

## **Development Charges Pamphlet**

**Development Charge Rates Effective September 1, 2022 to December 31, 2022**

### **The Purpose of Development Charges**

The general purpose for which the municipality imposes development charges is to assist in providing the infrastructure required by future development in the municipality through the establishment of a viable capital funding source to meet the municipality's financial requirements. Niagara Regional Council passed the new Development Charges By-law on August 25, 2022.

Development Charges are charges governed under the Development Charges Act, 1997 and are reviewed and collected as part of the building permit fee process.

### **Services Subject to Development Charges**

Development Charges apply to the following services:

- Services Related to a Highway
- Public Works (Facilities and Fleet)
- Policing Services
- Growth Studies
- Long-term Care Services
- Provincial Offences Act
- Public Health Service
- Ambulance Services
- Housing Services
- Waste Diversion
- Wastewater Services
- Water Services

### **Rules for Determining the Development Charge Applicable**

You may be required to pay development charges for any residential, industrial, institutional or commercial development if you are:

- Erecting a new building(s)
- Making an addition or alteration to an existing building(s) which increases the gross floor area or number of units
- Redeveloping a property or properties which result in a change of use

Development charges are payable at the time of the first building permit issuance and are collected by the local municipality. A building permit will not be issued until all development charges have been paid, based on the rate in effect as of the date the building permit is to be issued.

## Statement of the Treasurer

As required by the Development Charges Act, 1997, and Bill 73, the Treasurer for The Region of Niagara must prepare an annual financial statement reporting on the status and transactions relating to the development charge reserve funds for the previous year. This statement is presented to the Council of the Region of Niagara for their review and may be reviewed by the Public in the Clerk's Department during regular business hours at 1815 Sir Isaac Brock Way, Thorold, ON L2V 4Y6 or online on the [Region's Website](#).

## Notes to By-law No. 2022-71

### Exemptions

The following uses are exempt from development charges under the By-law:

- Lands owned by and used for purposes of a municipality, local board thereof, or board of education;
- An interior alteration to an existing building or structure which does not change or intensify the use of the land;
- The enlargement to an existing residential dwelling unit
- The creation of one or two additional dwelling units in an existing single detached, semi-detached or row dwelling
- The creation of additional dwelling units equal to the greater of one or 1% of the existing dwelling units in an existing residential rental building with four or more dwelling units

### Exemptions for Industrial Developments:

- The enlargement of the gross floor area of an existing industrial building: the gross floor area (GFA) is enlarged by 50 per cent or less of the original GFA

### Conversion Credits

- A reduction in development charges under the By-law is allowed in the case of a conversion from one use to another use. The amount of development charges payable shall be reduced by the amount of development that would be payable in respect of the first use at the current development charge rates.

### Discretionary Exemptions or reductions for Development Charges

- Non-residential lands and buildings used for agricultural use
- On-farm site farm accommodations used for agricultural use
- That portion of a place of worship which is used exclusively as a place of worship for religious services and any reception and meeting areas used in connection with, or integral to the worship space;

**Grant/Incentive Programs** related to Brownfield, Industrial/Employment and Affordable Housing Developments are maintained by the Region to provide a grant towards the development charges payable in accordance with the programs approved by the

Region. Additional details regarding grant programs can be found on the Region's website <https://www.niagararegion.ca/business/property/grants-rebates.aspx>

### Demolition Credits

- A reduction in development charges under the By-law is allowed in the case of a demolition or redevelopment of a residential, non-residential, or mixed-use building or structure, provided that the building or structure was occupied, and a building permit for the redevelopment of the land was issued within five years of the issuance of the demolition permit (or 8 years in the event of a Brownfield or Archaeological Site).

### Development Charge Rates

Service/Class of Service	Single and Semi-Detached Dwelling	Other Multiples	Apartments 2+ Bedrooms	Apartments 1 Bedroom	Special Care/Special Dwelling Units & Dwelling Rooms	Commercial (per sq.ft.)	Industrial (per sq.ft.)	Institutional (per sq.ft.)	Wind Turbines
Services Related to a Highway	9,883	7,062	6,718	4,096	3,712	6.78	2.23	5.08	9,883
Public Works (Facilities and Fleet)	286	204	194	119	107	0.26	0.09	0.21	286
Policing Services	297	212	202	123	112	0.28	0.09	0.21	297
Growth Studies	84	60	57	35	32	0.06	0.02	0.04	84
Long-term Care Services	1,241	887	844	514	466	0.60	0.20	0.38	-
Provincial Offences Act	-	-	-	-	-	-	-	-	-
Public Health Services	-	-	-	-	-	-	-	-	-
Ambulance Services	266	190	181	110	100	0.14	0.04	0.08	266
Housing Services	2,039	1,457	1,386	845	766	-	-	-	-
Waste Diversion	176	126	120	73	66	0.04	0.01	0.03	-
<b>Sub-total Region-wide Services/Class of Services</b>	<b>14,272</b>	<b>10,198</b>	<b>9,702</b>	<b>5,915</b>	<b>5,361</b>	<b>8.16</b>	<b>2.68</b>	<b>6.03</b>	<b>10,816</b>
Wastewater Services	7,486	5,349	5,089	3,103	2,811	5.24	2.21	3.87	-
Water Services	4,027	2,878	2,737	1,669	1,512	2.95	1.24	2.17	-
<b>Sub-total Urban Services</b>	<b>11,513</b>	<b>8,227</b>	<b>7,826</b>	<b>4,772</b>	<b>4,323</b>	<b>8.19</b>	<b>3.45</b>	<b>6.04</b>	<b>-</b>
<b>Total Rural Area</b>	<b>14,272</b>	<b>10,198</b>	<b>9,702</b>	<b>5,915</b>	<b>5,361</b>	<b>8.16</b>	<b>2.68</b>	<b>6.03</b>	<b>10,816</b>
<b>Total Urban Area</b>	<b>25,785</b>	<b>18,425</b>	<b>17,528</b>	<b>10,687</b>	<b>9,684</b>	<b>16.35</b>	<b>6.13</b>	<b>12.07</b>	<b>10,816</b>

### Notes:

1. These charges do not include education or municipal development charges that may apply
2. By-law exemptions and grant programs apply only to Regional Development Charges
3. The Development Charges rates set in By-law 2022-71 are indexed annually on January 1st based on the non-residential construction cost index, with the first indexation occurring on January 1, 2023.

This pamphlet summarizes the Regional Municipality of Niagara's policy with respect to development charges. The information contained herein is intended only as a guide. Applicants should review By-law No. 2022-71 and consult with the Corporate Services Department to determine the applicable charges that may apply to specific development proposals.



Hard copies of development charge rates are available from the Corporate Services department. The most up-to-date rates, along with a copy of the D.C. Background Study (including any amendments) and D.C. By-law are always accessible from the [Niagara Region's website](#).

**For further information, please contact:**

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