



NATIONAL ASSEMBLY OF QUÉBEC

SECOND SESSION

FORTY-SECOND LEGISLATURE

Bill 994

**An Act to empower local
municipalities to exercise a
pre-emptive right to acquire
immovables**

Introduction

**Introduced by
Madam Méganne Perry Mélançon
Member for Gaspé**

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EXPLANATORY NOTES

The bill grants local municipalities the possibility to exercise a pre-emptive right to acquire immovables on their territories. For that purpose, the local municipality must determine, by by-law, the territory in which its pre-emptive right may be exercised and the municipal purposes for which immovables may be acquired in this manner.

The bill also provides that this right may be exercised only to acquire an immovable for which a notice of the pre-emptive right has been registered. The notice of the pre-emptive right must identify the immovable concerned and describe the purpose for which it may be acquired. The notice, notified to the owner of the immovable, takes effect on being registered in the land register and is valid for a period of 10 years from the registration date.

The bill prevents the owner of an immovable concerned by a notice of pre-emptive right from alienating the immovable for the benefit of a person other than a person to whom the owner is related if the owner has not notified a notice to the local municipality of the owner's intention to alienate the immovable.

The bill prescribes the time limits within which the local municipality must notify the owner of its intention to exercise its pre-emptive right. It also prescribes the conditions for payment and for the transfer of ownership if the local municipality exercises its pre-emptive right.

Lastly, the bill requires a local municipality that decides to waive its pre-emptive right to have the notice of its pre-emptive right removed from the land register.

Bill 994

AN ACT TO EMPOWER LOCAL MUNICIPALITIES TO EXERCISE A PRE-EMPTIVE RIGHT TO ACQUIRE IMMOVABLES

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

1. A local municipality may, in all or part of its territory as determined by the by-law provided for in section 2, exercise a pre-emptive right to acquire any immovable, excluding immovables owned by a public body within the meaning of the Act respecting Access to documents held by public bodies and the Protection of personal information (chapter A-2.1).

The local municipality's pre-emptive right may be exercised only to acquire an immovable for which a notice of the local municipality's pre-emptive right has been registered.

2. The local municipality determines, by by-law, the territory in which its pre-emptive right may be exercised and the municipal purposes for which immovables may be acquired in this manner.

3. The notice of pre-emptive right must identify the immovable concerned and describe the purpose for which it may be acquired.

The notice is notified to the owner of the immovable and takes effect on being registered in the land register. It is valid for a period of 10 years from the registration date.

4. The owner of an immovable for which a notice of pre-emptive right has been issued may not, on pain of nullity, alienate the immovable for the benefit of a person other than a person to whom the owner is related within the meaning of the Taxation Act (chapter I-3) if the owner has not notified a notice to the local municipality of the owner's intention to alienate the immovable.

The owner's notice must state the price of the proposed alienation, the conditions to which it is subject and the name of the person who intends to acquire the immovable. If the immovable is to be alienated, in whole or in part, for non-monetary consideration, the notice must include a reliable and objective estimate of the value of that consideration.

5. The local municipality may, not later than 60 days following notification of the notice of intention to alienate, notify a notice to the owner of its intention to exercise its pre-emptive right and to acquire the immovable at the price and

on the conditions stated in the notice of intention to alienate, subject to any modifications subsequently agreed on with the owner. If the notice of intention to alienate contains an estimate of the value of a non-monetary consideration, the price must be increased by an equal amount.

The local municipality may, during that period, require from the owner any information allowing it to assess the condition of the immovable. It may also, after giving 48 hours' prior notice, access the immovable to conduct, at its own expense, any study or analysis it considers useful.

If the local municipality does not notify the notice provided for in the first paragraph to the owner within that 60-day period, it is deemed to have decided to waive its pre-emptive right.

If the local municipality decides to waive its pre-emptive right and the proposed alienation occurs, the local municipality must have the notice of its pre-emptive right removed from the land register.

6. If the local municipality exercises its pre-emptive right, it must pay the price of the immovable within 60 days after notifying the notice of its intention to acquire the immovable. If the local municipality cannot pay the amount to the owner, it may deposit it, on the owner's behalf, at the office of the Superior Court.

Sections 53.15 to 53.17 of the Expropriation Act (chapter E-24) apply, with the necessary modifications.

In the absence of a notarial contract, the local municipality becomes the owner of the immovable by registering a notice of transfer of ownership in the land register; the notice must include a description of the immovable, the price and conditions of its acquisition, and the date on which the local municipality will take possession of the immovable.

The notice of transfer must be served on the owner at least 30 days before it is registered in the land register.

To be registered, the notice must be accompanied by documents confirming that the amount has been paid to the owner or deposited at the office of the Superior Court and proof that the notice has been served on the owner.

7. If the local municipality exercises its pre-emptive right, it must compensate the person who intended to acquire the immovable for reasonable expenses incurred during negotiation of the price and conditions of the proposed alienation.

8. This Act comes into force on (*insert the date of assent to this Act*).