APRIL 29, 2020

## City of Montréal's Right of First Refusal for Social Housing

## Authors: Anthony Arquin and Agnès Pignoly

UPDATED: Montréal's agglomeration council (AC) adopted on March 26 a bylaw that will allow the City of Montréal (City) to exercise a right of first refusal (pre-emptive right) to purchase properties to be used to build social housing.

The City may exercise its right of first refusal and purchase properties for social housing throughout the agglomeration of Montréal. In addition to the City's 19 boroughs, the following municipalities could also be affected by the right of first refusal:

- Baie-d'Urfé
- Beaconsfield
- Côte Saint-Luc
- Dollard-des-Ormeaux
- Dorval
- Hampstead
- Kirkland
- L'Île-Dorval
- Montréal East
- Montréal West
- Mont-Royal
- Pointe-Claire
- Sainte-Anne-de-Bellevue
- Senneville
- Westmount

The following terms apply to the City's exercise of its right of first refusal:

- After accepting an offer to purchase, the owner of an affected property must send the City a notice of intent together with the offer to purchase.
- The owner must also send the City the leases, occupancy agreements, brokerage agreements, environmental studies and evaluation reports regarding the property, as well as all other applicable documents and the report establishing the value of the non-monetary consideration indicated in the offer to purchase, where applicable.

- Within 60 days of receipt of the notice, the City may exercise the right of first refusal and purchase the property at the same price and on the same terms and conditions as those indicated in the offer.
- The City then has 60 days to pay the purchase price.
- The City must reimburse the unsuccessful purchaser reasonable expenses incurred in negotiating the offer to purchase.
- The City's power to exercise or waive the right of first refusal and to purchase a property will be delegated to the executive committee.

The AC also adopted a resolution designating the first lots on which a right of first refusal will be imposed. The resolution covers a total of 196 lots, broken down as follows:

- Côte-des-Neiges-Notre-Dame-de-Grâce "Triangle" sector (21 lots)
- Plateau-Mont-Royal (34 lots)
- The South-West (22 lots)
- Mercier-Hochelaga-Maisonneuve (1 lot)
- Marconi-Alexandra, Atlantic, Beaumont, De Castelnau (26 lots)
- Verdun Hickson-Dupuis sector (15 lots)
- Ville-Marie (68 lots)
- Villeray-St-Michel-Parc-Extension Parc-Extension sector (9 lots)

See map of the 196 affected lots (in French only).

On April 23, 2020, the AC adopted another resolution designating lots on which a right of first refusal will be imposed. The resolution covers a total of 81 lots, broken down as follows:

- Marconi-Alexandra, Atlantic, Beaumont, De Castelnau (80 lots)
- Ville-Marie (1 lot)

See map of the 81 affected lots (in French only).

The City has also said that notices will be sent during the spring and summer of 2020 to owners whose property is affected. Those lots will be subject to the City's pre-emptive right for 10 years.

## Key Contact: Anthony Arquin

This information and comments herein are for the general information of the reader and are not intended as advice or opinions to be relied upon in relation to any particular circumstances. For particular applications of the law to specific situations the reader should seek professional advice.