



NATIONAL ASSEMBLY

FIRST SESSION

THIRTY-SIXTH LEGISLATURE

Bill 4

(1999, chapter 16)

An Act respecting Immobilière SHQ

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Passage 18 June 1999

Assented to 19 June 1999

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EXPLANATORY NOTES

This bill gives effect to the reform of the government accounting policies announced by the Minister of Finance in the Budget Speech of 31 March 1998 and establishes a housing authority to be known as Immobilière SHQ, a legal person with share capital established in the public interest.

The mission of the housing authority will be to acquire residential immovables, together with the related rights and obligations, in particular the immovables belonging to the Société d'habitation du Québec, and put them at the disposal of municipal housing bureaus and other non-profit organizations so that they may operate them. Its mission will include acquiring the rights and obligations arising from loans granted by the Société d'habitation du Québec to municipal housing bureaus or other non-profit organizations.

The bill establishes the rules of operation of the housing authority and contains financial provisions specifying the authorized capital of the housing authority and the manner in which the financial commitments it is authorized to make are to be fulfilled.

Lastly, the bill contains transitional and final provisions.

Bill 4

AN ACT RESPECTING IMMOBILIÈRE SHQ

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS :

CHAPTER I

ESTABLISHMENT AND MISSION

1. A housing authority to be known as “Immobilière SHQ” is hereby established.

The housing authority is a legal person with share capital and is a mandatory of the State.

2. The property of the housing authority forms part of the domain of the State, but the execution of its obligations may be levied against its property.

The housing authority binds none but itself when it acts in its own name.

3. The mission of the housing authority is to acquire residential immovables, with the related rights and obligations, in particular the immovables belonging to the Société d’habitation du Québec, and, for consideration, put the immovables at the disposal of municipal housing bureaus and other non-profit organizations so that they may operate them.

A further mission of the housing authority is to acquire the rights and obligations arising from loans granted by the Société d’habitation du Québec to municipal housing bureaus or other non-profit organizations.

4. In the pursuit of its mission, the housing authority may

- (1) lease, construct, renovate, maintain and administer any immovable ;
- (2) alienate any immovable that belongs to it or charge that immovable with a real right ;
- (3) borrow to acquire, construct or renovate an immovable ;
- (4) assume any hypothec or charge affecting an immovable it acquires ;
- (5) grant loans, acquire and hold hypothecary or other claims, assign them or otherwise dispose of them.

5. The housing authority may, according to law, enter into an agreement with a government other than that of Québec, with a department of such a government, with an international organization or with a body of such a government or organization.

The housing authority may also enter into an agreement with a department or body of the Government of Québec and with any person or body and participate with them in joint projects.

6. The provisions of Part II of the Companies Act (R.S.Q., chapter C-38), except those of sections 159 to 162, 179, 184, 189 and subsection 3 of section 196, and the provisions of sections 89.1 to 89.4 of Part I and of sections 123.87 to 123.89 of Part IA of that Act apply to the housing authority.

7. The by-laws of the housing authority are not subject to ratification by the shareholder.

CHAPTER II

ORGANIZATION AND OPERATION

8. The head office of the housing authority shall be located in the territory of the Communauté urbaine de Québec. Notice of the location of the head office shall be published in the *Gazette officielle du Québec*.

9. The affairs of the housing authority shall be administered by a board of directors composed of not more than five members, appointed by the Government for a term of not more than three years.

On the expiry of their term, the members of the board of directors shall remain in office until replaced or reappointed.

10. The Government shall appoint the chair and vice-chair of the board of directors from among the members of the board.

The Government shall also appoint a secretary and determine the secretary's remuneration, employment benefits and other conditions of employment.

The chair shall call and preside at the meetings of the board of directors and shall ensure the proper conduct of the housing authority's operations. The vice-chair shall exercise the functions of the chair when the latter is absent or unable to act.

11. Any vacancy occurring in the course of the term of office of a member of the board of directors shall be filled in accordance with the rules of appointment set out in section 9, for the unexpired portion of the term of the member to be replaced.

Absence from the number of board meetings determined in the internal by-laws of the housing authority constitutes a vacancy in the cases and circumstances indicated therein.

12. The members of the board of directors shall receive no remuneration, except in such cases, on such conditions and to such extent as may be determined by the Government. They are, however, entitled to the reimbursement of expenses incurred in the exercise of their functions, on the conditions and to the extent determined by the Government.

13. The board of directors may hold its meetings at any place in Québec.

14. The quorum at meetings of the board is the majority of its members, including the chair or the vice-chair.

Decisions of the board are made by a majority vote of the members present. In the case of a tie-vote, the chair of the meeting has a casting vote.

15. The minutes of the meetings of the board of directors, approved by it and certified by the chair or the secretary of the board, are authentic. The same applies to documents and copies emanating from the housing authority or forming part of its records, where so certified.

16. An intelligible print-out of a decision or of any other data stored by the housing authority in computerized or other electronic form is a document of the housing authority and constitutes proof of its contents where certified by the chair or the secretary.

17. No document binds the housing authority or may be attributed to it unless it is signed by the chair or the secretary.

The chair or the secretary may, by special written commission, authorize another person to sign a specific deed, document or writing in the name of the housing authority.

18. The internal by-laws of the housing authority may allow, subject to the conditions and on the documents determined therein, that a signature be affixed by means of an automatic device, that a signature be electronic or that a facsimile of a signature be engraved, lithographed or printed. However, the facsimile has the same force as the signature itself only if the document is countersigned by a person referred to in section 17.

The housing authority may, in its internal by-laws, fix the operating procedures of the board of directors and delegate to the chair or secretary any power vested in it.

CHAPTER III**FINANCIAL PROVISIONS**

19. The authorized share capital of the housing authority is \$15,000,000, divided into 150,000 shares having a par value of \$100 each.

20. The shares of the capital of the housing authority shall form part of the domain of the State and shall be allotted to the Minister of Finance.

21. The Minister of Finance may, with the authorization of the Government, pay to the housing authority out of the consolidated revenue fund the sum of \$15,000,000 for 150,000 fully paid shares of its share capital for which certificates shall be issued to the Minister of Finance.

The payment may be made in one or more instalments; if it is made in more than one instalment, each must be authorized by the Government.

22. After a reduction of the share capital of the housing authority and an equivalent repayment of capital, made to the Minister of Finance under the Act respecting the reduction of the share capital of legal persons established in the public interest and of their subsidiaries (R.S.Q., chapter R-2.2.1), the Minister of Finance may, with the authorization of the Government and subject to the conditions it determines, subscribe for shares of the housing authority for an amount that shall not exceed the amount of the repayment. The shares shall be paid out of the consolidated revenue fund. Certificates shall be issued when the shares are fully paid.

23. The housing authority may, by regulation, determine the consideration to be paid by municipal housing bureaus and other non-profit organizations for the use of its immovables.

The regulation shall be submitted to the Government for approval.

24. The housing authority shall finance its operations out of the consideration paid by municipal housing bureaus and other non-profit organizations for the use of its immovables, interest earned on loans, revenue on investments and the other monies it receives.

25. The Government may, subject to the conditions it determines,

(1) guarantee the payment of the principal of and interest on any loan contracted by the housing authority and the performance of its obligations;

(2) make any commitment in respect of the pursuit or financing of an initiative in which the housing authority is a participant;

(3) authorize the Minister of Finance to advance to the housing authority any amount considered necessary for the pursuit of its mission.

The sums required for the purposes of this section shall be taken out of the consolidated revenue fund.

26. The revenues of the housing authority and the amounts recovered by it as repayment of the loans transferred to it must be allocated to the repayment of its loans and other obligations and of advances made by the Minister of Finance for the pursuit of its mission.

27. For the purposes of the Act respecting insurance (R.S.Q., chapter A-32), the Act respecting the Caisse de dépôt et placement du Québec (R.S.Q., chapter C-2), the Savings and Credit Unions Act (R.S.Q., chapter C-4.1), the Act respecting trust companies and savings companies (R.S.Q., chapter S-29.01), the Cooperatives Act (R.S.Q., chapter C-67.2), the Act respecting security fund corporations (R.S.Q., chapter C-69.1), the Supplemental Pension Plans Act (R.S.Q., chapter R-15.1), the Act respecting the sociétés d'entraide économique (R.S.Q., chapter S-25.1), regulations made under the said Acts and article 1339 of the Civil Code, titles of indebtedness issued by the housing authority, and which are covered by loan insurance issued under the National Housing Act (Revised Statutes of Canada, 1985, chapter N-11), are considered to be bonds or other titles of indebtedness issued or guaranteed by Canada, Québec or another province of Canada.

CHAPTER IV

ACCOUNTS AND REPORTS

28. The fiscal year of the housing authority ends on 31 December.

29. The housing authority shall, not later than 30 June each year, file with the Minister its financial statements and a report of its operations for the preceding fiscal year.

The financial statements and report of operations must contain all the information required by the Minister.

30. The Minister shall table the report of operations and financial statements of the housing authority in the National Assembly within 15 days of receiving them or, if it is not sitting, within 15 days of resumption.

31. The books and accounts of the housing authority shall be audited by the Auditor General each year and whenever so ordered by the Government.

The auditor's report must be submitted with the report of operations and the financial statements of the housing authority.

32. The housing authority shall communicate to the Minister any information required by the Minister concerning its operations.

CHAPTER V**TRANSITIONAL AND FINAL PROVISIONS**

33. The residential immovables belonging to the Société d'habitation du Québec and the rights and obligations arising from the loans granted by it to municipal housing bureaus or other non-profit organizations shall, from 1 January 2000, be transferred to Immobilière SHQ on such conditions as may be determined by the Government.

Immobilière SHQ shall acquire all the rights and assume all the obligations of the Société d'habitation du Québec in respect of the property so transferred, including the rights and obligations arising from the loans contracted by the Société d'habitation du Québec to finance the completion of those immovables or to grant those loans.

Proceedings to which the Société d'habitation du Québec is a party in relation to that property are continued by Immobilière SHQ without continuance of suit.

34. Immobilière SHQ shall remit to the Minister of Finance, subject to the terms and conditions determined by the Minister of Finance, an amount equal to its accumulated assets as at 1 January 2000 and to the advances paid by the Government on that date. The Minister shall subscribe and pay for shares of the housing authority for an amount equivalent to that amount and for which certificates shall be issued.

35. The guarantee of the Government in respect of the repayment of the principal of and the interest on and of the costs and other accessories of any loan contracted by the Société d'habitation du Québec for the financing of the immovables transferred to Immobilière SHQ or for the granting of loans to municipal housing bureaus or other organizations remains without change or novation in respect of any beneficiary of that guarantee.

36. A transfer of property made pursuant to section 33 shall be registered in the land register on presentation of a declaration describing the transfer, referring to this Act and including the description of the immovables so transferred.

37. The provisions of the Act respecting duties on transfers of immovables (R.S.Q., chapter D-15.1) do not apply to a transfer made to Immobilière SHQ by the Société d'habitation du Québec pursuant to this Act.

38. The Minister of Municipal Affairs and Greater Montréal is responsible for the administration of this Act.

39. The provisions of this Act come into force on the date or dates to be fixed by the Government, which may not be later than 1 January 2000.