



CITY OF NIAGARA FALLS

Development Charges

By-Laws for the City of Niagara Falls

By-law 2024-053: A by-law to establish development charges for general services: general government, library services, fire protection, parks & recreation, and public works & fleet.

By-law 2024-054: A by-law to establish development charges related to a highway: roads and related.

By-law 2024-055: A by-law to establish development charges for water, sanitary sewer and storm water management.

This pamphlet sets out the City of Niagara Falls's development charges (DCs), which are imposed by by-laws 2024-053, 2024-054, and 2024-055. The information contained herein is intended only as a guide. Interested parties should review the by-laws and consult with City staff to determine the exact development charges that apply to specific development proposals.

Background

Council for the City of Niagara Falls passed the 2024 DC Background Study on May 28th, 2024 along with three 2024 DC by-laws: 2024-053, 2024-054, and 2024-055. The 2024 DC by-laws are effective July 8, 2024 and will remain in effect for the next 10 years, unless a by-law amendment(s) is/are passed.

The by-law imposes development charges on all lands in the City except for those that are exempt under the Development Charge Act, 1997 (DCA) and through Sections 8 to 11 of all 2024 DC by-laws.

A notice of the 2024 DC by-law passage, the City's 2024 DC by-laws, and general information about development charges is available on the City's website at [Development Charges | City of Niagara Falls](#).

General Purpose of Development Charges

- Development charges are collected to pay for increased capital costs required because of increased needs for services arising from new development.
- The City's DCs are calculated on a city-wide basis.
- Developments without water, sanitary sewer and stormwater servicing (outside of the Urban Area) do not pay water, sanitary sewer and stormwater development charges.
- A one minute video summarizing DCs can be found here: [What are Development Charges? | City of Niagara Falls YouTube](#)



Indexing of Development Charges

Section 15 of all 2024 DC by-laws prescribes that the City's development charges are to be indexed annually on September 1st each year, without amendment to the by-laws, in accordance with the most recent annual change in the Statistics Canada Quarterly, Construction Price Statistics (catalogue #62-007).



Residential

2024 DEVELOPMENT CHARGES

The City's 2024 development charges are effective July 8, 2024 and are contained within the City's 2024 DC by-laws. The City's DC rates are also posted on the City's DC website, located here: [Development Charges | City of Niagara Falls](#), and will be updated annually on September 1st for indexing.

| Service | RESIDENTIAL RATES BY UNIT TYPE | | | |
|---|--------------------------------|------------------------|-----------------|-----------------------------|
| | Single & Semi Detached | Rows & Other Multiples | Apartments | Special Care/Need Dwellings |
| General Government | \$815 | \$562 | \$405 | \$247 |
| Library Services | \$1,138 | \$784 | \$565 | \$345 |
| Fire Protection | \$1,368 | \$942 | \$679 | \$415 |
| Parks & Recreation | \$9,474 | \$6,524 | \$4,701 | \$2,873 |
| Services Related to Highways: Public Works & Fleet | \$1,207 | \$831 | \$599 | \$366 |
| Services Related to Highways: Roads & Related | \$7,558 | \$5,205 | \$3,750 | \$2,292 |
| City-Wide Services Subtotal | \$21,560 | \$14,848 | \$10,699 | \$6,538 |
| Water | \$5,878 | \$4,048 | \$2,917 | \$1,782 |
| Sanitary Sewer | \$10,860 | \$7,479 | \$5,388 | \$3,293 |
| Storm Water Management | \$193 | \$133 | \$96 | \$58 |
| Urban Area Services Subtotal | \$16,931 | \$11,660 | \$8,401 | \$5,133 |
| TOTAL CHARGE PER UNIT | \$38,491 | \$26,508 | \$19,100 | \$11,671 |



Non-Residential 2024 DEVELOPMENT CHARGES

The City's 2024 development charges are effective July 8, 2024 and are contained within the City's 2024 DC by-laws. The City's DC rates are also posted on the City's DC website, located here: [Development Charges | City of Niagara Falls](#), and will be updated annually on September 1st for indexing.

| Service | \$/Square Metre | \$/Square Foot |
|---|-----------------|----------------|
| General Government | \$4.47 | \$0.42 |
| Library Services | \$0.00 | \$0.00 |
| Fire Protection | \$7.50 | \$0.70 |
| Parks & Recreation | \$0.00 | \$0.00 |
| Services Related to Highways: Public Works & Fleet | \$6.63 | \$0.62 |
| Services Related to Highways: Roads & Related | \$41.48 | \$3.85 |
| City-Wide Services Subtotal | \$60.08 | \$5.59 |
| Water | \$27.26 | \$2.53 |
| Sanitary Sewer | \$51.64 | \$4.80 |
| Storm Water Management | \$1.06 | \$0.10 |
| Urban Area Services Subtotal | \$79.96 | \$7.43 |
| TOTAL CHARGE PER SQM/SQF | \$140.04 | \$13.02 |

Treasurer's Statement

The Treasurer for the City will present before Council each year, a financial statement relating to the development charges by-laws and its reserve funds. The statement will include, for each reserve fund, a description of the service, opening and closing balances, details of any credit transactions, details of any borrowing from the reserve fund that may have occurred, the amount spent on growth-related projects, the portion of each project that is funded from the reserve fund and the portion funded from other sources of financing.

A copy of the Treasurer's statement can be viewed online in the minutes to the City's Council meetings and on the City's [Development Charges Webpage](#).

Charge Calculations & Payment

Calculation of Charge

Section 26.2 of the Development Charges Act "Freezes" development charges at the rate in effect on:

- The day of an accepted application for a site plan agreement.
- If there is no such application, the day of an accepted application for a zoning by-law amendment.
- Or if neither of these applications have been made, the charge will continue to be determined at the time of first building permit issuance.

By way of Bill 185 Cutting Red Tape to Build More Homes Act, 2024 receiving Royal Assent on June 6, 2024, development charges will be frozen only if a permit is issued within 18 months of the approval of the site plan agreement or zoning by-law amendment, and will include interest.

Timing of Payment

With the exception of rental and institutional developments, development charges are payable at the issuance of the first building permit.

Development charges for institutional and rental developments are to be paid over 6 equal installments, plus interest, starting on occupancy (1st payment) and every year thereafter for 5 more payments.

- To be eligible for an installment payment plan an acknowledgement letter must be submitted to the city 20 days prior to the issuance of the first building permit.
 - Form is located here: [RE: Acknowledgement Letter \(Section 26.1 of the Development Charges Act\)](#)

Alternatively, institutional or rental developers can opt out of payment of development charges over installment by submitting an early payment agreement form to the City.

- Form is located here: [RE: Early Payment Agreement \(section 27 of the Act\)](#)

Charge Exemptions & Reductions

Legislated Development Charge Exemptions

The Development Charges Act (DCA) provides exemptions for DCs as follows:

- City, Regional, and School Board Lands and Buildings (Section 3)
- Additional Residential Units in Existing Rental Residential Buildings (Section 3.1)
- Additional (Secondary) Residential Units in Existing Houses (Section 3.2 & 3.3)
- Industrial (Section 4)
- Affordable and Attainable Residential Units (Section 4.1)
- Non-Profit Housing Development (Section 4.2)
- Inclusionary Zoning Residential Units (Section 4.3)

Legislated Development Charge Reductions

The development charges payable for rental housing development (as defined in the DCA) are discounted based on the number of bedrooms in each unit, as follows (Section 26.2 of DCA):

- 3+ bedrooms – 25% discount
- 2 bedrooms – 20% discount
- 1 bedroom – 15% discount

Discretionary Development Charge Exemptions & Reductions

Section 8.2 of all 2024 Development Charges by-laws provide for discretionary exemptions of development charges that the City has voluntarily chosen to forgo, as follows:

- Lands and buildings used for agricultural use (Section 8.2a)
- Lands and building used or intended to be used as municipal housing project facilities (Section 8.2b)
- Lands and buildings used for affordable housing projects that receive funding through an agreement with Niagara Regional Housing (Section 8.2c)
- Lands and buildings owned, used, and occupied by a charitable institution (Section 8.4d)
- Gas station canopies (Section 8.2e)
- Cemeteries, mausoleums, and columbariums (Section 8.2f)
- Places of worship (Section 8.2g)
- Parking structures associated with a residential and/or non-residential use (Section 8.2h)

Demolitions & Conversions

- Reductions for DCs for demolitions are in accordance with Section 12 of all 2024 DC By-laws.
- Reductions for DCs for conversions are in accordance with Section 13 of all 2024 DC By-laws.

City Policies

Industrial DC Exemptions

The City provides for a full exemption of Development Charges pertaining to Industrial developments in accordance with City Policy #700.40, a copy of which can be found here: [Industrial Development Charge Grant Program Policy](#).

Community Improvement Plan (CIP) Grant Program

The City provides for Development Charge exemptions pertaining to developments that fall within the City's geographical CIP boundary areas as well as additional CIP based exemptions, as outlined in City Policy #700.41, a copy of which can be found here: [Interim Community Improvement Plan \(CIP\) Grant Program Policy](#).

Further Information

Please visit our development charges website at [Development Charges | City of Niagara Falls](#) to obtain the most current development charges information, as it is subject to change. If you have any questions or require more information, please contact our Building Department.

Building Department

building@niagarafalls.ca | 905-356-7521 ext. 4213/4226

