

**Ministry of
Transportation**

Office of the Minister

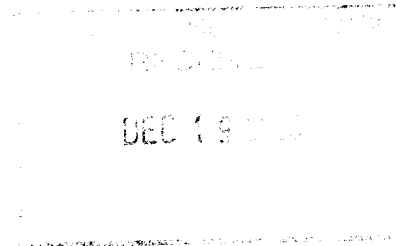
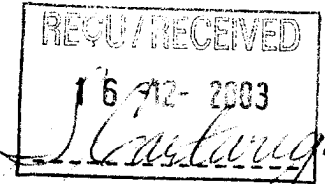
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Bureau du ministre

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Mr. Bill Fisch
Chair
Regional Municipality of York
PO Box 147
17250 Yonge Street
Newmarket, Ontario
L3Y 6Z1

Dear Mr. Fisch:

I am writing regarding the existing development charge bylaws in the regional municipalities of York, Durham, Peel and Halton, which are scheduled to expire on December 31, 2003.

The government has introduced a legislation that, if passed, will extend the existing municipal development charge bylaws for one year. In addition, subject to the passage of the legislation, I propose to enact a minister's regulation extending the GO Transit by-law that allocates costs among municipalities. This extension will enable municipalities to collect development charges to support system expansions such as increasing parking at GO Transit lots and adding more GO Trains on existing lines.

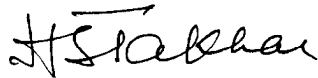
This is an interim measure that maintains the existing funding formula agreed to by municipalities. This extension will enable the province to work with municipalities to develop a new long-term, cost-sharing model. During the interim period, the province will work with municipalities to complete a background study to support new development charge bylaws and develop a new cost-sharing agreement for GO Transit expansion for 2005 and beyond.

As you are aware, the current GO Transit 10 Year Growth Capital Plan is based on the funding model developed by the former Greater Toronto Services Board (GTSB) and endorsed by municipalities. This funding model called for equal participation from the federal, provincial and municipal governments. The one-third municipal contribution is divided among participating municipalities, based on an allocation formula first passed by the GTSB in June 2000, and agreed to by municipalities.

Under the *Development Charges Act, 1997*, municipalities can use development charges to fund the eligible portion of development-related costs. Developers benefit from GO Transit expansion because new development must be supported by adequate infrastructure, including transit. The McGuinty government is committed to building strong communities. Efficient and accessible transit makes new and existing communities more attractive and livable.

I look forward to working closely with you and your municipal colleagues as we move ahead with the important challenge of building our transit systems for the future.

Sincerely,

A handwritten signature in black ink, appearing to read 'H. S. Takhar'.

Harinder S. Takhar
Minister