

1986

## c 24 Municipal Amendment Act, 1986 (No. 2)

Ontario

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## CHAPTER 24

**An Act to amend the Municipal Act***Assented to July 7th, 1986*

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

**1. Section 112 of the *Municipal Act*, being chapter 302 of the *Revised Statutes of Ontario, 1980*, is repealed and the following substituted therefor:**

**112.**—(1) Notwithstanding any general or special Act, a council shall not assist directly or indirectly any manufacturing business or other industrial or commercial enterprise through the granting of bonuses in aid thereof, and, without restricting the generality of the foregoing, the council shall not grant assistance by,

Assistance prohibited

- (a) giving or lending any property of the municipality, including money;
- (b) guaranteeing borrowing;
- (c) leasing or selling any property of the municipality at below fair market value;
- (d) giving a total or partial exemption from any levy, charge or fee.

(2) Subsection (1) does not apply to a council that is exercising any of its power or authority under subsection 28 (6) or (7) of the *Planning Act, 1983* where the power or authority is exercised with the approval of the Minister.

Exception

1983, c. 1

**112a.**—(1) Notwithstanding section 112, the council of a municipality may provide for the establishment of a counselling service to small businesses operating or proposing to operate in the municipality.

Small business counselling

- (2) The council of a municipality,

Small business programs

- (a) with the approval of the Lieutenant Governor in Council, may establish and maintain one or more programs to encourage the establishment and initial growth of small businesses, or any class thereof, in the municipality; and
- (b) may participate in programs established and administered by the Ministry of Industry, Trade and Technology to encourage the establishment and initial growth of small businesses, or any class thereof, in the municipality.

Idem

(3) The council of a municipality may enter agreements with the Minister of Industry, Trade and Technology with respect to the financing and operation of programs referred to in subsection (2).

Acquisition and leasing of land, etc.

(4) For the purposes of a program referred to in subsection (2), the council of the municipality, subject to the regulations and the terms and conditions of any agreement under subsection (3),

- (a) may acquire land and erect and improve buildings and structures for the purpose of providing leased premises for eligible small businesses or that will be leased to a corporation described in clause (d);
- (b) may make grants to corporations described in clause (d) notwithstanding section 112;
- (c) may enter into leases of real property with small businesses included in a program referred to in subsection (2);
- (d) may enter into leases of real property and other agreements related to the establishment and operation of the program with a corporation without share capital established for the purposes of encouraging the establishment and initial growth of small businesses, or any class thereof, in the municipality;
- (e) may sell, lease or otherwise dispose of any of the personal property of the municipality to any eligible small business or to a corporation described in clause (d) or may provide for the use thereof by any such small business or corporation;
- (f) may provide for the use of the services of any of the employees of the municipality by any eligible small business or by a corporation described in clause (d);

- (g) may establish a local board to administer a program established under clause (2) (a) or to administer the municipality's participation in a program referred to in clause (2) (b);
- (h) may appoint one or more of the directors of a corporation described in clause (d); and
- (i) may apply, under the *Corporations Act*, for letters patent incorporating a corporation described in clause (d) having such objects and powers as may be approved by the Minister. R.S.O. 1980,  
c. 95

(5) Where a corporation described in clause (4) (d) leases any building or structure from a municipality, it shall use the building or structure for the purpose of providing leased premises to small businesses included in a program referred to in subsection (2). Idem

(6) Notwithstanding section 112,

Availability  
of assistance

- (a) a lease of real property under clause (4) (c) or (d) or subsection (5);
- (b) a sale, lease or other disposition of personal property under clause (4) (e); or
- (c) the use of personal property or the services of employees of a municipality pursuant to clauses (4) (e) and (f),

may be made or provided for at less than fair market value but this subsection ceases to apply to an eligible small business at the end of thirty-six months following the day it first occupies premises leased to it under this section.

(7) The following provisions apply to a local board established under clause (4) (g): Local board

1. The local board is a body corporate and shall consist of such number of members as the council of the municipality may determine.
2. A person is disqualified from being a member of the local board unless the person is qualified to be elected as a member of the council of the municipality.
3. Members shall hold office until the expiration of the term of the council that appointed them and until

their successors are appointed and are eligible for reappointment.

4. Upon the coming into force of the by-law establishing the local board, all the powers, rights, authorities and privileges conferred and the duties imposed on the council of the municipality by subsections (1) and (2), clauses (4) (a) to (f) and the regulations and any agreement under subsection (3) shall be exercised by the local board but subject to such limitations as the by-law may provide.
5. The local board shall submit to the council of the municipality its estimates for the current year at the time and in the form prescribed by council and make requisitions upon the council for all sums of money required to carry out its powers and duties, but nothing herein divests the council of its authority with reference to providing the money for the purposes of the local board and, when money is so provided by the council, the treasurer of the municipality shall, upon the certificate of the local board, pay out such money.
6. On or before the 1st day of March in each year, the local board shall submit its annual report for the preceding year to council including a complete audited and certified financial statement of its affairs, with balance sheet and revenue and expenditure statement.
7. The municipal auditor shall be the auditor of the local board and all books, documents, transactions, minutes and accounts of the local board shall, at all times, be open to the auditor's inspection.
8. The power, right, authority and privilege of the council to raise money by the issue of debentures or otherwise for the acquisition of lands or construction of buildings shall not be transferred to the local board.
9. Upon the repeal of the by-law establishing the local board, the local board ceases to exist and its undertaking, documents, assets and liabilities shall be assumed by the municipality.

- (a) prescribing maximum amounts that may be expended by municipalities or any particular municipality under a program referred to in subsection (2);
- (b) defining "small business" for the purposes of this section.

(9) In this section,

Definitions

"eligible small business" means a small business included in a program referred to in subsection (2) that is in occupation of premises leased to it under this section;

"municipality" includes a metropolitan, regional and district municipality and the County of Oxford.

**2. This Act comes into force on the day it receives Royal Assent.** Commence-  
ment

**3. The short title of this Act is the *Municipal Amendment Act, 1986* (No. 2).** Short title