



Province of Alberta

MODERNIZED MUNICIPAL GOVERNMENT ACT

Statutes of Alberta, 2016
Chapter 24

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MODERNIZED MUNICIPAL GOVERNMENT ACT

Chapter 24

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

Amends RSA 2000 cM-26

1 The *Municipal Government Act* is amended by this Act.

7 Section 14(1)(d) is repealed and the following is substituted:

(d) a controlled corporation as defined in section 75.1.

8 The heading preceding section 47.1 and section 47.1 are repealed.

12 Section 73 is repealed.

13 The following is added after section 75:

Division 9 Controlled Corporations

Control of corporations

75.1(1) In this Division,

- (a) “controlled corporation” means a corporation controlled by a municipality or a group of municipalities and includes a subsidiary, within the meaning of section 2(4) of the *Business Corporations Act*, of such a corporation;
- (b) “corporation” means a corporation that operates for the purpose of making a profit.

(2) A municipality, by itself or with other municipalities, may establish and control, or obtain control of, a corporation only if the council of the municipality

- (a) passes a resolution authorizing the municipality to control the corporation by itself or with other municipalities, as the case may be, and
 - (b) is satisfied that
 - (i) the controlled corporation will carry on business solely for one or more of the purposes described in section 3,
 - (ii) the controlled corporation will provide a service or benefit to residents of the municipality or group of municipalities that controls it, and
 - (iii) the profits and dividends of the controlled corporation will provide a direct benefit to the residents of the municipality or group of municipalities that controls it.
- (3)** Before a council passes a resolution under subsection (2)(a), the council must
- (a) consider a business plan that addresses the matters referred to in subsection (4), and
 - (b) hold a public hearing in accordance with the regulations.
- (4)** The matters to be addressed in a business plan referred to in subsection (3)(a) include
- (a) the costs related to establishing and controlling or obtaining control of the corporation, as the case may be,
 - (b) the value of any assets of the municipality or group of municipalities that are to be transferred to the corporation,
 - (c) a cash flow projection for the next 3 years of the corporation's operation,
 - (d) the corporation's financial statements and operating and capital budgets for the most recent 5 years, or if the corporation has existed for less than 5 years, the financial statements and operating and capital budgets for each year it has existed, and
 - (e) any other information prescribed by the regulations.

Financial statements and other reports

75.2(1) The council of each municipality that controls a corporation must ensure that the controlled corporation submits to the council the annual financial statements referred to in section 279 and any other reports prescribed by the regulations.

(2) A council must make available for public inspection the annual financial statements and any other reports that it receives from a controlled corporation under subsection (1).

Material change

75.3 If there is a proposed material change to the business operations of a controlled corporation, the council of each municipality that controls the corporation must, in accordance with the regulations,

- (a) notify the residents of the municipality of the proposed material change, and
- (b) provide an opportunity to residents of the municipality to make representations.

Utility services provided by controlled corporation

75.4(1) Part 2 of the *Public Utilities Act* does not apply in respect of a public utility that

- (a) is owned or operated by a controlled corporation, and
- (b) provides a utility service within the boundaries of a municipality or a group of municipalities that controls the corporation.

(2) If there is a dispute between a regional services commission and a controlled corporation that owns or operates a utility service with respect to

- (a) rates, tolls or charges for a service that is a public utility,
- (b) compensation for the acquisition by the commission of facilities used to provide a service that is a public utility, or
- (c) the commission's use of any road, square, bridge, subway or watercourse to provide a service that is a public utility,

any party involved in the dispute may submit it to the Alberta Utilities Commission, and the Alberta Utilities Commission may issue an order on any terms and conditions that the Alberta Utilities Commission considers appropriate.

(3) Sections 43 to 47, except section 45(3)(b), apply to a utility service provided by a controlled corporation.

Regulations

75.5(1) The Minister may make regulations

- (a) providing that certain types of corporations may not be controlled by a municipality or a group of municipalities without the Minister's approval;
- (b) respecting terms and conditions that apply when a municipality or a group of municipalities controls a corporation;
- (c) prescribing information to be included in a business plan for the purposes of section 75.1(4)(e);
- (d) respecting public hearings to be held under section 75.1(3)(b), including, without limitation, the form and nature of information that must be made available to the public before a public hearing is held;
- (e) prescribing reports for the purposes of section 75.2(1);
- (f) respecting the manner in which a council must notify residents of the municipality of a material change to a controlled corporation;
- (g) respecting the timing, scope and methods of obtaining public input from residents of a municipality regarding a material change to a controlled corporation;
- (h) defining any term or expression that is used but not defined in this Division;
- (i) specifying or describing by reference the provisions of this or any other enactment that do not apply, or that apply with modifications, to a controlled corporation;
- (j) specifying or describing by reference any provisions that are to be added to or that are to replace the provisions of this Act or any other enactment in respect of a controlled corporation.

(2) Regulations made under subsection (1) may apply in respect of one or more controlled corporations or may apply generally.

19 Section 241(d) is amended by striking out “corporation controlled by a municipality” **and substituting** “controlled corporation as defined in section 75.1”.

20 Section 250 is amended

(a) by adding the following after subsection (2):

(2.1) Subsection (2) does not apply to a municipality’s investment in a controlled corporation.

(b) in subsection (3) by striking out “and a municipality may not acquire shares of a corporation under subsection (2)(e) if the acquisition would allow the municipality to control the corporation”.

89 Section 602.09 is amended by striking out “Section 73” **and substituting** “Division 9 of Part 3”.

91 Section 616 is amended

(d) by adding the following after clause (h):

(h.1) “inclusionary housing” means the provision of dwelling units or land, or money in place of dwelling units or land, for the purpose of affordable housing as a condition of subdivision approval or of being issued a development permit;

(h.2) “inclusionary housing regulation” means a regulation made under section 694(1)(j);

100 Section 640(4) is amended

(b) by adding the following after clause (r):

(s) standards and requirements for inclusionary housing in accordance with an inclusionary housing regulation.

106 Section 650(1) is amended by adding the following after clause (f):

(g) to provide for inclusionary housing in accordance with the land use bylaw and the inclusionary housing regulation.

110 Section 655(1)(b) is amended by adding the following after subclause (vi):

- (vii) to provide for inclusionary housing in accordance with the land use bylaw and the inclusionary housing regulation;

123 Section 680 is amended

(a) in subsection (2) by adding the following after clause (a.1):

- (a.2) must comply with the inclusionary housing provisions of the land use bylaw and the inclusionary housing regulation;

129 Section 687(3) is amended by adding the following after clause (a):

- (a.01) must comply with the inclusionary housing provisions of the land use bylaw and the inclusionary housing regulation;

131 Section 694 is amended

(a) in subsection (1)

(iii) by adding the following after clause (i):

- (j) respecting the provision of inclusionary housing, including, without limitation, regulations respecting
 - (i) standards for inclusionary housing;
 - (ii) the requirements and conditions under which a land use bylaw may require inclusionary housing as a condition of the applicant's being issued a development permit or as a condition of the applicant's receiving a subdivision approval;
 - (iii) the conditions when money in place of inclusionary housing is permitted and the purposes for which the money can be used;
 - (iv) the conditions or restrictions on the use of land provided for inclusionary housing;

- (v) the responsibility for ongoing operations of the management of dwelling units provided for inclusionary housing;
- (vi) the conditions for the sale or disposal of dwelling units or land provided for inclusionary housing;
- (vii) respecting the ownership of dwelling units or land provided for inclusionary housing;
- (viii) measures and any requirements to offset in whole or in part a requirement to provide inclusionary housing.

Transitional — appeals of certain decisions

137(1) In this section,

- (a) “former section 470” means section 470 of the *Municipal Government Act* as it read at any time before the coming into force of this section;
- (b) “former section 506” means section 506 of the *Municipal Government Act* as it read at any time before the coming into force of this section.

(2) Where an application or appeal under the former section 470 or the former section 506 is before the Court when this section comes into force, the Court may, with the consent of all parties, if the Court considers it appropriate to do so, order that the application or appeal be dealt with as an application for judicial review.

(3) Where the Court makes an order under subsection (1) the Court may also make any other order or give any direction that the Court considers necessary or appropriate to facilitate the hearing of the matter as a judicial review.

138 Repealed 2017 c13 s2(23).

141(1) This Act, except sections 1, 16, 21(a)(ix), 22, 46(a), 56, 65, 66, 67, 69(h), 81, 82, 84(d), 99, 137, 138 and 140, comes into force on Proclamation.

(2) Section 46(a) is deemed to have come into force on January 1, 2016.

(3) Section 56 is deemed to have come into force on the date the Bill to enact the *Modernized Municipal Government Act* received first reading.

(4) Sections 21(a)(ix), 65, 66, 67, 69(h), 81, 82, 84(d) and 137 come into force on January 1, 2017.

(5) Section 16 comes into force on July 1, 2017.



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