Gouvernement du Québec

# O.C. 1357-2024, 28 August 2024

Act respecting the lands in the domain of the State (chapter T-8.1)

# Sale, lease and granting of immovable rights on lands in the domain of the State

Regulation to amend the Regulation respecting the sale, lease and granting of immovable rights on lands in the domain of the State

WHEREAS, under subparagraph 3 of the first paragraph of section 71 of the Act respecting the lands in the domain of the State (chapter T-8.1), the Government may, by regulation, determine the general conditions and the rules for computing the prices, rentals, fees or other costs regarding sales, leases, exchanges, gratuitous transfers, occupation licences and the granting of any other right;

WHEREAS, under subparagraph 5 of the first paragraph of section 71 of the Act, the Government may, by regulation, determine what persons, departments or bodies are exempt from the fees contemplated in subparagraphs 3 and 4 of that paragraph;

WHEREAS, under subparagraph 7 of the first paragraph of section 71 of the Act, the Government may, by regulation, establish the rules and conditions under which persons may have access to and stay on any land, and specify the circumstances under which access to or staying on the land may be prohibited;

WHEREAS, under subparagraph 8 of the first paragraph of section 71 of the Act, the Government may, by regulation, prescribe under what conditions and circumstances authorization is not required to erect or maintain a building, installations or works on land otherwise than in exercising a right or performing a duty imposed by law;

WHEREAS, under subparagraph 9 of the first paragraph of section 71 of the Act, the Government may, by regulation, establish norms respecting the location, construction, maintenance and use of roads other than roads in the forest and mining roads;

WHEREAS, under the second paragraph of section 71 of the Act, the regulations made under subparagraph 3 of the first paragraph of section 71 of the Act may prescribe different conditions, prices and fees according to the categories of users and the zones or territories indicated by the Government;

WHEREAS, in accordance with sections 10 and 11 of the Regulations Act (chapter R-18.1), a draft Regulation to amend the Regulation respecting the sale, lease and granting of immovable rights on lands in the domain of the State was published in Part 2 of the *Gazette officielle du Québec* of 22 May 2024 with a notice that it could be made by the Government on the expiry of 45 days following that publication;

WHEREAS it is expedient to make the Regulation with amendments;

IT IS ORDERED, therefore, on the recommendation of the Minister of Natural Resources and Forests:

THAT the Regulation to amend the Regulation respecting the sale, lease and granting of immovable rights on lands in the domain of the State, attached to this Order in Council. be made.

DOMINIQUE SAVOIE Clerk of the Conseil exécutif

# Regulation to amend the Regulation respecting the sale, lease and granting of immovable rights on lands in the domain of the State

Act respecting the lands in the domain of the State (chapter T-8.1, s. 71, 1st par., subpars. 3, 5, 7 to 9, and 2nd par.).

- **1.** The Regulation respecting the sale, lease and granting of immovable rights on lands in the domain of the State (chapter T-8.1, r. 7) is amended in section 4
- (1) by replacing "commercial or industrial purposes" in the second and fourth paragraphs by "purposes other than building cottages";
- (2) by replacing "commercial or industrial purposes or holder" in the third paragraph by "purposes other than building cottages or holder of a right";
- (3) by replacing "purposes other than commercial or industrial purposes" in the fifth paragraph by "building cottages".

#### **2.** Section 5 is amended

(1) by replacing "the granting of a" and "comprise the" in the first paragraph respectively by "the issue of an occupation licence, the granting of an authorization pursuant to sections 54 or 55 of the Act, the granting of any other" and "be subject to";

(2) by adding the following paragraph at the end:

"Other departments and public bodies within the meaning of section 4 of the Act are exempt from paying the fees prescribed in this Regulation.".

## **3.** Section 7 is replaced by the following:

"7. If more than one person wishes to purchase or lea se the same land intended for residential purposes, building cottages, the construction of a rough shelter or for purposes that are complementary or accessory thereto, priority must be given to the highest bidder in the case of a purchase or to the first applicant in the case of a lease.

If more than one person wishes to purchase or lease the same land intended for any other purpose, priority must be given to the person who demonstrates that the repercussions of the project are the most positive from a sustainable development perspective, particularly with regard to the environmental, social and economic aspects."

# **4.** The following is inserted after section 9:

- **"9.1.** Despite sections 7 to 9, if both the lessee and another person wish to purchase the land leased to the lessee, priority must be given to the lessee."
- **5.** Section 10 is amended by replacing "7, 8 and 9" in the first paragraph by "7 to 9.1".

#### **6.** Section 21 is amended

- (1) by replacing "the annual rent for land or buildings must be" in the first paragraph by "the annual rent for land or buildings is established at";
  - (2) by inserting the following after the first paragraph:

"Where the term of the lease is less than 5 years, the rent is reviewed on 1 April of each year in accordance with the variations in the average Consumer Price Index for the preceding year, based on the index compiled by Statistics Canada for the whole of Québec."

# **7.** Section 24 is amended

- (1) by replacing "corresponding to" in the first paragraph by "established at";
  - (2) by inserting the following after the first paragraph:

"Where the term of the lease is less than 5 years, the rent is reviewed on 1 April of each year in accordance with the variations in the average Consumer Price Index for the preceding year, based on the index compiled by Statistics Canada for the whole of Québec.

The rent is rounded off to the next highest dollar if the dollar fraction is \$0.50 or more, or to the next lowest dollar if the dollar fraction is less than \$0.50.".

#### **8.** Section 25 is amended

- (1) by striking out "The term of the lease may not exceed 4 years and" in the second paragraph;
  - (2) by replacing the third paragraph by the following:

"For the purpose of this Regulation, "rough shelter" means a building or a work used as a shelter, without a permanent foundation and having the following characteristics:

- (1) no dependencies other than a shed, whose floor area must not exceed 6 m<sup>2</sup>, and a privy, without an interior passage to the building or main work;
  - (2) no electricity;
  - (3) no running water;
  - (4) a floor area not exceeding 30 m<sup>2</sup>.".
- **9.** Section 26 is amended by adding the following paragraph at the end:

"The lease is not transferable.".

### **10.** Section 26.01 is replaced by the following:

**"26.01.** A lessee wishing to transfer their right to occupy land for certain purposes must file an application with the Minister, using the form provided for that purpose, to request that the Minister sign a new lease with the person the lessee has designated.

If the lessee has respected the purposes and obligations provided for in the lease, the Minister must offer the designated person to conclude a new lease.

The new lease is granted for the same land and purposes as the initial lease. Despite the foregoing, the Minister may change the rights and obligations of the designated person.".

#### **11.** Section 29.1 is replaced by the following:

- "29.1. The lessee of land for building cottages awarded by the Minister by drawing lots may not request the transfer of the right granted to them by the lease to occupy that land for certain purposes, except in the following cases:
- (1) a building of a minimum value of \$20,000 was constructed on the leased land or, if the land was awarded between 2 October 2010 and 18 September 2024, the building constructed is of a minimum value of \$10,000;
- (2) the building constructed on the leased land was sold under judicial authority, for non-payment of taxes or for the exercise of a hypothecary right; or

(3) the transfer is made in favour of the lessee's spouse, father, mother, brother, sister or child, or following the lessee's death.

The amount paid by the lessee for development work carried out on the leased land at the expense of the Minister under section 32.1 is taken into account in the minimum value referred to in subparagraph 1 of the first paragraph.

- **29.2.** The prohibition prescribed in section 29.1 does not apply to the lessee if a period of 5 years has elapsed since the date of coming into force of the initial lease of land awarded before 19 September 2024.".
- **12.** The following is inserted after section 32:
- "32.1. If development work done at the expense of the Minister on land for building cottages awarded by drawing lots was carried out before the land was awarded, the cost of the work must be assumed by the lessee and is payable upon signing the lease."
- **13.** Section 34 is amended by striking out the second paragraph.

#### **14.** Section 35.2 is amended

- (1) by striking out "on the basis of the market rental value determined by generally recognized approaches of property assessment. The minimum rent is that fixed in section 7 of Schedule I":
  - (2) by adding the following paragraphs at the end:

"The rent is determined on the basis of the market rental value according to the generally recognized approaches to property assessment. The minimum rent is that fixed in section 7 of Schedule I.

Where the term of the lease is less than 5 years, the rent is reviewed on 1 April of each year in accordance with the variations in the average Consumer Price Index for the preceding year, based on the index compiled by Statistics Canada for the whole of Québec.

The rent is rounded off to the next highest dollar if the dollar fraction is \$0.50 or more, or to the next lowest dollar if the dollar fraction is less than \$0.50.".

#### **15.** Section 36 is amended

- (1) by striking out the second paragraph; and
- (2) by striking out "and to observe the conditions prescribed in section 33" in the third paragraph.

- **16.** Section 36.3 is amended by replacing "a loading and unloading zone", wherever it appears, by "a development providing public access to a body of water or adjacent to such an area of access".
- **17.** The heading of Division VII is amended by replacing "COMMERCIAL OR INDUSTRIAL PURPOSES" by "CERTAIN PURPOSES".

#### **18.** Section 39 is amended

- (1) by replacing the first sentence of the first paragraph by the following: "A person wishing to purchase or lease land for purposes other than residential purposes, building cottages, the construction of a rough shelter or purposes that are complementary or accessory thereto, must submit a written application to the Minister along with any other document or information, as the case may be, to enable the Minister to analyze the repercussions of the project in terms of sustainable development."
  - (2) by striking out the second paragraph; and
- (3) by replacing "the business plan" in the third paragraph by "the project presented by the applicant".
- **19.** Subdivision 3 of Division IX, which includes sections 46 to 46.2, is struck out.

#### **20.** Schedule I is amended

- (1) by replacing "the granting of a" in section 1 by "the issue of a temporary occupation licence, the granting of an authorization pursuant to sections 54 or 55 of the Act, the granting of any other";
- (2) by replacing "comporte" in section 1 of the French text by "est assujettie à";
  - (3) in the first paragraph of section 2,
  - (a) in subparagraph 2,
  - i. by striking out "its transfer,";
- ii. by inserting ", the transfer of the right to occupy the land for certain purposes" after "request";
- (b) by striking out "for commercial or industrial purposes" in subparagraph 8;
- (c) by replacing "46.1 or 46.2" in subparagraph 9 by "54 of the Act for the installation of piping, a telecommunication line or a power distribution line, or the construction, layout, maintenance and operation of a recreational trail";
- (4) by striking out "\$128, except for the Abitibi-Témiscamingue administrative region, as defined by Décret concernant la révision des limites des régions administratives du Québec (chapter D-11, r. 1), where the annual rent is" in subparagraph 10.

REGULATIONS AND OTHER ACTS

#### TRANSITIONAL AND FINAL

- **21.** In addition to the review on 1 April of each year, the rent established pursuant to sections 21, 24 and 35.2 of the Regulation respecting the sale, lease and granting of immovable rights on lands in the domain of the State (chapter T-8.1, r. 7) for leases whose term is less than 5 years is reviewed on 1 December 2024 in accordance with the variations in the average Consumer Price Index for the preceding year, based on the index compiled by Statistics Canada for the whole of Québec.
- **22.** This Regulation comes into force on 1 December 2024, except sections 8, 11 and 12, which come into force on 19 September 2024.

