

Subject: 2025 Schedule of Fees and Charges

Report to: Budget Review Committee of the Whole

Report date: Thursday, December 5, 2024

Recommendations

1. That the Draft 2025 Schedule of Fees and Charges, Appendix 1 to Report CSD 57-2024, **BE APPROVED**; and
2. That the necessary by-law **BE PREPARED** and **PRESENTED** to Council for consideration.

Key Facts

- The purpose of this report is to seek Council's approval for the 2025 schedule of fees and charges and associated by-law. The proposed effective date of the schedule is January 1, 2025 for most fees, with certain Public Works and Niagara Transit Commission (NTC) fees effective at other dates in the year, as indicated in Appendix 1.
- Appendix 1 to Report CSD 57-2024 contains the complete schedule of fees and charges. The schedule includes NTC fees and charges but does not include those related to Niagara Regional Police Service (NRPS). The most updated fees and charges by-laws for NRPS are available on their website and approved by the Police Services Board.
- Fees and charges provide funding for the operation of some programs and services across the Region. In 2025, excluding NRPS, fees and charges are estimated to provide annual revenue of \$5.0 million to the proposed general levy budget (0.9% of the general levy) and \$27.2 million to the proposed non-general levy budget (9.7% of the non-general levy), for a total of \$32.2 million.
- The 2025 schedule of fees and charges includes new fees as well as modifications to existing user fees to reflect inflationary pressures and enhanced services. User fees should be set to recover the full cost of the service to the extent that there is no conflict with other policy objectives and the service benefits the user directly, rather than the community as a whole.

Financial Considerations

Niagara Region delivers a wide range of programs and services that in 2025 will rely on the proposed budgeted \$32.2 million (excluding NRPS) generated through user fees and charges, rather than receive support via the general levy or the non-general levy (as made up of the special levies for Waste Management and Niagara Transit Commission, and the rate requisition for Water-Wastewater). The proposed fees and charges were developed in consultation with department and division leadership and supporting staff.

The Police Services Board approves NRPS fees and charges; the most updated associated by-laws for NRPS are available on their website. Because such fees are not included in the Region's schedule, related revenue has been excluded from these financial considerations.

Many individual fees are increasing to account for inflationary pressures (using a 2% rate) and to reflect increases in supplier and/or labour-related costs. Other fees are being held the same as the prior year for various reasons, such as the amounts are set by provincial legislation or licensing agreements, or where staff believe increasing the fees would be detrimental to the public user of the fee.

In 2025, the total user fees and charges revenue (excluding NRPS) is estimated to reduce the burden to the taxpayer by offsetting the proposed general levy budget by \$5.0 million and the non-general levy budget by \$27.2 million, which is an increase of \$0.3 million in general levy revenues and an increase of \$2.5 million in non-general levy revenues as compared to the 2024 budget.

The increase in general levy fees and charges revenues is primarily attributed to Business Licensing (proposed fee increases to account for inflationary pressures coupled with increased revenue from a new transportation network company (TNC) now operating in Niagara) and Housing Services (new fees added for new property management services agreements with third-party community housing providers). The increase in non-general levy fees and charges revenues is primarily attributed to Niagara Transit Commission (increase in net fare revenue) and Water-Wastewater (increase in hauled sewage rates).

Section 391 of the Municipal Act and section 69 of the Planning Act provide the authority for a municipality to establish fees and charges. The fundamental principle behind user fees and price setting via cost recovery is that those who directly benefit

from the good/service pay for it, and others should not be obligated to pay for it (where a key element is the benefit of the service is to the individual, not the general taxpayer). The main economic reason why user charges should be levied on the direct recipient of benefits is that this improves the efficiency of the government in allocating resources in the way they are demanded by the public.

The Region's fees and charges are monitored on a regular basis to assess the potential changes as a result of known and anticipated service changes, program or service cost changes, and legislative changes. Financial review related to volume and cost of service are conducted annually to ensure that goods and services which can be fully recovered by the user do not unnecessarily burden the general taxpayer.

Analysis

The draft 2025 schedule of fees and charges is attached (Appendix 1) and identifies where HST is applicable. Appendix 1 also identifies if a fee has one of four statuses for 2025: new, delete, update (indicates a change over the prior year's schedule in the fee amount and/or description), or no change.

A summary of proposed user fee changes by department is provided below (referenced amounts include HST where applicable).

Community Services

- COM-2 Adult day programs (full-day) is decreasing from \$36.05 to \$25.00 per day to reflect changes to the program structure.
- COM-3 Deer Park assisted living is changing from a range of \$1,948.96 – \$2,483.85 to a single fee of \$2,558.37 per month. There has been no recent history of using the lower rate, so it is being removed. The increase in the fee is due to inflation and labour-related costs but remains low compared to similar services in the community.
- COM-4 In-home respite is changing from a range of \$4.50 - \$8.50 to a single fee of \$8.50 per hour. This is the end of a program change that began in 2024 to transition clients from a geared-to-income rate to a single rate.
- The fee description for COM-5 Aphasia program is being updated to add "(in person)" to delineate it from a new fee COM-6 Aphasia program (virtual). The new virtual program is being offered at no charge due to less overhead costs associated with operating the program online.

- COM-7 Child care (geared-to-income) is increasing from a range of \$10.00 - \$25.01 to \$10.00 - \$42.45 per day to align with inflationary pressures of the school age full rate that has been frozen since 2019.
- COM-8 Bridge Housing Program Fee is increasing from a range of \$0.00 - \$550.00 to \$0.00 - \$600.00 per month. This fee range relates to the shelter portion of program client's OW/ODSP benefits, or a geared-to-income calculation for non-OW-ODSP clients. As such it's increasing because OW/ODSP basic shelter rates have increased.
- COM-9 Housing Development Consultant is increasing from \$85.88 to \$91.53 due to an increase in labour related costs.
- COM-10 Building Service Maintenance Support \$48.59 per hour and COM-11 Property Management Fees per community housing unit \$113.00 per month are new fees for 2025. These are related to the housing services property management services agreements as discussed in report COM 33-2024 at the November 5, 2024 Public Health and Social Services Committee meeting.

Corporate Services

- Legal fees CS-12 to CS-14, Finance fee CS-29, and Information Technology fee CS-52 are hourly rates that are increasing to account for inflationary pressures.
- The percentage ranges for first, second, and third placement account collection fees (consumer and commercial) in Court Services and Finance (CS-16 to CS-21, and CS-30 to CS-35) are changing due to a recent collection agency request-for-proposal process. More information on the new rates can be found in memo JBM-C 8-2024 as brought to the November 28, 2024 Joint Board of Management – Niagara Courts meeting.
- Customer Service fees CS-53 to CS-72 are also increasing to account for inflationary pressures.

Office of the Deputy CAO

- An hourly rates fee ODC-1 is being added to align with similar fees in Legal, Finance, and Public Works.
- Most Business Licensing fees (ODC-2 to ODC-88) are increasing to account for inflationary pressures with the following notable exceptions:
 - Caleche Horse License fees (1, 6, and 12 months) are being deleted and combined with Carriage Plate and License fees (ODC-15 to ODC-23). Caleche enforcement does not change with the removal of these fees and will still include elements related to horses (e.g. inspection).

- New fees related to Body Rub Parlour owner, operator, entertainment, and license transfer (ODC-76 to ODC-81) are being added to allow the Region to enforce its own fees, as opposed to those set by local area municipalities.
- Strategic Initiatives is a new section under Office of the Deputy CAO created due to the organizational structure re-alignment approved at Regional Council on August 29, 2024. Two former Growth Strategy and Economic Development fees, which are increasing due to inflationary pressures, moved to this section. These changes are reflected in the updated fee numbers for the associated items (from GSE to ODC). Of note, these fees are effective January 1 to March 30, 2025 due to the proclamation date related to previously announced Bill 23 changes. More information on these changes is discussed below in the Infrastructure Planning & Development section under Public Works.

Public Health

- Most Inspections fees (PH-1 to PH-10) are increasing to account for inflationary pressures with the following note:
 - PH-2 food handler certification – refresher course is indicated as a new fee at \$25.50 each. Although it is new to the schedule, it is not new to the Region; it was missed from prior year schedules in error. The refresher course has been offered since 2021 at \$25.00 and is increasing due to the same inflationary pressures.
- Most Sexual Health fees (PH-13 to PH 22) are changing due to increases or decreases in cost from the supplying pharmaceutical companies, with the following exceptions:
 - The fee for Metronidazole is being deleted as it is no longer sold to clients.
 - A new fee PH-21 Nexplanon, which is a new contraceptive in Canada, is being added at \$299.00 each.
- Disinterment fees are increasing to account for inflationary pressures.
- Emergency Medical Services fees are increasing for inflation and increases in labour-related costs.

Public Works

- Hourly rates fee PWC-1 is increasing to account for inflationary pressures and aligns with similar fees in Legal, Finance, and Office of the Deputy CAO.
- Waste Management
 - PW-9 32 gallon organic cart – commercial and multi-residential is increasing from \$60.00 to \$73.00 due to an increase in cost from the supplier.

- Certain residential and commercial tipping fees are increasing to adjust for current market pressures related to the indicated materials, and to move closer to cost recovery, as discussed at August 27, 2024 Waste Management Planning Steering Committee and September 10, 2024 Public Works Committee.
 - PW-12 0 – 50 kg from \$8.00 to \$9.00 flat charge
 - PW-14 Shingles from \$85.00 to \$90.00 per tonne
 - PW-21 Commercial leaf and yard waste from \$75.00 to \$80.00 per tonne
 - PW-22 Commercial clean soil – open landfill sites from \$10.00 to \$43.00 per tonne
 - PW-23 Commercial contaminated soil from \$39.00 to \$125.00 per tonne
 - PW-26 Commercial concrete and asphalt from \$30.00 to \$35.00 per tonne
 - PW-27 Commercial contaminated concrete and asphalt is a new fee at \$125.00 per tonne
 - PW-31 Cars or mini-vans from \$7.00 to \$9.00 per load
- Water-Wastewater
 - As discussed at September 10, 2024 Public Works Committee (PWC) in report PW 26-2024, and subsequently in CWCD 2024-177, hauled sewage rates are increasing to represent cost recovery. The changes include a new multi-rate structure designed to ensure that rate payers and residential customers are not subsidizing high strength commercial and industrial sewage disposals. Report PW 38-2024 Hauled Sewage Rate Review – Comment Period Responses was provided to PWC on December 3, 2024.
 - Hauled sewage – disposal fee of \$46.00 is being deleted and replaced with two new fees: PW-49 Hauled sewage – disposal fee – low concentration of \$71.00 per 1,000 gallons, and PW-50 Hauled sewage – disposal fee – high concentration of \$165.00 per 1,000 gallons
 - Hauled sewage – administrative fee of \$58.00 is being deleted and replaced with PW-54 Hauled sewage – appeal fee of \$89.00 each
 - In addition, sewer use by-law fees are changing in alignment with information brought forward to the August 13, 2024 Public Works Committee in PW 22-2024 Sewer Use By-law Update and Revocation of Supporting Public Works Policies.
 - PW-56 Sewer use by-law – dewatering permit is a new fee at \$164.00 each
 - PW-57 Sewer use by-law – commissioner written approval/special permission letter is a new fee at \$125.00 each
 - PW-58 Sewer use by-law – temporary connection fee is a new fee at \$125.00 each
 - PW-59 Sewer use by-law – appeal hearing is a new fee at \$89.00 each
 - PW-60 Sewer use by-law – late fee is increasing from \$55.00 to \$58.00 each

- PW-64 Sewer use by-law – sewer overstrength surcharge is increasing from \$1.61 to \$1.64 per kg
- Transportation Services
 - Most Transportation Services fees (PW-68 to PW-125) are increasing to account for inflationary pressures with the following notable exceptions:
 - An analysis of the labour-related costs for actual staff time allocated to the review of all permit types was completed which resulted in more significant increases to certain fees.
 - PW-80 Residential entrances from \$55.00 + inspection fee (pre) + inspection fee (post), to \$255.00 + inspection fee (pre) + inspection fee (post) each
 - PW-81 Inspection fee from \$88.00 to \$122.00 each
 - PW-82 Sign permit – permanent or mobile sign from \$88.00 to \$227.00 each
 - PW-97 Road Occupancy from \$125.00 to \$340.00 each
 - PW-98 Construction encroachment – no pavement cut (fees applicable when permit obtained before construction begins) from \$285.00 + inspection fee, to \$355.00 + inspection fee each
 - PW-108 Construction encroachment (local area municipal access agreements – emergency repair) (permit obtained after 30 days of repair) from a range of \$285.00 - \$570.00 + all applicable per visit Inspection Fees, to a range of \$355.00 - 580.00 + all applicable per visit Inspection Fees each.
 - PW-123 Tree replacement from Regional boulevard is increasing from \$500.00 to \$600.00 each due to a market change in pricing for a newly planted tree.
- Infrastructure Planning and Development
 - This is a new section under Public Works created due to the organizational structure re-alignment approved at Regional Council on August 29, 2024. Many former Growth Strategy and Economic Development fees moved to this section. These changes are reflected in the updated fee numbers for the associated items (from GSE to PW).
 - Bill 23, the More Homes Built Faster Act, 2022, made changes to the Planning Act that would mean certain upper-tier municipalities would no longer have planning responsibilities. Niagara Region's proclamation date for Ontario Regulation (O. Reg.) 525/97 has been proposed as March 31, 2025 (as shared in CWCD 2024-190). The proclamation date is still pending the close of provincial consultation and may be subject to change. An amendment to the Fees and Charges By-law will be required should the proclamation date change. As such, several subsections in this section of the schedule note different effective dates.

- For those fees affected by the O. Reg. that continue to apply pre-proclamation date, the subsections indicate effective dates of January 1 to March 30, 2025.
- For those fees that will be new post-proclamation date, the subsection indicates an effective date of March 31, 2025.
- Where no date is indicated in the subsection, the overall schedule effective date of January 1, 2025 applies.
- In addition, most Infrastructure Planning and Development fees (PW-127 to PW-199) are increasing to account for inflationary pressures or to reflect recommendations by a fee review completed in 2023 by Watson and Associates Economists Ltd, in response to the changes to the Planning Act made through Bill 23, with the following notable exceptions:
 - PW-171 Major Environmental Impact Study (EIS) Review (2 or more features) – no approved terms of reference is a new fee at \$4,045.00 per application. This reflects the administrative and labour related costs associated with processing such reviews.
 - Similarly, PW-172 Minor EIS review (1 feature) – no approved terms of reference is a new fee at \$2,355.00 per application.
 - Under the Building Code Act, a public meeting is required to consider the proposed increases to existing and addition of new sewage system fees (PW-189 to PW-195). As per BRC-C 9-2024, the public meeting will be held at the December 5, 2024 Budget Review Committee of the Whole meeting, the same meeting as this fee report CSD 57-2024.
- New fees are being added (PW-200 to PW-236) to reflect those additional fees as required related to engineering infrastructure reviews, storm water, urban design, hydrogeology, EIS and/or private sewage system reviews. These fees apply for municipalities that have service agreements with the Region for continued needs post-proclamation date.

Niagara Transit Commission

- NTC 22-2024 Harmonization of Fares was approved by the Niagara Transit Commission Board at its meeting on August 27, 2024 with the following recommendations:
 - That the Niagara Transit Commission APPROVE the harmonized fare structure and associated fare policies outlined in report NTC 22-2024 with an effective date of July 1, 2025; and
 - That Report NTC 22-2024 BE FORWARDED to Niagara Region for the fare structure and as needed, fare policies, to be included in the Niagara Region's By-law to Establish Fees and Charges with an effective date of July 1, 2025.

- As such, the proposed 2025 fee schedule sets an effective date for existing inter- and intra-municipal transit fees (NTC-1 to NTC-24) of January 1, 2025 to June 30, 2025 and adds new harmonized transit fees (NTC-25 to NTC-35) with an effective date of July 1, 2025.
- NTC-36 Charter service – rental rate is increasing from \$155.00 to \$175.15 per bus due to increases in fuel, maintenance, and labour related costs.
- Similarly, NTC-37 Charter service – hourly rate (1 hour minimum) is increasing from \$155.00 to \$175.15 per hour.

Alternatives Reviewed

An alternative to the proposed fees and charges schedule would be to not increase the fees and charges and to further subsidize the cost of service through the general or non-general levy tax base. This alternative is not recommended since these services directly benefit the user and provide little or no direct benefits to the community as a whole.

Alternatively, larger increases to the fees and charges schedule could have been applied to ensure full cost recovery and no subsidization from the tax levy. This alternative is also not recommended since larger increases may have negative impacts on lower income customers and small businesses.

Relationship to Council Strategic Priorities

This report ties to the Council Strategic Priority of Effective Region, in particular the objective to deliver fiscally responsible and sustainable services.

Other Pertinent Reports

[COM 33-2024 Housing Services Property Management Services Agreements](#)

(<https://pub-niagararegion.escribemeetings.com/filestream.ashx?DocumentId=39929>)

CWCD 2022-80 Canada-Wide Early Learning and Childcare Agreement: A Plan for Ontario Families

[JBM-C 8-2024 Collection Agency RFP Update](#)

(<https://pub-niagararegion.escribemeetings.com/filestream.ashx?DocumentId=40248>)

[WMPSC 2-2024 Waste Management Planning Steering Committee Minutes August 27, 2024](#)

(<https://pub-niagararegion.escribemeetings.com/filestream.ashx?DocumentId=39066>)

[Presentation 2025 Waste Management Tipping Fees](#)

(<https://pub-niagararegion.escribemeetings.com/filestream.ashx?DocumentId=39067>)

[PW 26-2024 Hauled Sewage Rate Setting](#)

(<https://pub-niagararegion.escribemeetings.com/filestream.ashx?DocumentId=39079>)

[CWCD 2024-117 Hauled Sewage Rate Update – Supplementary Information](#)

(<https://niagararegion.ca/council/Council%20Documents/2024/council-correspondence-oct-25-2024.pdf>)

[PW 38-2024 Hauled Sewage Rate Review - Comment Period Responses](#)

(<https://pub-niagararegion.escribemeetings.com/Meeting.aspx?Id=9fc2da49-88e7-4555-a336-3cc0fca744c7&Agenda=Agenda&lang=English>)

[PW 22-2024 Sewer Use By-law Update and Revocation of Supporting Public Works Policies](#)

(<https://pub-niagararegion.escribemeetings.com/Meeting.aspx?Id=b3a00116-5631-4471-9615-abf620626881&Agenda=Agenda&lang=English&Item=14&Tab=attachments>)

[CWCD 2024-190 Correspondence from the Minister of Municipal Affairs Ontario
Regulation 525/97 and Upper-Tier Planning Authority](#)

(<https://niagararegion.ca/council/Council%20Documents/2024/council-correspondence-nov-08-2024.pdf>)

BRC-C 9-2024 Public Meeting for Building Permit Fees (Sewage System Applications)
(Link not yet available at the time of publishing this report; the memo can be found on the agenda of the December 5, 2024 Budget Review Committee of the Whole meeting.)

[NTC 22-2024 Harmonization of Fares](#)

(<https://pub-ntc.escribemeetings.com/filestream.ashx?DocumentId=343>)

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Appendices

Appendix 1 Draft 2025 Schedule of Fees and Charges