry level to upscale homes which will attract a wider variety of buyers;
- GO Transit service will allow future residents alternative transportation options that offer benefits in terms of savings, better connectivity to surrounding pedestrian and active transportation networks, improved community safety and well-being, less stress, and reduced impacts on the environment – all of which improve market demand;
- Having GO Transit service means that some future households may not need to own a car (or second car), reducing costs of living;

- Less demand for parking also significantly reduces construction costs (there will be no parking minimums in Zone 1);
- The “as of right” densities associated with projects in Zone 1 will reduce approval time and project costs. This also increases project certainty and reduces risks;
- Transit-oriented development can stimulate office and commercial investment and job creation;
- Employers can attract a broader range of workers by offering greater transit accessibility;

All of the above contributes to much stronger market demand – which leads to higher revenues and absorptions – and improved development economics and land values which fully offset the TSC.

Given the above, there are no required offsets. However, the following additional offsetting measures might be considered at any time by the area municipalities:

- Further initiatives to accelerate development application approvals in Zone 1 and/or Zone 2;
- Reduction or removal of minimum parking requirements in Zone 2;
- Community Improvement Plans in TSC areas that can be tailored to meet local objectives through a variety of incentive options such as grants, rebates, waivers, or tax incentives.

1.0 Introduction

The Region of Durham ('the Region'), the Province of Ontario, and Metrolinx are pursuing the GO Lakeshore East Extension with four planned stations, terminating in the Municipality of Clarington. The extension of GO rail service is a crucial investment that will unlock new and long-term investments towards a more sustainable pattern of growth in the Region of Durham.

Figure 1 identifies the planned stations and alignment of the extension.

Figure 1: Alignment of the GO Lakeshore East Extension



Source: Region of Durham

In 2018, the Province of Ontario began shifting how new GO stations would be delivered by pursuing opportunities to allow third parties to contribute to station costs.

As part of this strategy, the Province has developed, through the *GO Transit Station Funding Act, 2023* ('the Act'), a Transit Station Charge ('TSC') to allow eligible municipalities to help fund the design and construction of new GO stations. The TSC would allow the municipal contribution to be spread across many developments and over many years. Along corridors such as the GO Lakeshore East Extension, where there are many landowners, the TSC provides the opportunity for a broader, municipally coordinated funding approach to advance station delivery.

This Background Study sets out an initial TSC rate for the GO Lakeshore East Extension and assesses the station cost contribution that can be supported by the estimated revenues from these initial TSC rates. The initial TSC rates will be re-assessed on a regular basis and are subject to change as market conditions dictate.

1.1 Background Study Structure

This Background Study builds on and updates work that has been underway since 2019, incorporating feedback from the Ministry of Infrastructure ('MOI'), Ministry of Transportation

(‘MTO’), Metrolinx, the City of Oshawa, and the Municipality of Clarington. The Background Study also addresses market conditions which have dramatically shifted over the course of this work.

The final version of this Background Study will include feedback received from local elected officials, landowners surrounding the station sites, including developers, businesses, and local residents, following public consultation.

This Background Study specifically addresses the requirements of the Act. Ontario Regulation 207/25 under the Act prescribes that the following information be included in a Background Study in respect of any GO Station that is subject to a future TSC by-law:

1. The criteria used to determine the boundaries of the transit station charge area (see Section 5.0 of this report).
2. An estimate of the total costs that the municipality has agreed to pay in relation to the construction of the GO Transit station that is the subject of the by-law (see Section 8.0).
3. An estimate of the development that is anticipated to take place within the transit station charge area (see Section 6.0).
4. Based on the costs and the development described above, the proposed amount of the transit station charge and all calculations used to determine the proposed amount (see Section 7.0).
5. If measures are required to offset the financial impact of the charge described on new development, a plan for the implementation of such measures (see Section 7.5).

2.0 GO Transit Station Funding Act, 2023

The following provides an overview of how a Transit Station Charge ('TSC') is implemented through the *GO Transit Station Funding Act, 2023*.

- Prior to implementing a TSC, a municipality must undertake a Background Study, prepare a by-law, and conduct public consultation. The Background Study must determine the charge and define a geographic area where the charge would apply. The municipality must also reach a funding agreement with Metrolinx as to the proposed contribution amount generated from the imposition of a TSC by-law.
- The municipality would then contribute to the station design and construction costs that are considered off-corridor, such as platforms, parking, ticket booths, etc.
- The new transit service along with changes to land use policy and plans undertaken by the area municipality to support transit-oriented densities would catalyze new development in the station area.
- The municipality would impose the TSC on new development and use the funds to recover its contribution to the Province for the GO Station costs.
- A municipality may enter into an agreement with a person who is required to pay a TSC providing for all or any part of a charge to be paid before or after it would otherwise be payable.
- In a situation where an upper-tier municipality is making the contribution to station costs, the treasurer of the lower-tier municipality shall collect the charge when it is payable and shall, unless otherwise agreed by the upper-tier municipality, pay the charge to the treasurer of the upper-tier municipality.
- The TSC is based on the gross floor area ('GFA') of development as well as the type of development, charged on a per square foot or per square metre basis.
- The municipal financing would be paid down by the TSC over a defined period of time, depending on borrowing terms and subject to the pace of new development and market conditions. The municipality's ability to service debt would be linked to the market's performance over the borrowing period.

Ontario Regulation 207/25

The following are other key components of the Act, as set out in Ontario Regulation 207/25:

- The following items related to the construction of a new GO Station are recoverable through the TSC:
 - Costs related to the design and construction of the GO Station that are to be paid by the municipality as set out in an agreement between the municipality and Metrolinx. This

includes costs related to the design and construction of any works required to service or provide access to the GO Station;

- Costs incurred by the municipality in respect of acquiring land or interests in land required for the GO Station;
- Costs incurred by the municipality in respect of preparing the Background Study required under the Act; and
- Interest, financing charges or other similar costs incurred by the municipality in respect of financing the costs described above.

Ontario Regulation 207/25 includes the following list of uses to be excluded from paying a TSC:

- Development lands that are owned by, and used for, the purpose of:
 - The Region or a local board thereof;
 - An area municipality or a local board thereof in the Region; and
 - A board as defined in subsection 1(1) of the Education Act.
- A TSC cannot be imposed on the following uses:
 - Long-term care home within the meaning of subsection 2 (1) of the *Fixing Long-Term Care Act, 2021*;
 - Retirement homes within the meaning of subsection 2 (1) of the *Retirement Homes Act, 2010*;
 - Post-secondary institutions;
 - Royal Canadian Legion memorial homes, clubhouses, or athletic grounds;
 - Hospices;
- A transit station charge shall not be imposed for development at an existing residential unit where the development:
 - Is the enlargement of an existing residential unit;
 - Adds one additional residential unit in an existing rental residential building containing four or more residential units but less than 100 residential units;
 - Adds more than one residential unit but less than 1 per cent of the existing residential units in an existing rental residential building containing 100 or more residential units;
 - Adds a second residential unit in an existing detached house, semi-detached house or rowhouse on a parcel of land on which residential use, other than ancillary residential use, is

permitted, if all buildings and structures ancillary to the existing detached house, semi-detached house or rowhouse cumulatively contain no more than one residential unit;

- Adds a third residential unit in an existing detached house, semi-detached house or rowhouse on a parcel of land on which residential use, other than ancillary residential use, is permitted, if no building or structure ancillary to the existing detached house, semi-detached house or rowhouse contains any residential units; and
- Adds one residential unit in a building or structure ancillary to an existing detached house, semi-detached house or rowhouse on a parcel of land, if the existing detached house, semi-detached house or rowhouse contains no more than two residential units and no other building or structure ancillary to the existing detached house, semi-detached house or rowhouse contains any residential units.
- In addition to the above, this report also recommends the following uses to be exempted from the TSC as part of the Region’s TSC by-law. Further definitions for some of these uses can be found in the implementing by-law:
 - Non-profit housing development;
 - Places of worship;
 - Public hospitals receiving aid under the Public Hospitals Act, excluding such buildings, structures, or parts thereof used, designed, or intended for use primarily for or in connection with a commercial purpose;
 - Any part of a building or structure used for the parking of motor vehicles, excluding parking spaces for display of motor vehicles for sale or lease or parking spaces associated with the servicing of motor vehicles;
 - Free standing roof-like structures and canopies that do not have exterior walls;
 - Residential units that are required to be included in a development or redevelopment (“inclusionary zoning units”) pursuant to a by-law passed under section 34 of the Planning Act to give effect to the policies described in subsection 16 (4) of the Planning Act;
 - Affordable residential units; and
 - Major office.
- The TSC must be expressed in units of dollars per square foot of development. The charge can also be expressed as units of dollars per residential unit for residential uses.
- Purpose-built rental developments with four or more residential units can pay the TSC in installments rather than one lump sum. The charge would be paid in equal annual installments beginning on the date of the issuance of a permit under the Building Code Act, 1992 authorizing

occupation of the building or, where a municipality does not issue an occupancy permit, the date the building is first occupied, and continuing on the following five anniversaries of that date. A municipality may charge interest on the installments from the date the TSC would have been payable in accordance with the maximum interest rates set out in the Act.

3.0 The Benefits of Transit on Real Estate and New Development

Real estate markets are complex in nature and are impacted by a range of interrelated factors. This includes the nature and composition of population growth, macro-economic factors such as interest rates, and demographic influences. The characteristics of the community including its proximity to jobs, parks, schools and other amenities also influence the appeal of real estate markets. Among these, transportation and mobility links have always been important considerations.

The increasing economic, environmental and social costs associated with road congestion have been rapidly shifting and influencing market preferences. People and businesses are increasingly prioritizing access to transit as a key driver of lifestyle and investment decisions.

In many markets, people also choose to trade a large home and long commute in exchange for properties that offer walkable access to jobs, restaurants, retail and cultural amenities as they search for convenience and lower maintenance lifestyles. For seniors and young people – who do not typically need large homes – this is especially true. In the Region of Durham and elsewhere in the Greater Toronto and Hamilton Area ('GTHA'), these groups are powerful market segments that are expected to grow in the future.

The addition of new transit in a market area typically drives demand for new housing and increases home prices. However, the level of impact is different between market areas. This section provides a brief overview of the benefits of transit-oriented development, as well as details on when and how transit impacts real estate markets.

3.1 The Benefits of Transit-Oriented Development

Transit-oriented development refers to the creation of compact, walkable, pedestrian-oriented, mixed-use communities around transit stations. It offers a number of benefits, including, but not limited to:

- Transit-oriented communities have proven to be more marketable and create a broader range of positive economic and social outcomes for its residents;
- Future residents benefit from reduced need for a personal automobile and the associated cost savings. They also benefit from improved safety resulting from better connectivity to multi-modal transportation options and to surrounding pedestrian and active transportation networks;
- Walkable access to transit creates opportunities to attract a much wider range of community members and housing types. This helps create more diverse communities and supports the creation of a wider range of affordability;
- Transit-oriented communities are more efficient in terms of the use of public infrastructure and services which reduces pressure for less sustainable suburban expansion;

- Creation of walkable communities accommodates more healthy lifestyles, encouraging pedestrian and cycling movement as well as greater opportunities for social interaction;
- Transit-oriented communities, properly designed, can create appealing urban environments that can attract office and commercial investment and the associated job creation and tax assessment;
- For employers, close proximity to high quality transit can assist in attracting new employees in a competitive marketplace;
- For the development community, these benefits translate into stronger market demand, higher home prices, faster absorptions, and better development economics.

In the context of this report, the planned stations on the GO Lakeshore East Extension have the potential to become new focal points of local and regional transit service, creating new access to the wider municipal and regional transit systems.

3.2 When Does Transit Benefit the Real Estate Market?

Every transit station is located in a different market context. Development potential around each station and the impact of transit on the local real estate market varies due to differences in location, land uses, and type of transit. As such, growth will not occur equally across a transit line. This is particularly evident on the GO Lakeshore East Extension where each station area varies considerably – ranging from a greenfield area at Courtice to an established urban area at Central Oshawa.

The following is an overview of what fundamentals are typically required for transit to have a beneficial impact on real estate markets and new development:

- **Frequency, Reliability, Affordability:** The new transit service must be frequent and reliable. For example, the TTC subway has the most significant impact on real estate in the GTHA given the low cost, high frequency, and consistency in service levels.
- **Connectivity to the Wider Transit and Active Transportation Networks:** The new transit service should be integrated with the wider transit and active transportation networks. For example, a new GO Station should connect to local bus routes and active transportation connections to ensure that riders are able to seamlessly use multi-modal transportation options, including transit, to get to and from their destination.
- **Strong Market Fundamentals:** The area must have strong population growth potential (e.g. attractive market, available development sites, access to jobs, access to amenities, etc) as well as a positive economic context, including a favourable debt and job environment.
- **Positive Market Context:** The nature of the community and the associated commercial and public amenities – such as employment opportunities, retail, parks, community centres and schools – will have a bearing on the marketability of the area to different market segments.
- **Development Economics:** The costs of development – including government fees – must align with market pricing.

- **Supportive Planning Framework:** A proactive planning framework, specifically zoning and official plan policies, can encourage greater investment to a transit corridor by removing obstacles and providing greater certainty to developers regarding acceptable built form and densities. Adequate infrastructure and development fees (parkland, development charges, etc.) that are not prohibitive are also key factors.
- **Available Development Sites:** While existing properties will be positively impacted, new development can only occur if land or underutilized development sites (soft sites) are also available. Natural, cultural, and built heritage are also important features that can impact development potential on some sites.

3.3 How Does Transit Benefit the Real Estate Market?

Transit can improve market demand and positively impact residential and non-residential uses. For both residential and office uses, access to transit is usually highly valued. Even if occupants do not use transit, the ability to access it, if required, has a significant impact on the appeal of these properties.

In general, transit impacts the real estate market in several fundamental ways:

- It increases the demand for, and corresponding value of, existing land uses;
- It stimulates land use changes and captures associated market demand;
- It creates market demand to support land uses that may otherwise not occur – such as office investment or higher density housing – creating additional real estate impacts;
- It reduces parking demand, improving development feasibility by reducing construction costs associated with parking garages.

Investment in new transit first impacts the land uses that are already in place. There is a significant amount of research in this area, indicating that the impact can vary widely. Table 1 summarizes the findings of an extensive literature review on the topic, with evidence from across North America and Europe. It details the impact for a variety of uses, as well as for Heavy Rail transit specifically given its comparability to GO Transit relative to other transit types like LRT or BRT. While the range of impact is wide across the studies, on average, there tends to be value uplift of more than 10% for most uses. Appendix B provides additional detail on the literature review.

In the case of the planned stations on the GO Lakeshore East Extension, the most significant and measurable impacts to the real estate market will occur from the changes to existing land uses that will be necessary to accommodate transit-oriented development and the Provincial requirement for a minimum density of 150 people and jobs per hectare (e.g. from lower value uses to higher value uses – such as agricultural to mixed-use residential in Courtice, commercial to mixed-use residential in Thornton’s Corners and Central Oshawa, etc). The precedents in the literature review do not fully

assess the impact on land values as a result of changes in land use permissions, which will be significant in some of the Durham TSC areas.

Table 1

Range of Value Uplift Associated with Transit Summary of Literature Review, by Use				
Use	Range of Uplift		Average	Median
	Minimum	Maximum		
Residential	-10.8%	104.0%	15.1%	10.3%
<i>Single-Family</i>	-10.8%	32.0%	7.8%	6.7%
<i>Condominium Apartments</i>	2.7%	21.4%	11.2%	10.5%
<i>Rental Apartments</i>	0.2%	104.0%	36.2%	31.0%
Non-Residential	0.0%	46.0%	21.2%	15.4%
<i>Retail / Commercial</i>	0.0%	42.0%	22.6%	28.0%
<i>Office</i>	10.0%	46.0%	21.2%	14.5%
<i>Industrial</i>	2.8%	2.8%	2.8%	2.8%
Heavy Rail / Rapid Rail	0.0%	42.0%	12.8%	10.5%
<i>Residential</i>	2.8%	26.0%	11.8%	10.0%
<i>Non-Residential</i>	0.0%	42.0%	17.7%	14.4%

Source: Various academic papers, compiled by NBLC. More detail can be found in Appendix B of this report.

3.4 Benefits for Residential Real Estate

Lifestyle changes, demographics, and the financial, social and environmental costs of personal automobile use are working together to drive residential demand towards areas that offer access to high-order transit.

For new residential development, strong transit access has positive impacts on the price of new units, absorption rates, and on parking provisions, all of which combine to impact the value of residential land.

NBLC’s research suggests that the greatest benefit occurs in higher density developments, where owners/tenants are more likely to make use of and benefit from transit services on a day-to-day basis.

It is expected that the increasing costs of automobile ownership and congestion will only reinforce the positive impact of new GO services.

Example: Burlington GO

Opened in 1967, Burlington GO is in an area originally designated for employment uses, with land trading at around \$300,000 per acre in the late 1990’s. Over the years, employment uses were diminished and replaced by big box retail uses. In 2001, Wal-Mart purchased land directly west of the station for about \$700,000 per acre.

In 2017, the City of Burlington began a process to re-designate all of its PMTSAs for transit-oriented development purposes. With new Official Plan policies allowing employment and retail uses to be redeveloped for high density residential and mixed-uses, land values increased dramatically. In 2018, a former garden centre – consisting of about six acres of land to the east of the GO station was sold for \$42,000,000, or about \$7,000,000 per acre illustrating the dramatic land value increase associated with the land use change.

While the presence of transit itself increases the value of residential real estate, the more significant impacts occur when new transit underpins a change in land use. The combined effect of increased market demand and land use planning changes can have a dramatic effect on the value of land near a transit station.

3.5 Benefits for Office Real Estate

How transit influences commercial land markets is important as the tax and city building benefits of attracting new jobs are fundamental to a municipality's growth.

Office uses, given their high employment densities, are particularly valuable, especially those that cater to technology, media, professional services, and related growth sectors. These businesses need to attract employees that have the ability to be highly mobile and new investment is seeking vibrant, mixed-use developments that offer close live-work relationships. Access to transit is critical to attracting these tenants. Once located along transit, an employer may have difficulty leaving the corridor without losing employees as they have altered their lifestyle, commuting patterns, and housing to match the existing location. Increased densities along the corridor and placemaking through public realm improvements can also have a strong positive impact on the office market when combined with high-order transit.

At the Vaughan Metropolitan Centre, both KPMG and PwC have made major office investments based on a combination of the Toronto-York Spadina Subway extension, municipal incentives, and a Master Plan that envisions a mix of uses, including significant residential development.

3.6 Benefits for Retail Uses

As residential density and ridership increases, retail develops a captive consumer base, which creates the setting for an agglomeration of retail, further drawing in new retailers and consumers.

In this environment, retail developments can reinvest in their product, attract higher quality tenants, and expand through small retail pads or major expansions/new build of larger buildings. Retailers will either pay a premium for a location along the transit corridor or lose transit riding consumers to competitors who do locate along the corridor.

Retail studies of Light Rail Transit ('LRT') systems in Santa Clara, California² and Dallas, Texas³ showed premiums exceeding 30% compared to identical properties without access to higher order transit services.

² Cervero, Robert, Effects of Light and Commuter Rail Transit on Land Prices: Experienced in San Diego County, 2004

³ Cervero, Robert & Duncan, Michael, Rail Transits Value-Added: Effects of Proximity to Light and Commuter Rail Transit on Commercial Land Values in Santa Clara, California, 2001

3.7 Benefits for Industrial / Employment Uses

The positive impact of transit on industrial land value is largely mitigated by the low employment density and automotive/shipping intensive nature of industrial land uses. The high-density residential development resulting from new high order transit creates additional logistical complexity to nearby industrial operations.

The Santa Clara and Dallas studies, for example, revealed mixed results with respect to industrial price appreciation. According to one study, it was calculated that values had actually dropped by 8.5% as a result of proximity to mass transit⁴, and in another study values increased by just 2.8%⁵. It is possible that the types of industrial and employment businesses in a given area play a role in whether there is any notable value uplift from being located near transit.

Notwithstanding this, a recent review of transit ridership activity conducted by Durham Region Transit ('DRT') indicated a strong response to transit investment (bus service) in employment areas. In Durham, it appears that the ability to attract a broader range of employees offers some value enhancement to industrial investment.

⁴ Weinstein, Bernard L. & Clower, Terry L., Assessment of DART LRT on Taxable Property Valuations and Transit-Oriented Development, 2003

⁵ Cervero, Robert & Duncan, Michael, Rail Transits Value-Added: Effects of Proximity to Light and Commuter Rail Transit on Commercial Land Values in Santa Clara, California, 2001

4.0 Precedents for Funding Transit Stations

The following case studies represent some recent North American examples of transit stations being funded fully or partially by private landowners. This is not an exhaustive list but instead is meant to provide some context on the fact that a TSC or similar charge is not new in Canada or elsewhere in North America.

4.1 TransLink's Canada Line – Capstan Station Vancouver, British Columbia

The Canada Line, part of TransLink's extensive public transit network, serves as a notable example of land value capture ('LVC'). This rapid transit line connects Vancouver International Airport to Downtown Vancouver and Richmond. Capstan Station, illustrates the use of LVC to help finance public transit infrastructure. An agreement in 2012 with three developers surrounding the station essentially exchanged a density bonus that allowed 6,000 new units of development for a contribution of \$32 million to the \$52 million construction cost⁶. The payment structure anticipated a 15-year pay back period but was fully paid over 12 years due to strong market demand.

Figure 2: Location of Capstan Station, with surrounding new development



⁶ Kenneth Chan: 5 transformative construction projects reaching completion in Metro Vancouver in 2023, January 5, 2023, <https://dailyhive.com/vancouver/metro-vancouver-top-construction-projects-2023>

4.2 SoMa (South of Market) - San Francisco, California

The SoMa Transportation Sustainability Fee (‘TSF’), previously known as the Transit Impact Development Fee (‘TIDF’) was established as part of San Francisco's planning strategy to fund transit infrastructure improvements in response to growth in the South of Market (SoMa) area.

Developers of new residential and commercial projects within the district are required to pay this fee, which is assessed based on the project's square footage and type of use. The current residential rate is about \$11.86 to \$13.39 psf, depending on the number of units in the building⁷. The funds collected are used to mitigate the impact of new development on transit systems, contributing to necessary improvements and enhancing overall transit services in the region.

4.3 Réseau Express Métropolitain (REM) - Montreal, Quebec

In September 2017, Quebec’s National Assembly passed *An Act respecting the Réseau Électrique Métropolitain* (LQ 2017, c. 17), the legislation necessary to impose a development fee on new real estate construction within approximately 500 m to 1,000 m of each of the new stations on the REM transit system in Montreal.

The project's financing model includes contributions from developers who are expected to capitalize on enhanced accessibility as well as a portion of the increased tax revenues from properties near station locations. As of 2025, the fee is applied to new investments over 2,000 square feet (‘sf’) at a rate of \$12.26 psf (\$132 per square metre)⁸.

A similar charge will also be applied around new stations on Montreal’s Blue Line Extension, with 2026 rates set at \$12.54 psf (\$135 per square metre)⁹.

4.4 East Harbour Station, Toronto, Ontario

Cadillac Fairview (‘CF’) is a major real estate investor, owner, manager, and developer in Canada and is funding, in part, the East Harbour Station in Toronto, expected to have service on GO Transit’s Lakeshore East Line and the Ontario Line subway.

East Harbour Station is expected to trigger the redevelopment of CF’s lands that are largely underutilized industrial properties on the eastern periphery of Toronto’s Downtown Core. The CF investment represents a \$300 million contribution. Under the agreement, CF will release funds to the

⁷ San Francisco Citywide Development Impact Fee Register, January 1, 2026, https://sfplanning.org/sites/default/files/forms/Impact_Fee_Schedule.pdf

⁸ LegisQuebec: By-law respecting transportation dues regarding the Réseau express métropolitain, <https://www.legisquebec.gouv.qc.ca/fr/document/rc/a-33.3,%20r.%202?langCont=en>

⁹ ARTM: By-law Respecting Transportation Dues Regarding the Blue Line Project (PLB), February 7, 2026, https://www.artm.quebec/wp-content/uploads/2026/02/GU_GuideApplicationPLB_ed02_2026-English.pdf

City as specific conditions are met, such as subdivision approvals and transit hub development milestones¹⁰.

Figure 3: East Harbour Station Concept in the City of Toronto



Source Urban Strategies

¹⁰ City of Toronto: East Harbour Transit Oriented Communities Proposal: Conclusion of Negotiations and Draft Plan of Subdivision, and Approach to Next Stage, June 4, 2024, <https://www.toronto.ca/legdocs/mmis/2024/ex/bgrd/backgroundfile-246494.pdf>

5.0 Transit Station Charge Areas

A number of approaches were considered in establishing areas where a TSC would apply along the GO Lakeshore East Extension. Options were considered based on research into similar programs elsewhere in Canada and internationally, as well as the evidence associated with the impact of transit on real estate and new development.

Existing research suggests a strong link between the benefits of transit-oriented development and increased real estate values. Properties within walking distance are consistently shown to be positively impacted by new transit investment. Though difficult to measure precisely, benefits likely extend much further. For example, a new station in Bowmanville is likely to have some benefit for residents of Newcastle or even Peterborough.

The TSC area analysis considered a range of options:

1. PMSTA only;
2. PMTSA (Zone 1) + Additional Properties within approximately 1,000 to 1,200 m (Zone 2);
3. 3 km Radius;
4. 5 km Radius;
5. 10 km Radius;
6. 5-Minute Drive Time; and,
7. 10-Minute Drive Time.

Each option was then evaluated based on a number of criteria, including the following:

- **Policy Rationale:** Is it defensible from a policy perspective? Does it align with local and provincial policy?
- **Probability of Transit Benefits Leading to Increase in Real Estate Values:** Is there a strong rationale that the benefits of transit will have a positive impact on real estate values in the area?
- **Ease of Implementation/Administration:** How complex will it be to implement / administer?
- **Policy Durability:** How frequently will the TSC area boundaries need to be revisited?
- **Anticipated Developer Support:** Will the development community be more or less supportive of the boundary relative to other options?
- **Forecasting Accuracy:** Confidence in ability to forecast growth within the geography.
- **Revenue Potential:** Relative to other options.

Table 2 on the following page provides a summary of the evaluation based on the options and criteria listed above.

Table 2: TSC Area Evaluation

Option	Policy Rationale	Real Estate Value Impact	Ease of Implementation	Policy Durability	Anticipated Developer Support	Forecasting Accuracy	Revenue Potential
PMTSA	Highly defensible - Consistent with multiple policy directives	Strong - well documented land value impact	Simple - one catchment area, one fee, easy to administer	Strong - defined area, no reason to have to revisit geography over time	Strong - benefit of transit investment to these properties is obvious	Good - NBLC market forecasts	Medium
PMTSA (Zone 1) + Additional Properties within 1,200m (Zone 2)	Highly defensible - Consistent with multiple policy directives	Strong - well documented land value impact	Moderate - how should lands outside PMTSA boundaries be treated if entitled vs not entitled? Multiple catchment areas, multiple fee tiers	Strong - defined area, no reason to have to revisit geography over time	Strong - benefit of transit investment to these properties is obvious	Moderate - more challenging to forecast just outside PMTSA boundaries	Medium
3km Radius	Less consistent with Local and Provincial policy	Medium - Metrolinx data indicates that high proportion of riders live within this distance	Complex - Likely will require several "catchment areas" each with its own charge tier	Moderate - defined area, but there may be some challenge to the benefit for all lands. Harder to easily re-assess charge rate over time with so many tiers.	Moderate - support less likely where lands have already been entitled	Moderate - Not all lands will be developed. How much of municipal growth will occur in this radius?	Medium
5km Radius	Less consistent with Local and Provincial policy	Medium - Metrolinx data indicates that most riders live within this distance	Complex - Likely will require several "catchment areas" each with its own charge tier	Moderate - defined area, but there may be some challenge to the benefit for all lands. Harder to easily re-assess charge rate over time with so many tiers.	Moderate - support less likely where lands have already been entitled	Moderate - Not all lands will be developed. How much of municipal growth will occur in this radius?	High
10km Radius	Less consistent with Local and Provincial policy	Medium - Metrolinx data indicates that large majority of riders live within this distance	Complex - Likely will require several "catchment areas" each with its own charge tier	Moderate - defined area, but there may be some challenge to the benefit for all lands. Harder to easily re-assess charge rate over time with so many tiers.	Moderate - support less likely where lands have already been entitled	Good - covers the majority of Oshawa and Clarington, can utilize 2051 forecasts	Highest
5 Minute Drive	Challenging to support relative to other options	More challenging to prove	Complex - Likely will require several "catchment areas" each with its own charge tier	Weak - Drive times change throughout day and as development occurs. May require frequent re-assessment of geography.	Weak - especially where lands have already been entitled and due to less defined nature of drive times	Weak - Not all lands will be developed. Changing geography of drive time makes forecasting challenging and may require adjustments over time.	High
10 Minute Drive	Challenging to support relative to other options	More challenging to prove	Complex - Likely will require several "catchment areas" each with its own charge tier	Weak - Drive times change throughout day and as development occurs. May require frequent re-assessment of geography.	Weak - especially where lands have already been entitled and due to less defined nature of drive times	Weak - Not all lands will be developed. Changing geography of drive time makes forecasting challenging and may require adjustments over time.	High

The evaluation suggested that the first two options in the list above were the best approaches for a TSC area. They are both defensible from a policy perspective and had strong policy durability. However, the second option – the PMTSAs along with properties within an approximate 1,000 to 1,200 m distance of the planned stations – was chosen as the eventual basis for the TSC areas as it also captures more benefitters than an approach that only considers the PMTSAs.

While the PMTSA boundaries are determined based on previous planning work and approved by the Province, a determination needed to be made on the exact boundaries of the TSC area beyond the PMTSAs. The TSC areas were further refined by:

- Adjusting for 10 and 15-minute walk times to ensure that the included properties are within a reasonable distance of the stations.
- Adjusting for existing transit services. For example, the area south of Highway 401 at Thornton’s Corners was excluded despite being within 1,000 m given its proximity to the existing Durham College Oshawa GO station.
- Adjusting for a lack of transit options. For example, the Courtice TSC area was expanded in some areas, where appropriate, given the opportunity to develop new road and pedestrian systems that can facilitate easier access to the transit station, compared to areas like the Central Oshawa station where the urban fabric is well established.
- Adjusting to align with major roads and natural areas where appropriate, capturing long-term redevelopment areas like the Oshawa Centre for Thornton’s Corners, and avoiding stable neighbourhoods at the periphery.
- The TSC areas were refined with feedback from both the Region of Durham and area municipal staff to ensure that they align with future development plans and planning policy, including the 2051 Urban Expansion Area and Urban Area Boundary, as appropriate.
- Finally, in some places, boundaries were also expanded beyond the initial target of 1,000 m to 1,200 m to account for additional development opportunities that will be catalyzed by the planned transit stations.
 - In Courtice and Bowmanville, in particular, the greenfield lands surrounding the PMTSA are expected to receive considerable benefits from the construction of the planned transit stations, as well as Secondary Plan work that has been completed or is underway by the area municipality. These Secondary Plans include the Courtice Transit-Oriented Community Secondary Plan, Courtice Waterfront Secondary Plan, Bowmanville West Urban Centre Secondary Plan, and Brookhill Secondary Plan.
 - The Zone 2 boundaries at Courtice and Bowmanville were therefore expanded well beyond 1,200 metres from the stations to include the properties deemed most likely to benefit from the planned transit. This meant extending the boundary as far as approximately 2,600 metres

in Courtice and 2,200 metres in Bowmanville (note: the entire boundary of Zone 2 is not this distance from the station, these are just the maximum distance).

- At Thornton's Corners and Central Oshawa, the boundaries were far tighter, extending approximately 1,400 metres from the station at the furthest points of Zone 2.

The final TSC areas are generally agnostic to current or future land use designations. For areas that might not be designated for transit-oriented development, no impacts will be felt by landowners until such time as they plan to redevelop their land, subject to area municipal planning review and approval processes. This approach also ensures that all relevant lands are included in the TSC area and are captured in the event that a land use change is pursued in the future, even if they do not appear to be primed for redevelopment today.

Figures 5 to 8 illustrate the TSC area boundaries for each of the four planned stations.

The maps include two zones: Zone 1 being the PMTSA and Zone 2 representing the lands beyond the PMTSA boundaries that are also likely to be positively impacted by the planned transit service.

The two zones were created to allow for a tiered charge system which acknowledges that lands closest to the station (i.e. in Zone 1) will receive the most benefit from the construction of the planned stations, as well as benefitting from higher density permissions as-of-right, as per the Province's density targets in PMTSAs.

More detailed information on the tiered charges can be found in Section 7.0 of this report.

Figure 4

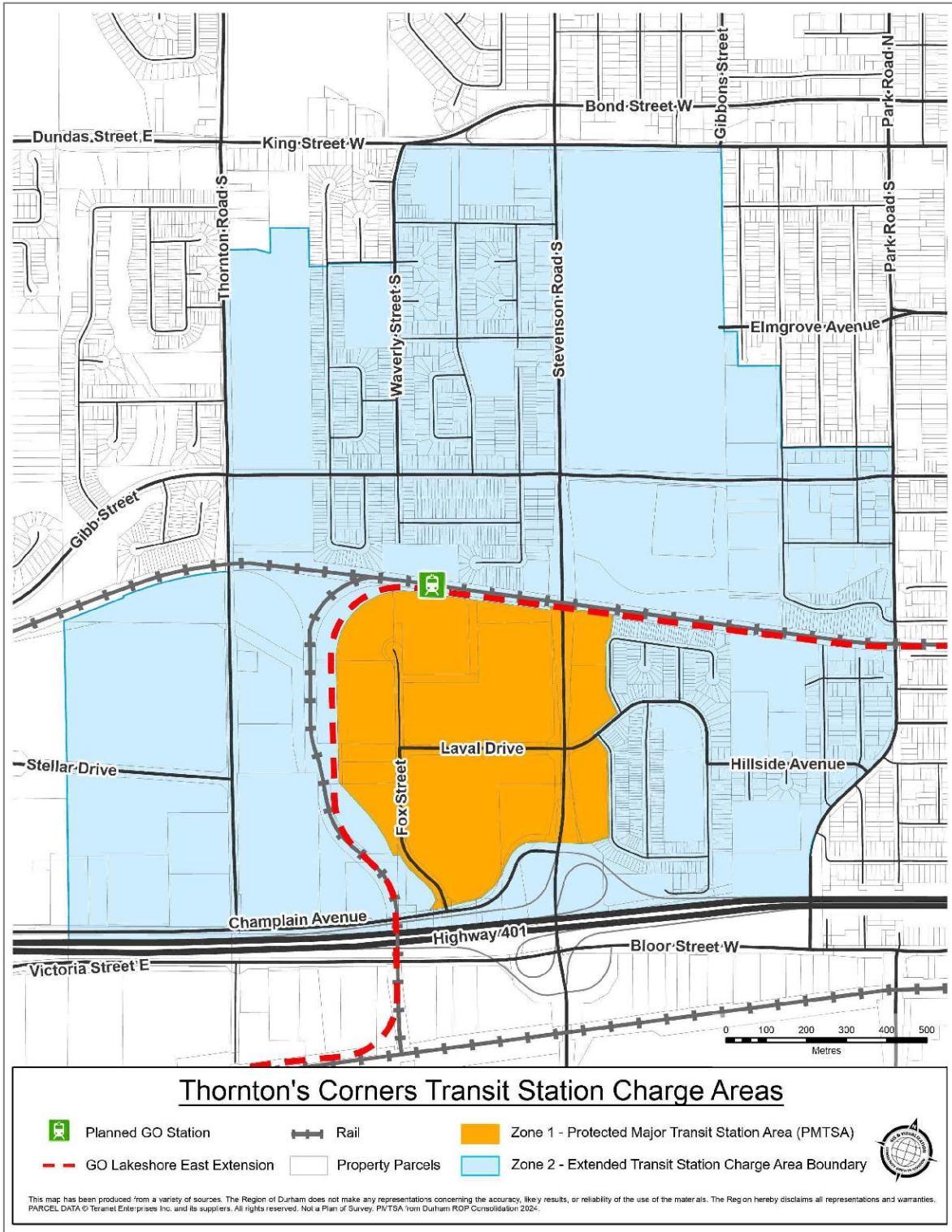


Figure 5

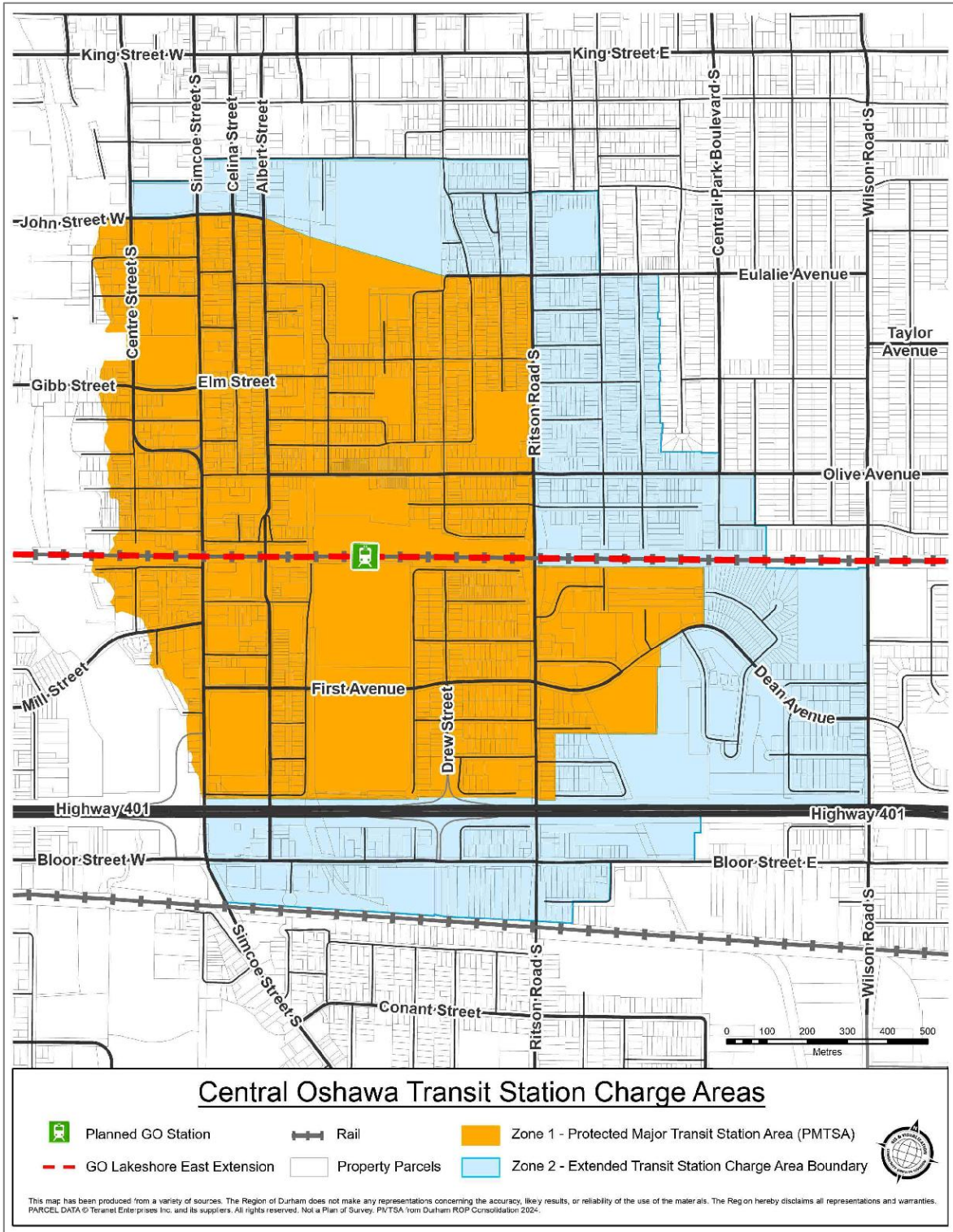


Figure 6

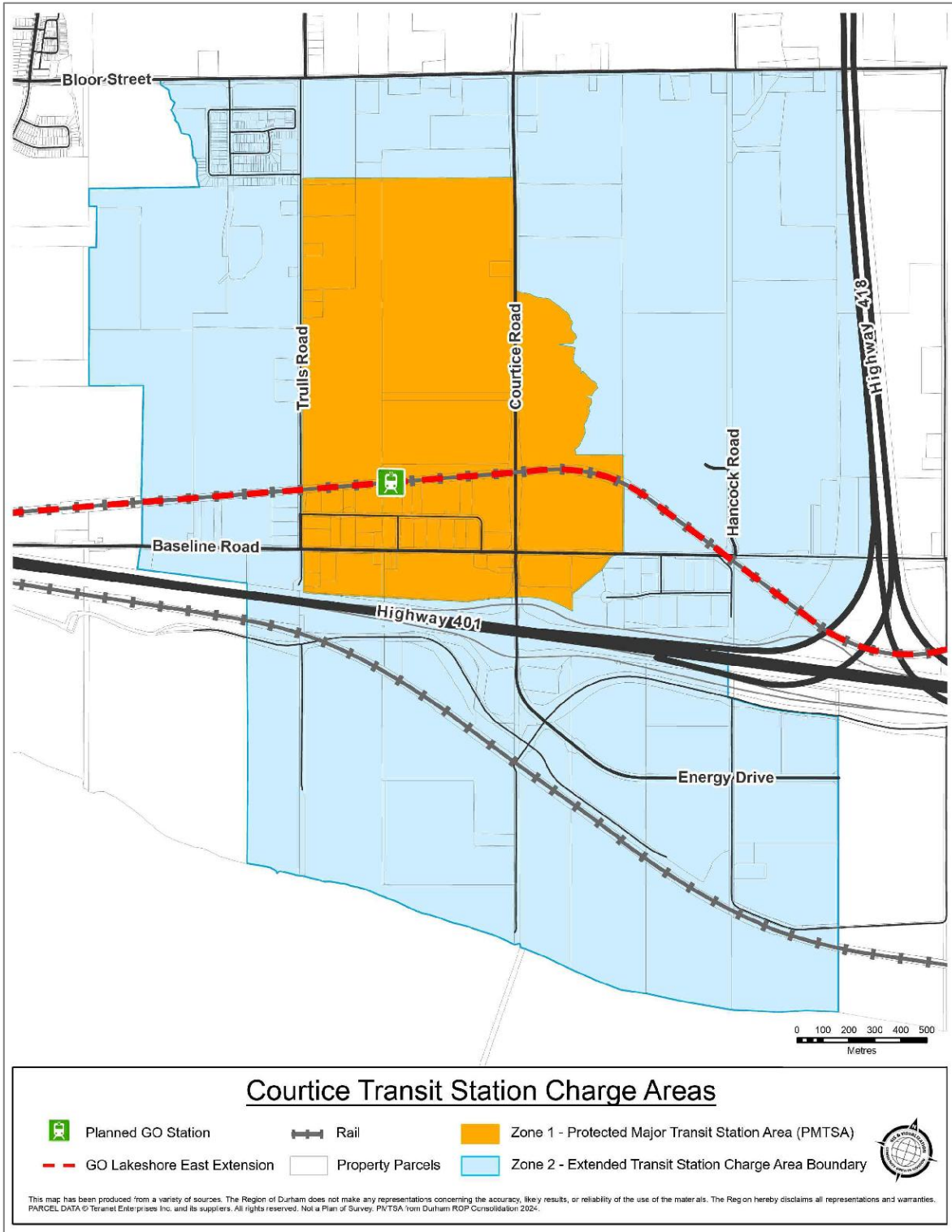
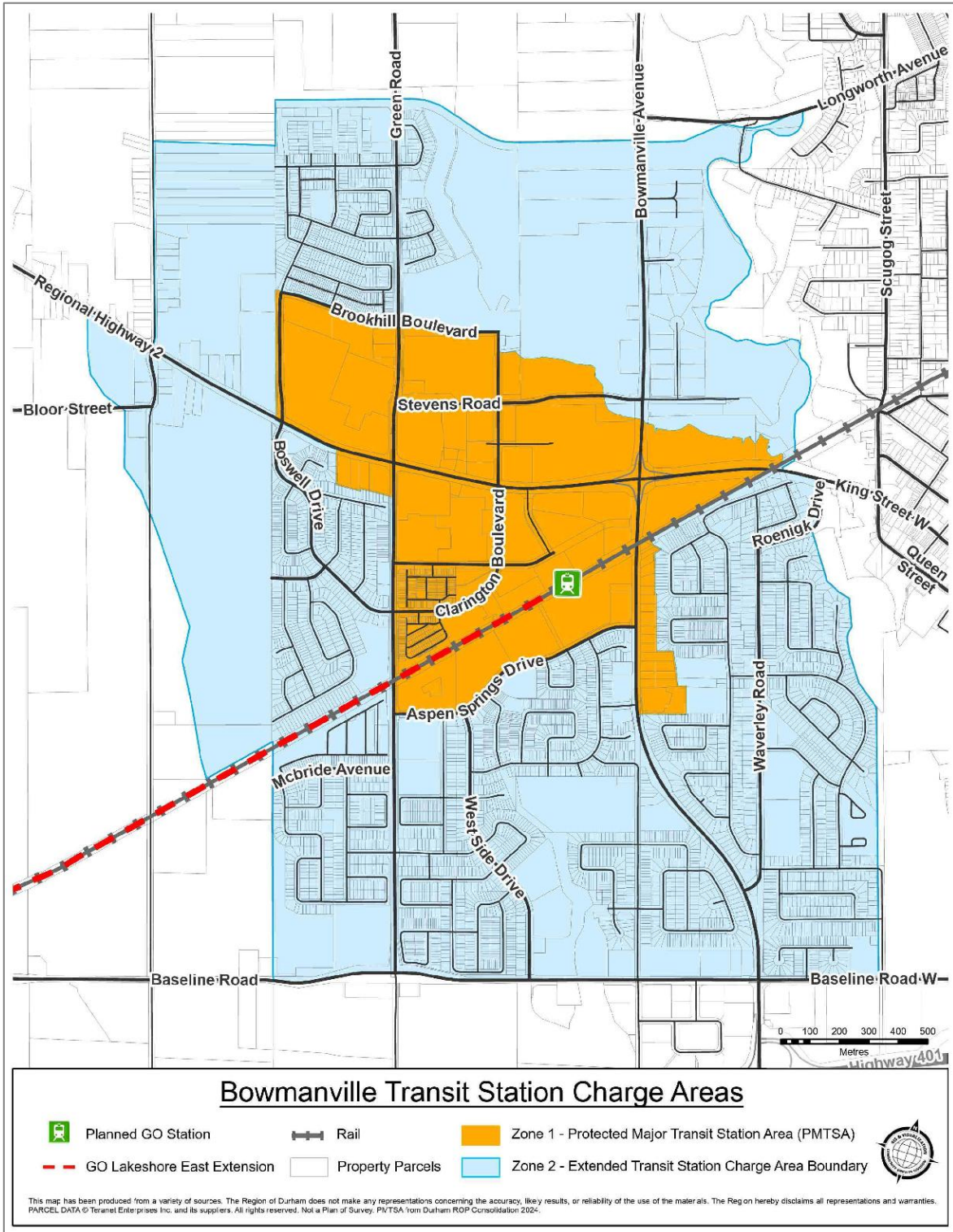


Figure 7



6.0 Growth Forecasting in the Transit Station Charge Areas

Residential and non-residential growth forecasts for uses subject to the TSC were completed by NBLC in December 2025. These forecasts have been updated multiple times, with consistent feedback from Region of Durham staff and Watson & Associates, over the course of 6+ years as the work has been refined.

6.1 Forecasting Residential Growth

Forecasting residential growth was a two-step process, with separate forecasts for Zone 1 and Zone 2 in each of the TSC areas. The following highlights the approach and methodology pursued for each zone, as well as the results of the residential growth forecasting.

6.1.1 Approach and Methodology for Zone 1

The forecasting for Zone 1 utilized a ‘market-based’ approach, focusing on what the market is estimated to support on an annual basis as opposed to the total amount of development that the PMTSAs can support based on land availability.

As part of these market-based forecasts, municipal-wide forecasts from other sources were considered, information on current development applications was collected (many of which are anticipating the future GO service), and how other GO station areas in Durham and elsewhere in the GTHA have developed in recent decades was considered, taking into account both areas that are well established and have been re-developing over a long period as well as those where development activity is more recent.

The residential forecasts include apartment, stacked townhouse, and traditional townhouse built forms as these are the most likely housing types to be constructed in the TSC areas based on current and future planning policy. Unit size assumptions were then applied to the forecasted units to understand total GFA constructed in each Zone 1 area.

The forecasts are generally conservative – they are meant to account for only a portion of full build out and a reasonable portion of municipal-wide growth. They are also tested against current municipal forecasts to ensure that they do not exceed what is planned for the immediate area or the municipality as a whole.

The forecasting assumes that debt is not taken by the Region until transit service starts, with any TSC revenues collected prior to then going into a reserve. Debt repayment therefore occurs over a 30-year timeline starting once the transit service has commenced. Though Metrolinx has not provided a service date for the planned extension, for the purpose of this analysis this study has assumed a 6-year period prior to transit delivery, meaning that growth forecasting occurs over a 36-year timeline.

The forecast assumes modest development in the near-term due to soft market conditions in the new residential construction market. It assumes that no revenue is collected until year three of the 36-year

timeline at the earliest to account for current market conditions, and due to the time necessary for the Background Study and TSC by-law to be approved by the Province and to reach the point that a developer would be applying for a building permit. Development activity is generally assumed to increase over time as these station areas become more established and attractive from a market perspective.

The forecasting is unique for each station area, accounting for differences in housing mix, market demand, PMTSA size, land uses, landowners, and other factors.

The ‘market-based’ approach differs from the population and residential growth forecasts for Envision Durham which used a supply through intensification approach based on land availability and a soft site analysis.

6.1.2 Approach and Methodology for Zone 2

Like in Zone 1, Zone 2 forecasts and assumptions vary between station areas based on a wide variety of factors including total land area, differences in market demand, differences in anticipated housing mix, and others.

Given the further distance from the stations and varying land areas at each station, Zone 2 forecasting considered which properties are most likely to be redeveloped – determining a gross and net developable area and then applying a number of assumptions to estimate the development potential over the forecast timeline.

Properties removed from forecasting consideration to determine gross development area included:

- Existing low-density residential lots;
- Parks and natural features;
- Schools and institutional properties.

To this gross developable area, NBLC then:

- Applied a ‘take-out’ (40% to 50%) to understand the true developable area of these properties and account for important community infrastructure like sidewalks, roads, parks, and others;
- Applied a contingency factor to account for the fact that some properties may never be developed (10% to 25%);
- Applied a conservative Floor Space Index (‘FSI’) of 0.5 to remaining lands;
- Assumed a timeline of development well beyond the 36-year forecast period (60 years) as it is unlikely all developable properties will be redeveloped during the forecast period;
- Determined an average annual growth rate over the extended 60-year time period and applied it as appropriate to the forecast timeline.

The forecasting for Zone 2 assumes that no development occurs prior to the start of transit service, and then development activity increases over time using the following assumptions for the 30-year borrowing period:

- Year 1-10: 75% of the 60-year annual average;
- Year 11-20: 90% of the 60-year annual average;
- Year 21-30: 100% of the 60-year annual average.

From there, the split of housing types in each Zone 2 area and total GFA based on unit sizing assumptions by housing type was estimated. The split of housing types varied between station areas.

6.1.3 Residential Growth Forecasting Results

Over the 36-year timeline, residential growth of 17,450 units or 16,970,000 sf in the four Zone 1 areas is forecasted. This is the equivalent of about 485 units annually combined across the four PMTSAs, or about 471,000 sf of annual new development. The following are key conclusions about the Zone 1 residential forecasts:

- The forecasted growth over the 36-year timeline represents approximately 48% of full build out of the PMTSAs based on the Housing Intensification Study Technical Report completed by Watson and Associates and Urban Strategies in August 2021 for the Region of Durham.
- None of the stations average more than 160 new residential units annually over the forecast period in Zone 1. Research by NBLC on development trends in other GO station areas across the GTHA revealed that development activity over longer time periods (10 to 30 years) is generally modest in these station areas. Many station areas average fewer than 100 units constructed annually, with few surpassing 200 units annually.
 - The station areas that have seen higher amounts of development activity (e.g. 200+ units annually) have additional factors helping to drive demand for more housing that are not present at the four planned stations on the GO Lakeshore East Extension. This includes nearby access to the TTC subway system (e.g. Kipling GO, Danforth GO), proximity to Toronto (e.g. Pickering GO), or proximity to a major amenity (e.g. Cooksville GO – Mississauga City Centre / Square One).
- In Thornton’s Corners, no development activity is anticipated prior to transit service, or in the first 10 years after the commencement of transit service. This assumption is based on the active and presumably healthy nature of the existing retail uses in the area, and the fact that there is only one potential major developer in the area today. This severely restricts the development opportunities within Zone 1 at Thornton’s Corners.
- In Central Oshawa, the bulk of new units (94%) and GFA (91%) are forecasted to be in apartment formats. The forecast represents less development than what is currently proposed in the area.

- The Zone 1 area in Courtice is anticipated to see the most development of the four stations, averaging about 160 units annually or about 165,000 sf annually. Market soundings with landowners in this area revealed that developers are eager to build once the market recovers – particularly to build townhouses. The Courtice Zone 1 area is anticipated to have less apartment development on a proportional basis than the other station areas, with apartments representing 70% of total units and 61% of forecasted GFA.
- In Bowmanville, apartment development is assumed to grow over time while townhouse development peaks in the first decade after transit service begins. This represents a natural shift towards higher densities and follows the built form expectation set out in the local Secondary Plan. The forecast represents less development than what is currently proposed in the area at the time of writing.

The Zone 2 areas add a further 3,700 residential units over the forecast period, or about 100 units annually across the four station areas. This is the equivalent of just under 4,200,000 sf of new residential development or 116,000 sf annually. The following are key conclusions about the Zone 2 residential forecasts:

- Stacked and traditional townhouses are assumed to represent a higher proportion of new development in Zone 2 than in Zone 1.
- Residential growth at Thornton’s Corners represents a much more significant portion of the Zone 2 forecasts than in Zone 1, with about one quarter of the forecasted residential units and GFA. The developable area in Zone 2 in Thornton’s Corners is estimated to be the second largest of the four station areas, including the large Oshawa Centre shopping mall property which offers significant infill and redevelopment potential. However, the timing of when redevelopment is expected in Zone 2 in Thornton’s Corners is unknown at this time.
- Central Oshawa features the smallest Zone 2 area amongst the four station areas and also features more established existing uses, including low-density residential neighbourhoods. It is therefore anticipated to see the least amount of residential growth in Zone 2 at 340 residential units or just over 350,000 sf of GFA over the forecast timeline.
- Like in the Zone 1 forecasts, the Courtice Zone 2 area receives the largest proportion of the forecasted growth, accounting for just under 1,800 new residential units or 2,100,000 sf of GFA over the 36-year timeline. This is largely on account of the large amount of land in Zone 2 in Courtice relative to the other station areas, and the greenfield nature of much of that land.

Table 3, on page 26, provides summary information on the residential growth forecasting for the four TSC areas. More detailed forecast tables can be found in Appendix A.

6.2 Forecasting Non-Residential Growth

The non-residential forecast assumes that the large majority of new non-residential space in these station areas will be population-serving, directly connected to the total number of residents in the area. Other types of non-residential space such as major office, institutional, and others will be exempt from the charge and are therefore not included in the forecast.

With a focus on population-serving uses, the non-residential forecast first considers the total population associated with the residential growth by applying estimated persons-per-unit ratios to each forecasted housing type.

Next, a ratio of approximately 1 job for every 5.5 residents is applied to determine the total number of jobs added in each of the four TSC areas. An assumption for total GFA per job (375 sf) is then applied to the job totals to determine the total square footage of non-residential space that is likely to be built in the TSC areas. These assumptions for ratio of jobs per resident and GFA per job are from Watson & Associates' work on the Region of Durham's Land Needs and Intensification Reports.

In Zone 1, the forecasting yields over 2,100,000 sf of new non-residential space across the four station areas over the 36-year timeline, or about 59,000 sf annually. In Zone 2, a further 590,000 sf of non-residential space is added in the four station areas over the 36-year timeline, or about 14,700 sf annually.

Table 4, on page 27, provides summary information on the non-residential growth forecasting for Zone 1 and Zone 2. More detailed forecast tables can be found in Appendix A.

Table 3

Residential Development Forecast GO Lakeshore East Extension												
Time Period	Zone 1				Zone 2				Total Zone 1 + Zone 2			
	Thornton's Corners	Central Oshawa	Courtice	Bowmanville	Thornton's Corners	Central Oshawa	Courtice	Bowmanville	Thornton's Corners	Central Oshawa	Courtice	Bowmanville
Forecasted Residential Units												
Prior to Service (6 Years)	0	300	400	350	0	0	0	0	0	300	400	350
Borrowing Period Years 1-10	0	1,100	1,550	1,500	273	96	503	177	273	1,196	2,053	1,677
Borrowing Period Years 11-20	650	1,600	1,750	1,700	328	116	604	212	978	1,716	2,354	1,912
Borrowing Period Years 21-30	650	1,900	2,050	1,950	364	128	671	235	1,014	2,028	2,721	2,185
Total (36 Years)	1,300	4,900	5,750	5,500	965	340	1,779	624	2,265	5,240	7,529	6,124
Annual Average:	36	136	160	153	27	9	49	17	63	146	209	170
Forecasted Residential GFA												
Prior to Service (6 Years)	0	270,000	430,000	350,000	0	0	0	0	0	270,000	430,000	350,000
Borrowing Period Years 1-10	0	1,030,000	1,630,000	1,500,000	283,000	100,000	597,000	203,000	283,000	1,130,000	2,227,000	1,703,000
Borrowing Period Years 11-20	590,000	1,490,000	1,810,000	1,620,000	339,000	120,000	716,000	243,000	929,000	1,610,000	2,526,000	1,863,000
Borrowing Period Years 21-30	590,000	1,760,000	2,090,000	1,810,000	377,000	133,000	796,000	270,000	967,000	1,893,000	2,886,000	2,080,000
Total (36 Years)	1,180,000	4,550,000	5,960,000	5,280,000	999,000	353,000	2,109,000	716,000	2,179,000	4,903,000	8,069,000	5,996,000
Annual Average:	32,800	126,400	165,600	146,700	27,800	9,800	58,600	19,900	60,500	136,200	224,100	166,600

Note: GFA numbers are rounded. The timeline to service (6 years) is an assumption for the purpose of this analysis. Metrolinx has not provided a firm date for service commencement.

Table 4

Non-Residential Development Forecast GO Lakeshore East Extension												
Time Period	Zone 1				Zone 2				Total Zone 1 + Zone 2			
	Thornton's Corners	Central Oshawa	Courtice	Bowmanville	Thornton's Corners	Central Oshawa	Courtice	Bowmanville	Thornton's Corners	Central Oshawa	Courtice	Bowmanville
Forecasted Jobs												
Prior to Service (6 Years)	0	87	141	114	0	0	0	0	0	87	141	114
Borrowing Period Years 1-10	0	341	569	504	94	34	204	68	94	375	773	572
Borrowing Period Years 11-20	198	487	628	537	113	41	244	81	311	528	872	618
Borrowing Period Years 21-30	198	574	715	597	126	46	272	90	324	619	986	687
Total (36 Years)	395	1,489	2,053	1,752	334	121	720	239	729	1,610	2,773	1,991
Annual Average:	11	41	57	49	9	3	20	7	20	45	77	55
Forecasted Non-Residential GFA												
Prior to Service (6 Years)	0	33,000	53,000	43,000	0	0	0	0	0	33,000	53,000	43,000
Borrowing Period Years 1-10	0	128,000	214,000	189,000	35,000	13,000	76,000	25,000	35,000	141,000	290,000	214,000
Borrowing Period Years 11-20	74,000	182,000	235,000	201,000	43,000	15,000	92,000	30,000	117,000	197,000	327,000	231,000
Borrowing Period Years 21-30	74,000	215,000	268,000	224,000	47,000	17,000	102,000	34,000	121,000	232,000	370,000	258,000
Total (36 Years)	148,000	558,000	770,000	657,000	125,000	45,000	270,000	89,000	273,000	603,000	1,040,000	746,000
Annual Average:	4,100	15,500	21,400	18,300	3,500	1,300	7,500	2,500	7,600	16,800	28,900	20,700
<i>Note: This forecast is for population-serving non-residential uses only. GFA numbers are rounded. The timeline to service (6 years) is an assumption for the purpose of this analysis. Metroinx has not provided a firm date for service commencement.</i>												

7.0 Determining a Transit Station Charge

The approach to the TSC for the GO Lakeshore East Extension is to determine what is economically feasible for the Region of Durham to contribute toward the cost of the stations, understanding the level of development that is forecasted to occur in the TSC areas, and that the charge should be set at a rate that does not risk development feasibility and discourage investment in the TSC areas. The total cost of the stations are therefore not accounted for in the determination of the TSC.

In determining the TSC rates, a number of factors were considered. Some of the key factors included:

- The overall benefits of transit on real estate;
- The higher revenues and absorption rates associated with proximity to transit;
- The construction cost savings associated with providing fewer parking spaces due to improved transit connectivity;
- Experience in other North American regions with land value impacts of transit on real estate (see Appendix B for a summary);
- High level pro forma testing of land value uplift associated with the introduction of transit and changes to permitted land uses.

7.1 Benefits of Transit Oriented Development Exceed Initial TSC Rates

NBLC has completed extensive financial testing in recent years on the viability of the TSC for the GO Lakeshore East Extension. Despite weak market conditions in early-2026, the pro forma analyses have clearly demonstrated that under more typical market conditions, the initial TSC rates are more than offset by the benefits associated with a property having proximal access to transit. Under stronger market conditions, it is anticipated that a higher TSC rate can likely be supported.

The key benefits that help to offset the initial TSC rates include:

- Properties with access to transit are proven to achieve higher revenues than properties without. Even at a conservative estimate of 5% to 10% uplift to revenues associated with transit, this revenue increase will exceed the initial TSC rates.
- Planning permissions that allow a much higher density of development significantly increase the property value and marketability of the land.
- Transit access reduces households' need for a car—or for some, a second car—allowing new buildings to be designed with less parking. A reduction of 0.25 parking spaces per apartment unit can cut construction costs substantially, potentially producing savings that far exceed initial TSC rates

- Access to transit increases housing demand which drives higher absorption rates. This reduces risks associated with the development and improves financial returns.

For homeowners and tenants, the market evidence suggests that the opportunity to capture the cost savings and other benefits of living in a walkable, transit-oriented community has a value that is reflected in a higher home price. On a per unit basis, the initial TSC rates will equate to about \$8,000 to \$10,000 on average for an apartment unit and \$20,000 to \$25,000 on average for a townhouse unit in Zone 1, depending on gross average unit sizing.

A significant proportion of new condominium apartment investment in Durham has been focused around existing transit such as at the Pickering and Whitby GO Stations, which speaks to the strong market demand for transit accessibility. However, with limited new condominium investments away from transit, it is difficult to accurately assess the premium achieved by being with walking distance to GO Train transit services.

Notwithstanding this, a good example in a market similar to Durham is found in the Town of Milton. As summarized in Table 5, actively marketing condominium apartment projects that are within walking distance of the Milton GO station are priced considerably higher on a per square foot basis than similar condominium apartment projects located elsewhere in the municipality, away from transit.

Table 5

Comparing Condo Prices Near and Away from Milton GO Station			
Actively Marketing Projects, as of October 2025			
Near Milton GO		Away from Milton GO	
Project Name	Current \$PSF	Project Name	Current \$PSF
		Laurels - Tower 1	\$982
Stationside - West Tower	\$1,079	Creekside Condos - Building A	\$802
Thompson Towers - Tower 1	\$1,057	Mile & Creek - Building E	\$754
Thompson Towers - Tower 2	\$1,030	Mile & Creek - Building D	\$699
		Mile & Creek - Building C	\$691
Weighted Average:	\$1,047	Weighted Average:	\$839

Source: Altus Data Studio. Note: Pricing is for released and unsold units only.

While this example in the Town of Milton has a large spread in pricing (+\$208 psf or +25%) that may exceed what would be expected in most other station areas, research by NBLC over the past six years, including an extensive literature review on the topic, revealed that an uplift to home prices associated with transit proximity is common. Based on NBLC’s research, a 5% to 10% uplift to home prices in the station areas due to the introduction of transit would be a reasonable and conservative estimate. As noted in Appendix B, and previously in Table 1, the uplift can be more significant than this.

Table 6 provides an illustrative example of the impact of a 5% to 10% increase to revenues relative to the initial TSC.

Table 6

Illustrative Impact of Transit on New Construction Revenues			
Condominium Apartment		Traditional Townhouse	
Unit Price Without Transit	\$500,000	Unit Price Without Transit	\$850,000
Unit Price With Transit (+5% to +10%)	\$525,000 to \$550,000	Unit Price With Transit (+5% to +10%)	\$892,500 to \$935,000
Revenue Increase (per unit)	\$25,000 to \$50,000	Revenue Increase (per unit)	\$42,500 to \$85,000
Transit Station Charge (@ \$10 psf) (per unit)	\$8,000 to \$10,000	Transit Station Charge (@ \$12.50 psf) (per unit)	\$20,000 to \$25,000

Note: This is an illustrative example. TSC amounts assume an average gross unit size of 800 sf to 1,000 sf for condominium apartments and 1,600 sf to 2,000 sf for traditional townhouses.

Another key benefit for developers is the impact on parking construction costs. In general, market demand for parking is much higher in locations where there is not direct transit access. Table 7 illustrates the savings that can occur in a hypothetical 150,000 sf development. In this case, the cost savings from a 0.25 space per unit reduction in the parking ratio far exceeds the cost of the initial TSC at \$10 psf buildable.

Apart from increased revenues and reduced costs, development within a transit-oriented community will also benefit from accelerated sales or lease ups relative to non- transit located developments. The increased rate of product absorption offers significant benefits to developers in terms of financial returns and risk reduction.

Table 7: Parking Cost Savings Table

Illustrative Impact of TSC and Parking Cost Savings	
150,000 sf Building (170 units)	
Required Transit Station Charge @ \$10 psf	\$1.50M
Market Demand for Parking Without Transit (1.35 spaces per unit, incl. visitors)	230
Market Demand for Parking With Transit (1.10 spaces per unit, incl. visitors)	187
Construction Cost Per Underground Parking Space	\$85,000
Total Parking Cost Savings as a Result of Transit	\$3.65M
Net Cost Savings After Transit Station Charge	\$2.15M

Note: This is an illustrative example. Cost to build an underground parking space assumes 375 sf per parking space (includes ramps, aisles, etc) and construction cost of approximately \$230 psf, the approximate mid-point of the cost range in the GTA provided in the 2025 Altus Group Canadian Construction Cost Guide.

7.2 Initial Transit Station Charge Rates

Table 8 summarizes the initial rates for the TSC. They have been established with the understanding that current market conditions are weak and that the TSC program will provide opportunities for adjustment as the market recovers.

Table 8

Initial TSC Rates		
GO Lakeshore East Extension		
	Zone 1	Zone 2
High-Density Residential	\$10.00 psf	\$7.00 psf
Medium & Low-Density Residential	\$12.50 psf	\$8.75 psf
Non-Residential Retail	\$10.00 psf	\$7.00 psf
Non-Residential Industrial/Employment	\$2.50 psf	\$1.75 psf

Note: TSC is charged on a per square foot basis based on gross floor area

A 30% discount is applied to any development within Zone 2 to account for the cost, time, and risk associated with getting planning approvals for transit-oriented densities. This 30% discount was based on pro forma testing by NBLC and data on differences in land values for entitled and non-entitled land (Note: Zone 1 is expected to have as-of-right permissions for transit-supportive densities in place, while Zone 2 may not have the same permissions, subject to area municipal zoning).

While the bulk of new development in the TSC areas is anticipated to be residential and population-serving commercial uses, there are some smaller sections of the TSC areas with industrial / employment use permissions. A more modest fee is included for these uses to recognize the opportunity and value to offer employees walkable transit service, while also acknowledging that the benefits of transit for these uses are less significant than for residential and other population-serving commercial uses.

As will be outlined to come, these initial TSC rates will be re-assessed on a regular basis and are subject to change as market conditions dictate. Early work on the TSC indicated that a higher rate was defensible under stronger market conditions. As such, as market conditions improve in Durham and the wider GTHA in the coming years, it is possible that the TSC rates associated with the GO Lakeshore East Extension will increase accordingly.

7.3 Reassessing the Transit Charge

As the real estate market recovers from its current downturn, it is important to have a mechanism to review the TSC. Given the experience of the last Canadian housing market downturn beginning in the late 1980's and persisting for more than a decade, a gradual but steady recovery may be expected. As Canada and Durham's population continues to grow, housing demand will continue to grow with it and pressure from markets will create adjustments that will improve the investment environment.

The introduction of the planned stations will also further accelerate demand for new transit-oriented communities.

Given this, TSC rates will be reassessed over time to ensure that they reflect market conditions in the future. The first two triggers for reassessment will be:

- The start of construction of the stations; and,
- Commencement of transit service.

The TSC will then be reassessed regularly over the 30-year borrowing period, at least every five years. Earlier reassessments – either between the start of construction and commencement of service, or between the five-year intervals after service begins – would be triggered if the average price of a new construction home changes by 10% or more year-over-year.

Revisiting the TSC amount multiple times by the beginning of transit service would allow the Region of Durham to not only adjust the charge to match changing market conditions, but also to potentially justify making a larger contribution to the cost of the stations if an increase to the rates is justified.

Early work on the TSC in the Region of Durham that was predicated on pre-2022 market conditions indicated that a higher charge than the initial TSC rates listed above would be supportable under strong market conditions. However, unfavourable market conditions underpinned by the economic uncertainties associated with U.S. trade policies, reductions in Federal immigration targets and elevated pricing and construction costs have persisted longer than anticipated and are undermining the feasibility of most forms of market housing. These higher rates are therefore not presently feasible.

Notwithstanding this, it is expected that as the market recovers in the coming years, there will be opportunities to raise the TSC rates upon reassessment, in turn impacting the potential station cost contribution from the Region of Durham.

Any reassessment of the TSC should include a detailed pro forma analysis to understand the impact of transit on new development. The following are some of the metrics that would be expected to be considered during any pro forma analysis related to a reassessment of the TSC:

- New construction revenues for built forms most likely to be constructed in the TSC area (e.g. apartments, townhouses, stacked townhouses, etc, both rental and ownership tenures);
- Sales absorption rates;
- Parking revenues and ratios;
- Hard and soft construction costs, including government fees and charges;
- The change in land values between developments with and without proximal transit access.

Reassessing the TSC charge does not guarantee that it will be increased. The reassessment is meant to represent an opportunity to ensure that the charge continues to align with market conditions.

7.4 Key Elements of the Transit Station Charge

The following are key elements of the TSC. Some of these are prescribed by the Act, others are specific to the GO Lakeshore East Extension TSC:

- The TSC is payable at building permit issuance for ownership housing and in equal installments starting at occupancy for rental housing, as per the Act. A protocol to ensure payment is made to the Region will be necessary with the area municipalities.
- TSC collection should begin immediately following the implementation of a TSC by-law. Collected charges should be held in reserve and paid only once all stations are operational.
- In addition to the excluded uses noted in the Act, affordable housing and major office uses will also be exempted from a TSC. What constitutes affordable housing will be defined in the TSC by-law.
- Given the weak market conditions today, the TSC rates will be held flat until at least the first point at which the interim charge rates are revisited, and potentially until transit service begins. From there, the charge should then be indexed at a rate that reflects and varies with market conditions. The average annual consumer price index is frequently used in long-term ground leases and may be appropriate for annual inflation of the TSC in the future.
- The TSC will be collected over the course of the Region of Durham's entire borrowing period. If the debt is paid off earlier than expected, any additional revenues could be transferred to the Province to contribute to their portion of the costs, or to make improvements to transit infrastructure in the station areas as needed.
- The Region of Durham will provide the station cost contribution to Metrolinx at the start of transit service. With no control over design, construction, and project delivery timelines, it is important for the Region to reduce risk associated with taking on a large amount of debt by not drawing that debt until service begins – the point at which the market impact of transit is highest.
- As noted, the initial TSC rate should be re-visited at the start of construction and commencement of transit service, and then reassessed at least every five years to ensure it aligns with market conditions. This would allow the Region of Durham to increase the charge rate to align with market conditions and potentially allow for a larger contribution and/or shorter debt repayment timeframe.

7.5 Offsetting Measures

The need to consider measures to offset the TSC is prescribed in *Regulation 207/25 Section 8 (1) 5.* as follows:

“If measures are required to offset the financial impact of the charge described in paragraph 4 on the development described in paragraph 3, a plan for the implementation of such measures.”

The financial impacts of the charge are fully offset by the benefits that developers and landowners will receive as a result of the planned transit services, including:

- The introduction of transit allows for the creation of walkable communities that have proven to be more marketable than suburban models;
- These communities can offer a much wider range of housing, retail and commercial uses in more dense forms making better economic use of land;
- The ability to offer a wider spectrum of pricing from affordable entry level to upscale homes which will attract more buyers;
- GO Transit service will allow future residents alternative transportation options that offer benefits in terms of savings, improved safety, less stress, and environmental benefits – all of which improve market demand;
- Having GO Transit service means that some future households may not need to own a car (or second car), reducing costs of living;
- Less demand for parking can also improve project economics by significantly reducing construction costs (there will be no parking minimums in Zone 1);
- The Provincially-approved PMTSA densities associated with projects in Zone 1 will reduce approval time and project costs. This increases project certainty and reduces risks;
- Transit-oriented development can stimulate office and commercial investment and job creation;
- Employers can attract a broader range of workers by offering greater transit accessibility;

All of the above contributes to much stronger market demand – which leads to higher revenues and absorptions – and improved development economics and land values which fully offset the TSC.

Given the above, there are no additional offsets required. However, the following additional offsetting measures might be considered at any time by the local municipalities.

- Further initiatives to accelerate development application approvals in Zone 1 and/or Zone 2;
- Reduction or removal of minimum parking requirements in Zone 2;
- Community Improvement Plans in TSC areas that can be tailored to meet local objectives through a variety of incentive options such as grants, rebates, waivers, or tax incentives.

8.0 Financial Testing – Determining the Region’s Contribution

Watson & Associates undertook financial testing to understand how much revenue could reasonably be collected from the TSC, and how much the Region of Durham can invest in the transit extension based on the estimated TSC revenues without negatively impacting property taxpayers.

The maximum station contribution amount that can be financed by the Region of Durham for the GO Lakeshore East Extension is primarily impacted by:

- The charge that can be reasonably imposed;
- Anticipated development within the areas that the charge will be imposed, and the pace at which development occurs;
- Annual financing costs associated with the station contribution amount.

Overall, the assumptions in the financial testing are considered conservative to reduce Regional fiscal risk to the greatest extent possible. The maximum station contribution amount that could be financed and recovered from anticipated development and revenues was assessed based on the following assumptions:

- Debt Financing Terms:
 - 30-year term;
 - High (5.81%) and low (3.4%) interest rates;
 - First payment to occur in six years, assumed to be the start of transit service. Metrolinx has not provided a firm service date so this date is an assumption for the purpose of this financial analysis.
- Reserve Continuity:
 - Revenues will be contributed to a reserve fund;
 - 1% interest calculated on positive balances;
 - Annual cash flow shortfalls (negative balances) will be re-financed over the remaining time period for anticipated revenues.
- Initial TSC rate assumptions:
 - \$12.50 psf of GFA for medium density residential development in Zone 1;
 - \$10.00 psf of GFA for high density residential development in Zone 1;
 - \$10.00 psf of GFA for non-residential retail development in Zone 1;

- 30% reduction to the above charges in Zone 2;
- \$2.50 psf of GFA for industrial / employment development in Zone 1 and 2.
- The transit station charge is indexed by 2.5% per year starting at the beginning of transit service. No indexing of the charge is assumed to occur prior to the start of transit service.
- Debt financing will begin six years after the implementation of the TSC by-law at the assumed date of transit service. However, revenue collection will begin prior to debt service as eligible projects are developed. Revenues from the TSC that are collected prior to debt service will be held in reserve.
- Growth forecasting is as per Section 6.0 of this report.

8.1 Financial Testing Results: Initial TSC Rates

Table 9 summarizes the results of the financial testing.

Based on the assumptions related to growth forecasting in the TSC areas, it is estimated that the TSC would raise \$377 million over the 36-year forecast timeline at the initial TSC rates and based upon the assumptions noted above.

Financing costs, however, would account for a large portion of this revenue – ranging from \$178 million in the low-interest scenario (3.4%) to \$227 million in the high-interest scenario (5.81%).

The result is that the initial station contribution amount from the Region of Durham would be in the range of **\$150 million to \$199 million** after accounting for financing costs. Again, this contribution amount is based on the initial TSC rates and could be increased in the future if the charge is increased to match improving market demand.

Table 9

Description	Zone 1 & 2	
	30 Year Debt	
	Low Interest (3.4%)	High Interest (5.81%)
Revenue Potential	\$377 million	\$377 million
Costs		
Station Contribution Amount	\$199 million	\$150 million
Financing Costs	\$178 million	\$227 million
Total Costs	\$377 million	\$377 million

Source: Watson & Associates

8.2 Illustrative Example: Increased TSC Upon Future Reassessment

Given the challenge of predicting future market conditions and the risk for the Region of doing so, the financial testing noted above assumes that the TSC is not increased at future reassessments.

However, to illustrate how the Region of Durham’s contribution to the station costs could increase in the future if the TSC is increased, a hypothetical example was tested that sees the TSC increased twice at future reassessments – once at the commencement of transit service, and then again five years later.

Our assumptions for the TSC rates in this hypothetical example are summarized in Table 10. The analysis assumes that the charge is inflated by 2.5% annually from the commencement of transit service, but is kept flat in the years prior to service.

Table 10

Illustrative Example: Increased TSC Rates			
Zone	Transit Station Charge (\$PSF)		
	Year 1 (Approval of TSC by-law)	Year 7 (Service Commencement)	Year 12
High-Density Residential			
Zone 1	\$10.00	\$15.00	\$20.00
Zone 2	\$7.00	\$10.50	\$14.00
Medium & Low-Density Residential			
Zone 1	\$12.50	\$18.75	\$25.00
Zone 2	\$8.75	\$13.13	\$17.50
Non-Residential Retail			
Zone 1	\$10.00	\$15.00	\$20.00
Zone 2	\$7.00	\$10.50	\$14.00
Non-Residential Industrial/Employment			
Zone 1	\$2.50	\$3.75	\$5.00
Zone 2	\$1.75	\$2.63	\$3.50
Annual Inflatior			
Zone 1 & 2	0.0%	2.5%	2.5%

Note: Zone 2 charge rates are discounted 30% from Zone 1

This hypothetical timeline follows a similar market recovery trajectory as was demonstrated by the last Canadian housing market downturn whereby it took more than a decade for pricing to fully recover. The first increase to the TSC occurs about a decade after the market downturn began and is assumed to feature a 50% increase to the TSC rates. This assumes that the market has experienced

substantial recovery, but not to the extent of the conditions experienced prior to 2022. The second increase brings the TSC to a level that was noted as previously supported under stronger market conditions and occurs about 15 years after the start of the market downturn.

With so much of the anticipated growth in the TSC areas occurring in the later decades of the forecast timeline, the impact on the contribution by the Region of Durham in this illustrative example is considerable if the rates are increased over time. It is estimated that the TSC, in this hypothetical example, would raise \$631 million over the 36-year forecast timeline, well above the \$377 million collected at the initial rates.

Financing costs, however, would account for a large portion of the revenue in this illustrative example – ranging from \$309 million in the low-interest scenario (3.4%) to \$388 million in the high-interest scenario (5.81%).

The result is that after accounting for financing costs, the station contribution amount from the Region of Durham, in this illustrative example, would be in the range of **\$243 million to \$322 million**. This represents a \$93 million to \$123 million increase from the analysis based on initial TSC rates. Table 11 summarizes the results of this hypothetical example.

Table 11: Illustrative Example of How the Station Contribution Amount Could Increase in the Future

Description	Zone 1 & 2	
	30 Year Debt	
	Low Interest (3.4%)	High Interest (5.81%)
Revenue Potential	\$631 million	\$631 million
Costs		
Station Contribution Amount	\$322 million	\$243 million
Financing Costs	\$309 million	\$388 million
Total Costs	\$631 million	\$631 million

Source: Watson & Associates

Notwithstanding this, and as noted earlier in this report, predicting when the market will experience substantial recovery and what a supportable TSC will be at the time of recovery is very challenging.

As such, the Region of Durham will make an initial contribution commitment based on the interim rates (in the range of \$150 million to \$199 million, depending on the cost of borrowing) and increase the contribution amount in the future if market conditions indicate that a higher TSC is supportable. The contribution amount in Table 11 is for illustrative purposes and does not represent the Region’s eventual station contribution.

9.0 Results of Public Consultation

To be completed

10.0 Next Steps

To be completed once consultation is finished

Appendix A: Detailed Growth Forecasting Tables

Forecasted Annual Residential Development - Zone 1												
By Station Area, NBLC Development Estimates												
Unit Type	Prior to Service (2026-31)		Year 1-10 (2032-2041)		Year 11-20 (2042-2051)		Year 21-30 (2052-2061)		Total (2026-2061)		Per Year	
	Units	GFA	Units	GFA	Units	GFA	Units	GFA	Units	GFA	Units	GFA
Thornton's Corners												
Apartment	0	0	0	0	600	540,000	600	540,000	1,200	1,080,000	33	30,000
Stacked Townhouse	0	0	0	0	50	50,000	50	50,000	100	100,000	3	2,778
Townhouse	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal Thornton's:	0	0	0	0	650	590,000	650	590,000	1,300	1,180,000	36	32,778
Annual Thornton's:	0	0	0	0	65	59,000	65	59,000	36	32,778	-	-
Central Oshawa												
Apartment	300	270,000	1,000	900,000	1,500	1,360,000	1,800	1,630,000	4,600	4,160,000	128	115,556
Stacked Townhouse	0	0	50	50,000	50	50,000	50	50,000	150	150,000	4	4,167
Townhouse	0	0	50	80,000	50	80,000	50	80,000	150	240,000	4	6,667
Subtotal Central Oshawa:	300	270,000	1,100	1,030,000	1,600	1,490,000	1,900	1,760,000	4,900	4,550,000	136	126,389
Annual Central Oshawa:	50	45,000	110	103,000	160	149,000	190	176,000	136	126,389	-	-
Courtice												
Apartment	300	270,000	1,000	900,000	1,200	1,080,000	1,500	1,360,000	4,000	3,610,000	111	100,278
Stacked Townhouse	0	0	250	250,000	250	250,000	250	250,000	750	750,000	21	20,833
Townhouse	100	160,000	300	480,000	300	480,000	300	480,000	1,000	1,600,000	28	44,444
Subtotal Courtice:	400	430,000	1,550	1,630,000	1,750	1,810,000	2,050	2,090,000	5,750	5,960,000	160	165,556
Annual Courtice:	67	71,667	155	163,000	175	181,000	205	209,000	160	165,556	-	-
Bowmanville												
Apartment	300	270,000	1,200	1,080,000	1,500	1,360,000	1,800	1,630,000	4,800	4,340,000	133	120,556
Stacked Townhouse	0	0	100	100,000	100	100,000	100	100,000	300	300,000	8	8,333
Townhouse	50	80,000	200	320,000	100	160,000	50	80,000	400	640,000	11	17,778
Subtotal Bowmanville:	350	350,000	1,500	1,500,000	1,700	1,620,000	1,950	1,810,000	5,500	5,280,000	153	146,667
Annual Bowmanville:	58	58,333	150	150,000	170	162,000	195	181,000	153	146,667	-	-
Total All Stations:	1,050	1,050,000	4,150	4,160,000	5,700	5,510,000	6,550	6,250,000	17,450	16,970,000	485	471,389
Annual All Stations:	175	175,000	415	416,000	570	551,000	655	625,000	485	471,389	-	-

Note: Unit sizing is based on average of 750 sf net for apartments, 1,000 sf net for stacked townhouses, and 1,600 sf net for townhouses. Building efficiencies assumed at 83% for apartments, 100% for stacked townhouses, 100% for townhouses.

Non-Residential GFA Forecast - Zone 1																				
Housing Type	Prior to Service (2026-31)				Year 1-10 (2032-2041)				Year 11-20 (2042-2051)				Year 21-30 (2052-2061)				Total Scenario 1 (2026-2061)			
	Units	Population	Jobs	Non. Res GFA	Units	Population	Jobs	Non. Res GFA	Units	Population	Jobs	Non. Res GFA	Units	Population	Jobs	Non. Res GFA	Units	Population	Jobs	Non. Res GFA
Thornton's Corners																				
Apartment	0	0	0	0	0	0	0	0	600	960	175	65,455	600	960	175	65,455	1,200	1,920	349	130,909
Stacked	0	0	0	0	0	0	0	0	50	128	23	8,693	50	128	23	8,693	100	255	46	17,386
Townhouse	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal:	0	0	0	0	0	0	0	0	650	1,088	198	74,148	650	1,088	198	74,148	1,300	2,175	395	148,295
Centrat Oshawa																				
Apartment	300	480	87	32,727	1,000	1,600	291	109,091	1,500	2,400	436	163,636	1,800	2,880	524	196,364	4,600	7,360	1,338	501,818
Stacked	0	0	0	0	50	128	23	8,693	50	128	23	8,693	50	128	23	8,693	150	383	70	26,080
Townhouse	0	0	0	0	50	149	27	10,159	50	149	27	10,159	50	149	27	10,159	150	447	81	30,477
Subtotal:	300	480	87	32,727	1,100	1,877	341	127,943	1,600	2,677	487	182,489	1,900	3,157	574	215,216	4,900	8,190	1,489	558,375
Courtyce																				
Apartment	300	480	87	32,727	1,000	1,600	291	109,091	1,200	1,920	349	130,909	1,500	2,400	436	163,636	4,000	6,400	1,164	436,364
Stacked	0	0	0	0	250	638	116	43,466	250	638	116	43,466	250	638	116	43,466	750	1,913	348	130,398
Townhouse	100	298	54	20,318	300	894	163	60,955	300	894	163	60,955	300	894	163	60,955	1,000	2,980	542	203,182
Subtotal:	400	778	141	53,045	1,550	3,132	569	213,511	1,750	3,452	628	235,330	2,050	3,932	715	268,057	5,750	11,293	2,053	769,943
Bowmanville																				
Apartment	300	480	87	32,727	1,200	1,920	349	130,909	1,500	2,400	436	163,636	1,800	2,880	524	196,364	4,800	7,680	1,396	523,636
Stacked	0	0	0	0	100	255	46	17,386	100	255	46	17,386	100	255	46	17,386	300	765	139	52,159
Townhouse	50	149	27	10,159	200	596	108	40,636	100	298	54	20,318	50	149	27	10,159	400	1,192	217	81,273
Subtotal:	350	629	114	42,886	1,500	2,771	504	188,932	1,700	2,953	537	201,341	1,950	3,284	597	223,909	5,500	9,637	1,752	657,068
Total:	1,050	1,887	343	128,659	4,150	7,779	1,414	530,386	5,700	10,169	1,849	693,307	6,550	11,460	2,084	781,330	17,450	31,294	5,690	2,133,682

Note: Assumes 1 job per 5.5 residents, 35m2 or 375 sf per job. Assumes 1.6 PPU for apartments, 2.55 PPU for stacks, 2.98 PPU for townhouses

Zone 2 Growth Forecasts by Station Area					
December 2025 Growth Forecasting					
Variable	Thornton's Corners	Central Oshawa	Courtice	Bowmanville	Total
Gross Area Added	22,300,000 sf	9,300,000 sf	60,700,000 sf	45,800,000 sf	138,100,000 sf
	512 acres	213 acres	1,393 acres	1,051 acres	3,170 acres
Developable Area Added*	11,300,000 sf	3,200,000 sf	38,200,000 sf	10,800,000 sf	63,500,000 sf
	259 acres	73 acres	877 acres	248 acres	1,458 acres
Takeout Ratio**	50%	40%	50%	50%	70%
Contingency Factor**	10%	10%	25%	20%	
Net Developable Area	4,520,000	1,600,000	9,550,000	3,240,000	18,910,000
FSI Estimate	0.5	0.5	0.5	0.5	0.5
Potential Development	2,260,000	800,000	4,775,000	1,620,000	9,455,000
Average Net Unit Size^	903	915	1,085	1,030	1,013
Est. Building Efficiency	87%	88%	92%	90%	90%
Average Gross Unit Size	1,034	1,039	1,186	1,147	1,126
Total Unit Yield	2,185	770	4,027	1,412	8,394
Build Out Timeline^^	60	60	60	60	60
Annual GFA Yield	37,667	13,333	79,583	27,000	157,583
Annual Unit Yield	36	13	67	24	140
<p><i>*Developable area excludes properties that are unlikely to be redeveloped - parks, recent residential development, schools, post-secondary institutions, natural areas, etc.</i></p> <p><i>**Takeout and contingency ratio varies between station areas depending on existing urban structure, lot fabric, greenfield lands, etc.</i></p> <p><i>^Unit sizing and building efficiency varies based on estimated mix of units in each area.</i></p> <p><i>^^Assumes Zone 2 will be built out over a longer period than the borrowing timeline.</i></p>					

Residential Unit Forecast - Zone 2 (Excluding PMTSA)				
Time Period	Thornton's Corners	Central Oshawa	Courtice	Bowmanville
Prior to Service (2026-31) (0%)	0	0	0	0
Year 1-10 (2032-2041) (75%)	273	96	503	177
Year 11-20 (2042-2051) (90%)	328	116	604	212
Year 21-30 (2052-2061) (100%)	364	128	671	235
Total (2026-2061)	965	340	1,779	624
Annual Average:	27	9	49	17

Residential GFA Forecast - Zone 2 (Excluding PMTSA)				
Time Period	Thornton's Corners	Central Oshawa	Courtice	Bowmanville
Prior to Service (2026-31) (0%)	0	0	0	0
Year 1-10 (2032-2041) (75%)	283,000	100,000	597,000	203,000
Year 11-20 (2042-2051) (90%)	339,000	120,000	716,000	243,000
Year 21-30 (2052-2061) (100%)	377,000	133,000	796,000	270,000
Total (2026-2061)	999,000	353,000	2,109,000	716,000
Annual Average:	27,750	9,806	58,583	19,889

Zone 2 Population-Related Non-Residential Forecast						
	Annual Units	PPU	Annual Pop. Added	Est. Annual Jobs	Est. Annual GFA	Est. GFA (36 Years)
Thornton's Corners	27	1.90	51	9	3,476	125,141
Central Oshawa	9	1.95	18	3	1,256	45,220
Courtice	49	2.23	110	20	7,496	269,871
Bowmanville	17	2.11	37	7	2,492	89,700
Total:	103	2.10	216	39	14,720	529,932

Note: Assumes 1 job per 5.5 residents, 35m2 or 375 sf per job.

Appendix B: Literature Review Table

Real Estate Value Appreciation from Transit - Literature Review							
Author	Year	Title	City	Transit	Use	Uplift	
Nationwide Building Society UK	2025	Home price premiums near rail stations	London, Manchester, Glasgow	Heavy & Rapid Rail	Residential & Commercial	4.6% to 8.0%	
Ian, Z., Ford, A. & Palacin, R.	2025	Do New Light Rail Stations Enhance Property Values in Mature Cities? Evidence from UK Cities	Manchester, Sheffield, Nottingham	LRT	Residential	4.44% to 8.29%	
Guan, C., You, M., Li, Y., Tan, J., & Jeng, C.	2024	Analyzing adverse effects of subway extension on housing prices	New York City	Heavy Rail (Expansion)	Residential	Mixed/negative effects	
Lee, S.	2024	Property Value Premium of Transit Accessibility and Light Rail Transit Expansion in Portland, Oregon	Portland	LRT	Single-Family Residential	Positive uplift	
Higgins, C. D., Arku, R. N., Farber, S., & Miller, E. J.	2024	Modelling changes in accessibility and property values associated with the King Street Transit Priority Corridor project	Toronto	Streetcar (Prioritization)	Condominium Apartments	2.7%	
Huang, Y., Parker, D., Babin, R., & Kong, F.	2024	Causal Identification of Transit-Induced Property Value Uplift in Canada's Waterloo Region: A Spatio-Temporal Difference-in-Differences Method Application	Kitchener-Waterloo	LRT	Single-Family Residential	-2.7%	
Beaudoin, J. & Tyndall, M.	2023	The effect of bus rapid transit on local home prices	Vancouver, WA	BRT	Condominium Apartments	21.4%	
Rennert, L.	2022	A meta-analysis of the impact of rail stations on property values	Global (analysis of 46 studies)	Heavy / Commuter / LRT	Residential	5.3% to 7.0%	
Costa, A., Zheng, S., & Ramos, C.	2022	Subway Expansion, Job Accessibility Improvements, and Home Value Appreciation in Four Global Cities: Considering both Local and Network Effects	Santiago, Sao Paolo, Barcelona, Singapore	Rapid Rail	Residential	1.1% to 27.3%	
Acton, B., Le, H., Miller, H.	2022	Impacts of Bus Rapid Transit (BRT) on Residential Property Values: A Comparative Analysis of 11 US BRT Systems	Various US cities	BRT	Single-Family Residential	2%	
Zhang, M.	2022	Value Uplift from Transit Investment-Property Value or Land Value? A Case Study of the Gold Coast Light Rail System in Australia	Gold Coast (Australia)	LRT	Multi-Family Apartments	42%	
Ko, K.	2021	Case Study of Property Value Transfer Attributed to Transit: Spatial and Temporal Hedonic Price Impact of Light Rail in Minnesota's Twin Cities	Saint Paul, Minneapolis	LRT	Residential	25%	
Zhang, M., & Yen, B. T. H.	2020	The impact of Bus Rapid Transit (BRT) on land and property values: A meta-analysis	Global (analysis of 23 studies)	BRT	Single-Family Residential	5.7% to 6.8%	
Filipova, O., & Mingyue, S.	2020	Impact of Bus Rapid Transit on Residential Property Prices in Auckland, New Zealand	Auckland	BRT	Single-Family Residential	3.7%	
McDougal, E., Webber, K., & Petrie, S.	2020	Transit-induced intensification and gentrification in Kitchener-Waterloo: Mapping Feedbacks Between Economic Development and Community Displacement	Kitchener-Waterloo	LRT	Condominium Apartments	17%	
Seo, K et al.	2018	Hedonic modeling of commercial property values: distance decay from the links and nodes of rail and highway infrastructure	Phoenix, AZ	LRT	Office	32% to 60%	
Dube, Jean et al.	2018	Exploring Difference in Value Uplift Resulting from New Bus Rapid Transit Routes within a Medium Size Metropolitan Area	Quebec Metro Area	BRT	Retail & Service	20% to 51%	
Pilgram, C., & West, S.	2018	Fading Premiums: The Effect of Light Rail on Residential Property Values in Minneapolis, Minnesota	Minneapolis	LRT	Single-Family Residential	12%	
Cohen, J. & Brown, M.	2017	Does a new rail rapid transit line announcement affect various commercial property prices differently?	Metro Vancouver	Heavy Rail	Single-Family Residential	2.5% to 4%	
Wagner, G., Komarek, T., & Martin, J.	2017	Is the Light Rail "Tide" Lifting Property Values? Evidence from Hampton Roads, VA	Hampton Roads (Virginia)	LRT	Commercial, Office, and Retail	42.0%	
Credit, K.	2017	Transit-Oriented Economic Development: The Impact of Light Rail on New Business Starts in the Phoenix, AZ Region	Phoenix	LRT	Residential	-5%	
Higgins, Christopher D., & Kanaroglou, Pavlos S.	2017	Rapid Transit, Transit-Oriented Development, and the Contextual Sensitivity of Land Value Uplift in Toronto	Toronto	Rapid Rail	Retail	28%	
Mulley, C., & Tsai, C.-H.	2016	When and how much does new transport infrastructure add to property values? Evidence from the bus rapid transit system in Sydney, Australia	Sydney	BRT	Single-Family Residential (Inner Urban Neighbourhood)	14%	
	2016				Single-Family Residential (Urban Neighbourhood)	18%	
	2016				Single-Family Residential (Suburban Neighbourhood)	21%	
Zhong, H., & Li, W.	2016	When and how much does new transport infrastructure add to property values? Evidence from the bus rapid transit system in Sydney, Australia	Sydney	BRT	Residential	11%	
	2016				Heavy Rail (Mature)	Single-Family Residential	16% to 22%
	2016				Multi-Family Apartments	27 to 99%	
	2016	Rail Transit Investment and Property Values: An Old Tale Retold	Los Angeles	LRT (Mature)	Single-Family Residential	-10%	
	2016				Multi-Family Apartments	104%	
	2016				LRT (Proposed)	Single-Family Residential	-8%
Higgins, Christopher D., & Kanaroglou, Pavlos S.	2015	Unbundling the Hedonic Price Effects of Rapid Transit and Transit-Oriented Development in Toronto	Toronto	Rapid Rail	Residential	Up to 21%	
Pan, Q., et al.	2014	Effects of Rail Transit on Residential Property Values - Comparison Study on the Rail Transit Lines in Houston, Texas, and Shanghai, China	Houston	LRT	Residential	24.6% to 42.9%	
Kim, K., & Lahr, M.	2014	The Impact of Hudson-Bergen Light Rail on Residential Property Appreciation	Jersey City	LRT	Residential (Urban Periphery)	18%	
Dube, Jean et al.	2014	A Spatial Difference-in-Differences Estimator to Evaluate the Effect of Change in Public Mass Transit Systems on House Prices	Montreal	Rapid Rail	Residential	5.2%	
The Center for Neighbourhood Technology	2013	The New Real Estate Mantra: Location Near Public Transportation	Various US Markets	All	Residential	30.0% to 129.0%	
Dube, Jean et al.	2013	Commuter Rail Accessibility and House Values: The Case of the Montreal South Shore	Montreal	Rapid Rail	Residential	3.0% to 9.0%	
Mohammad, S. I., Graham, D. J., Melo, P. C., & Anderson, R. J.	2013	A meta-analysis of the impact of rail projects on land and property values	Global (analysis of 23 studies)	Heavy / Commuter / LRT	Residential	-45.0% to over 100% (mean 8.0%)	
Brandt, Sebastian & Maennig, Wolfgang	2012	The Impact of Rail Access on Condominium Prices in Hamburg	Hamburg	Rapid Rail	Condominium Apartments	4.6%	
Dube, Jean et al.	2011	Economic Impact of a Supply Change in Mass Transit in Urban Areas: A Canadian Example	Quebec City	BRT	Residential	3.0% to 7.0%	
Duncan, M.	2011	The Impact of TOD on Housing Prices in San Diego, CA	San Diego	LRT	Condominium Apartments	6.0% to 15.0%	
Canadian Urban Institute	2010	Hamilton B-Line Value Uplift and Capture Study	Portland	LRT	Residential	10.6%	
Hess, Daniel B. & Tangerina, Maria A.	2007	Impact of Proximity to Light Rail Rapid Transit on Station Area Property Values in Buffalo	Buffalo	LRT	Residential	4.0% to 11.0%	
Debrezion, G. et al.	2006	The Impact of Rail Transport on Real Estate Prices: An Empirical Analysis of the Dutch Housing Markets	Netherlands	Rapid Rail	Residential	19.0% to 33.0%	
Cervero, Robert	2004	Effects of Light and Commuter Rail Transit on Land Prices: Experienced in San Diego County	San Diego		Residential	17.0%	
			Philadelphia		Residential	6.4%	
			Atlanta	LRT	Commercial	0.0%	
			Dallas		Retail	37.0%	
					Office	14.0%	
Garrett, Thomas A.	2004	Light Rail Transit in America: Policy Issues and Prospects for Economic Development	St. Louis	LRT	Single-Family Residential	32.0%	
Cervero, Robert et al.	2002	Benefits of Proximity to Rail on Housing Markets: Experiences in Santa Clara County	Santa Clara	LRT	Rental Apartment	45.0%	
Parsons & Brinkerhoff	2001	The Effect of Rail Transit on Property Values: A Summary of Studies	Boston	Rapid Rail	Single-Family Residential	6.7%	

Continued on the next page

Real Estate Value Appreciation from Transit - Literature Review - Continued from previous page

Author	Year	Title	City	Transit	Use	Uplift
Cervero, Robert & Duncan, Michael	2001	Rail Transits Value-Added: Effects of Proximity to Light and Commuter Rail Transit on Commercial Land Values in Santa Clara, California	Santa Clara	LRT	Commercial	23.0%
					Retail	40.1%
					Offices, Banks, Clinics	41.5%
					Community Shopping Centre	1.1%
					Neighbourhood Shopping Centre	5.6%
Cervero, Robert et al.	2001	Land Value Impacts of Rail Transit Services in San Diego County	San Diego	LRT	Rental Apartment	0.0% to 0.4%
Weinberger, R.	2001	Commercial Rents and Transportation Improvements: Case of Santa Clara County's Light Rail	Santa Clara	LRT	Office	15.0%
Weinstein, Bernard L. & Clower, Terry L.	1999	The Initial Economic Impacts of the DART LRT System	Dallas	LRT	Commercial	15.0%
					Retail	36.8%
Weinstein, Bernard L. et al.	1999	The Initial Economic Impacts of the DART LRT System	Dallas	LRT	Office	13.9%
					Office	10.0%
Sedway Group	1999	Regional Impact Study, Report Commissioned by the Bay Area Rapid Transit District	San Francisco	Rapid Rail	Retail	30.0%
					Rental Apartment	15.0% to 26.0%
Chen, Hong et al.	1998	Measuring the Impact of Light Rail Systems on Single Family Home Values: An Hedonic Approach with GIS Application	Washington, DC	Rapid Rail	Single-Family Residential	10.5%
Diaz, Roderick B.	1997	Impacts of Light Rail Transit on Property Values	San Francisco	LRT	Residential	13.0%
Gruen, Aaron	1997	The Effect of CTA and METRA Stations on Residential Property Values	Chicago	Rapid Rail	Single-Family Residential	20.0%
Cervero, Robert	1996	California's Transit Village Movement	San Francisco	LRT	Residential	15.0%
Benjamin, John D. & Sirmin, G. Stacy	1996	Mass Transportation, Apartment Rent and Property Values	Washington, DC	Rapid Rail	Rental Apartment	7.5%
Landis, John et al.	1995	Rail Transit Investments, Real Estate Values, and Land Use Change: A Comparative Analysis of Five California Rail Systems	Sacramento	LRT	Single-Family Residential	6.2%
			Santa Clara		-10.8%	
			San Francisco		Rapid Rail	Retail
Armstrong, Robert J.	1994	Impacts of Commuter Rail Service as Reflected in Single-Family Residential Property Values	Boston	Rapid Rail	Single-Family Residential	6.7%
Cervero, Robert et al.	1993	Assessing the Impacts of Urban Rail Transit on Local Real Estate Markets Using Quasi-Experimental Comparisons	Washington, DC	Rapid Rail	Office	12.3% to 19.6%
			Atlanta		11.0 to 15.1%	
Bernick, M. & Carroll, M.	1991	A Study of Housing Built Near Rail Transit Stations: Northern California	San Francisco	Rapid Rail	Rental Apartment	5.0%

The logo for nblc, featuring the lowercase letters 'nblc' in a blue, serif font. The letters are bold and closely spaced. The 'n' and 'b' have a similar height, while the 'l' is slightly shorter and the 'c' is a simple, rounded curve. The logo is centered within a white square.

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