

BUILD OTTAWA

2023 ANNUAL REPORT





Message from the Chair

On behalf of Build Ottawa (formerly the Ottawa Community Lands Development Corporation (OCLDC)) and its Board of Directors, we are pleased to share the Annual Report for 2023 to our members, the City of Ottawa.

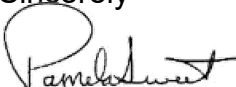
This annual report details the performance of Build Ottawa for 2023. Part of the mandate is to divest of the City of Ottawa's surplus properties that are no longer needed for program requirements. As part of the divesting of these properties, Build Ottawa continued to improve communities by enhancing municipally owned land through the four pillars, which are financial, social, environmental and cultural sustainability. Thus, also eliminating carrying costs, increasing the tax base for the City of Ottawa, supporting affordable housing and enabling efficient infill development.

2023 was a year of change and growth for Build Ottawa which included a change in mandate and updated policies & procedures to prioritize the sale and/or redevelopment of surplus lands for affordable and attainable housing.

I look forward to another term as Chair and working on the new mandate of providing more opportunities for affordable housing and fulfilling Council's objective of creating a more inclusive City of Ottawa.

We continue to achieve the mandate of the corporation and to serve this Council and the City of Ottawa.

Sincerely



Pamela Sweet



Report to the Members

This Annual Report provides context for the evaluation and review of the Corporation's activities and progress in 2023. The report also supports the requirements of the Corporations Act (Ontario) for holding the 2023 Annual Members' Meeting of Build Ottawa including receipt of Audited Financial Statements for 2023.

Mandate

On October 10, 2007, City Council approved the establishment of the Ottawa Community Lands Development Corporation (OCLDC) for implementation of the Longfields Subdivision and CentrepoinTE Town Centre projects (Report number ACS2007-BTS-RPM-0008). Staff undertook planning and engineering studies and held open house consultations with the community for the Longfields and CentrepoinTE Town Centre projects. An application for subdivision approval for the Longfields lands was initiated and draft subdivision approval was obtained for the establishment of a demonstration project.

In January 2009, City Council approved recommendations to proceed with the incorporation of the OCLDC to undertake City property development initiatives and transfer the control of the Longfields subdivision to the OCLDC (Report ACS2008-COS-RPM-0063).

In August 2009, the Letters of Patent were issued by the Ontario Ministry of Government Services establishing the Ottawa Community Lands Development Corporation/La Société d'Aménagement des Terrains Communautaires d'Ottawa for the purpose of promoting and undertaking community improvements in the City of Ottawa to improve, beautify and maintain municipally owned land, buildings and structures for the benefit of the community.

In December 2023, a rebranding of the corporation was registered changing the corporation name from the Ottawa Community Lands Development Corporation to Build Ottawa. The corporation mandate was modified to prioritize the sale and/or redevelopment of surplus lands for affordable and attainable housing when all lands are evaluated for potential disposal. The level of affordable housing will be examined in determining optimal value, as pertaining to both financial and non-financial community value.

The new amended objectives for which the corporation is incorporated include the following:

1. To advance the development of affordable housing in the City and to promote and undertake community improvements in the City generally, including but not limited to:
 - a. planning, subdividing and developing or redeveloping real property owned or held by the Corporation for residential, industrial, commercial, institutional, public, recreational, or other uses;
 - b. owning, constructing, operating, maintaining, and/or providing facilities or entering into agreements for the construction, operation, maintenance and/or provision of facilities;

- c. acquiring, holding, selling, leasing or disposing of real property;
- d. entering into agreements, including but not limited to development agreements and subdivision agreements;
- e. undertaking or conducting studies, research and design work;
- f. conducting public marketing and advertising real property for sale; and

2. To undertake other activities consistent with these objectives.

Strategic Directions

Based on the preceding, the goal of City Council in January 2009, in creating a development corporation was to achieve the following objectives:

- Obtain “optimal value” pertaining to financial and non-financial community investment;
- Maximize financial, social, environmental and cultural sustainability;
- Initiate a single point of accountability;
- Balance municipal objectives and guiding principles;
- Segregate duties between the approval bodies and the project;
- Address business issues related to the development;
- Enter into subdivision agreements;
- Engage in community consultation;
- Maintain a focused delivery; and
- Build on community objectives.

In addition to the above directions, Ottawa City Council also identifies how the services of the Housing Solutions and Investment Services Department (HSIS) will be utilized in achieving the above noted goals and objectives.

Build Ottawa continues to achieve its mandate, which is to enhance communities by improving and enhancing municipally owned land through the four pillars, which are financial, social, environmental and cultural sustainability. As well, HSIS is continually working to improve processes to ensure that Build Ottawa is efficient and effective in working to achieve its mandate.

Transfer of Assets from City to Build Ottawa

The core business of the Build Ottawa is unlocking value in the City of Ottawa’s real estate portfolio through strategic development. The focus of Build Ottawa activities is to determine the development potential of these assets and to work with HSIS on the due diligence and transfer processes to optimize that development potential. Build Ottawa and HSIS work collaboratively to identify opportunities within the City’s real estate portfolio for development and added value.

To this end, Build Ottawa has identified assets that have been earmarked for disposal or development and to market these assets to achieve the Corporation's four pillars

Build Ottawa and the City use a collaborative approach for the transfer of lands currently held by the City. This approach allows Build Ottawa to pre-plan and implement development strategies for lands and proceed with actual transfers at a future date once the City's disposal process is complete with respect to each parcel. This process entails circulation to relevant City Departments including the Housing Branch to determine if the parcels have corporate and/or operational needs, before being declared surplus by City Council and transferred to Build Ottawa. Properties that are no longer required for City programming or operating purposes are transferred to Build Ottawa with development objectives approved by Council to achieve optimal value. Build Ottawa also generates substantial community and financial value for the City of Ottawa through the sale of properties.

Sale Process for Build Ottawa Properties

The sale of properties under Build Ottawa complies with Build Ottawa's Disposals Policy. Properties are advertised for sale on the City's web site, through signage on the properties and notices that are distributed through mailing lists that include the home builders' associations, developers, and other interested parties. Successful purchasers are selected through a Request for Offer (RFO) process. Evaluation criteria are developed for each with specific requirements and are based on overall City of Ottawa Official Plan objectives and community input. Eligible proposals must meet the minimum requirements as established through the evaluation criteria. Successful proposals are based on achieving the highest score, i.e., achieving "optimal value" under Build Ottawa's Disposal Policy.

In accordance with the mandate for the Corporation, the activities of Build Ottawa resulted in several benefits to the City of Ottawa. These benefits are documented below.

Community Benefits

Over the past 15 years Build Ottawa projects have enhanced and provided significant benefits to the City of Ottawa and its communities as demonstrated below:

- Supporting the development of Institutional and community uses, such as providing sites for places of worship;
- South Nepean Muslim Community Association (SNMC) Longfields; and
- Qualicum Community Building – 48 Nanaimo Drive
- Development of a range of residential housing types catering to changing demographic, including the development of over 2,750 new residential units across the City;
- Providing lands for and supporting the development of affordable housing units;
- Nepean Housing Corporation: Longfields
- Multi-Faith Housing Initiative: Longfields
- Protecting over 17 hectares of Natural Environmental Area and parkland;

- Provision of parks and contribution to recreational facilities by reserving lands for these purposes prior to sale or requiring purchasers to contribute over and above the minimum statutory parkland dedication requirements;
- Environmental benefits through progressive sustainable development measures; like the Sustainability Checklist for new buildings;
- Job creation through spinoff opportunities in construction on these surplus sites and the businesses that occupy them;
- Increasing municipal tax base with the creation of additional residential and commercial units;
- Elimination of carrying costs for aging and surplus City assets;
- Promoting transit-oriented development;
- Promoting innovative transportation solutions like BRT stations, traffic roundabouts and traffic-calming; and,
- Supporting the construction of City infrastructure.

Build Ottawa Added Value

Some of the advantages of selling City lands through Build Ottawa include:

- Separating the City's land ownership/real estate development role from its planning authority role under Municipal and Planning Acts;
- Entering into Agreements with third party developers and imposing additional development control to ensure City objectives are met;
- Imposing positive covenants i.e. steps a future owner must take (e.g. installing services that benefit someone else – park or road);
- Requiring additional community benefit without having to pay the purchase or discount the price (i.e. satisfy special condition imposed in agreement);
- Acting like a private developer and entering into development agreements under Sections 41 and 51 of the Planning Act;
- Attracting targeted development/industries;
- Stimulating desirable employment;
- Promoting regeneration of neighbourhoods by steering development in a different direction;
- Advancing development opportunities;
- Generating a higher rate of return from sales; and,
- Rezoning lands to target a specific density or housing form.

Build Ottawa Sales in Fifteen Years of Incorporation

Build Ottawa has generated over \$108M in gross sales since its incorporation in 2009. Minimal expenses are realized through the Corporation. Disbursement expenses include legal fees, administrative costs, and general costs for a development corporation such as: engineering services, appraisals, insurance, licenses and permits, sale signs and audit fees. These do not include land acquisition costs.

2023 Annual Highlights

Marketing and Field Work

In 2023, Build Ottawa staff continued due diligence and field work on many properties that are on its long-range work plan and earmarked for future sale, including the following:

2060 Lanthier Drive:

- Explored potential for residential development with Planning staff
- Identified opportunity for Affordable Housing development on site
- Assembled agreements in preparation for marketing

3169 Conroy Road:

- Explored potential for residential development with Planning staff
- Resolved issues with respect to berm abutting existing residential development
- Explored opportunity for joint marketing and development with lands to the north
- Assemble material in preparation for marketing in 2023

4160 Riverside Drive:

- Collaborated with Ottawa Airport Authority/Transport Canada.
- Commissioned servicing studies and resolve Official Plan and Zoning; and
- Negotiated with upstream landowners for access to servicing.

3071 Riverside Drive (Canoe Bay)

- Responded to purchasers request for modifications to Option to Repurchase Agreement due to restructuring plans approved by Courts
- Extensive consultations with legal counsel to ensure Build Ottawa interests are protected while Canoe Bay sought new partners to complete the development
- Liaise with Trustee overseeing restructuring and marketing plans to identify Build Ottawa requirements

1209 St. Laurent Boulevard

- Negotiated with purchaser of the property and new partners to ensure Build Ottawa profit-sharing and density participation obligations were protected
- Worked with legal counsel to prepare amendments to all agreements and secure future development concept

Further to the new mandate, staff completed changes to the Policies and Procedures which will assist the corporation in facilitating the construction of more new affordable units. To further its social, cultural, environmental, and financial goals for the City of Ottawa, Build Ottawa is continually examining strategic City properties that can be added to its portfolio. For the term of Council from 2023-2026, Build Ottawa expects to successfully surpass its goals on all levels.

2023 Members of the Board of Directors

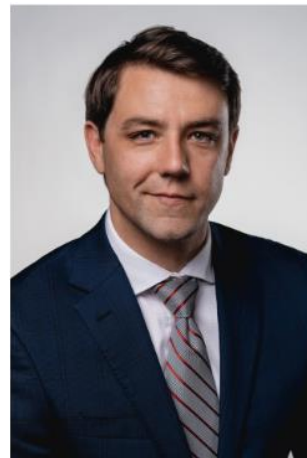
Build Ottawa consists of the following members:



Pamela Sweet -Chair



Kathleen Willis - Vice-Chair



Clarke Kelly - Director



Laine Johnson - Director



Jeff Leiper - Director



Mark Sutcliffe - Director

2023 Officers

Build Ottawa consisted of the following Officers:

Wendy Stephanson, President and Chief Executive Officer

Cyril Rogers, Treasurer and Chief Financial Officer

Peter Radke, Secretary and Chief Operating Officer

Financial Statements
Build Ottawa
formerly
Ottawa Community Lands
Development Corporation
December 31, 2023



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INDEPENDENT AUDITOR'S REPORT

To the Board Members, Mayor and Members of Council of Build Ottawa

Opinion

We have audited the financial statements of Build Ottawa (the Entity), which comprise:

- the statement of financial position as at December 31, 2023
- the statement of operations for the year then ended
- the statement of changes in net debt for the year then ended
- and notes and schedules to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2023, and its results of operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "*Auditor's Responsibilities for the Audit of the Financial Statements*" section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter – Comparative Information

The financial statements for the year ended December 31, 2022 were audited by another auditor who expressed an unmodified opinion on those financial statements on September 14, 2023.



Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.



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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Ottawa, Canada

September 13, 2024

BUILD OTTAWA (FORMERLY OTTAWA COMMUNITY LANDS DEVELOPMENT CORPORATION)**STATEMENT OF FINANCIAL POSITION**

As at December 31, 2023, with comparative information for 2022

Assets		
Financial assets	2023	2022
Accounts receivable	\$–	\$9,142
Taxes recoverable	945	6,578
Due from the City of Ottawa [note 5]	3,910,952	3,946,243
Total financial assets	3,911,897	3,961,963
Liabilities	2023	2022
Accounts payable and accrued liabilities [note 5]	2,920,963	2,923,959
Deposit agreements for future sales [note 3 and schedule 1]	–	–
Performance securities [note 6]	1,175,000	1,175,000
Total liabilities	4,095,963	4,098,959
Net debt	(184,066)	(136,996)
Non-financial assets	2023	2022
Other assets [note 7]	184,066	136,996
Accumulated surplus	\$–	\$–

See accompanying notes to the financial statements

On behalf of the Board:

Director**Director**

BUILD OTTAWA (FORMERLY OTTAWA COMMUNITY LANDS DEVELOPMENT CORPORATION)**STATEMENT OF OPERATIONS**

For the year ended December 31, 2023, with comparative information for 2022

Revenue [schedule 3]	2023	2022
Land sales	\$–	\$10,999,900
Contribution from the City of Ottawa [note 5 and schedule 3]	586,388	3,221,640
Total revenue	586,388	14,221,540
Expenses [schedule 2]	2023	2022
Land acquisition [note 4 and 5]	–	10,719,487
Development costs	54,985	2,720,045
Administrative expenses	494,302	483,297
Legal disbursements	37,101	298,711
Total expenses	586,388	14,221,540
Excess of revenue over expenses for the year	–	–
Accumulated surplus, beginning of year	–	–
Accumulated surplus, end of year	\$–	\$–

*See accompanying notes to the financial statements***STATEMENT OF CHANGES IN NET DEBT**

For the year ended December 31, 2023, with comparative information for 2022

Statement of changes in net debt	2023	2022
Excess of revenue over expenses for the year	\$–	\$–
Decrease (increase) in other assets	(47,070)	2,104
Net debt at beginning of year	(136,996)	(139,100)
Net debt at end of year	\$(184,066)	\$(136,996)

See accompanying notes to the financial statements

BUILD OTTAWA (FORMERLY OTTAWA COMMUNITY LANDS DEVELOPMENT CORPORATION)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2023

1. NATURE OF BUSINESS

The Ottawa Community Lands Development Corporation [the "Corporation"] was incorporated on August 6, 2009 under the laws of the Province of Ontario as a corporation without share capital for the purpose of promoting and undertaking community improvements in the City of Ottawa by managing real property. The Corporation is controlled by the City of Ottawa.

The Corporation was renamed on December 14, 2023 to Build Ottawa. The new purpose of the Corporation is to advance the development of affordable housing in the City of Ottawa (the "City") and to promote and undertake community improvements in the City.

2. BASIS OF PRESENTATION

The financial statements of the Corporation are prepared by management in accordance with accounting policies prescribed by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

Since a precise determination of many assets and liabilities is dependent upon future events, the preparation of periodic financial statements necessarily involves the use of estimates, which have been made using careful judgment. Budget figures are not presented on the statements of operations and changes in net debt as no budget is prepared at the Corporation level.

Basis of accounting

Revenue and expenses are reported on the accrual basis of accounting. Revenue is recorded when earned and expenses are recorded when incurred.

Financial instruments

The Corporation's financial instruments consist of accounts receivable, taxes recoverable, related party balances due from the City of Ottawa, accounts payable and accrued liabilities, performance securities and deposit agreements for future sale. Amounts recorded on the financial statements approximate the financial instruments' fair value given the short-term nature of the balances.

BUILD OTTAWA (FORMERLY OTTAWA COMMUNITY LANDS DEVELOPMENT CORPORATION)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2023

2. BASIS OF PRESENTATION (continued)

Cash flow

The Corporation funds its cash requirements through the support of the City of Ottawa. The only cash transactions in fiscal 2023 were deposits totalling \$7,629 [2022 - \$35,153] representing land sale proceeds of \$nil [2022 - \$nil], tax refund of \$7,629 [2022 - \$17,535], Accounts Receivable invoice \$nil [2022 - \$17,445] and other miscellaneous items totalling \$nil [2022 - \$173] that were subsequently transferred to the City of Ottawa. All other cash transactions from operating activities, including funds received for land sales, were processed through the City of Ottawa. The Corporation did not have cash flows from financing or investing activities during 2023 or 2022.

As such, a statement of cash flows is not presented as it would not provide additional useful information.

Use of estimates

The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the amounts of assets and liabilities, the disclosure of contingent assets and liabilities and the amounts of revenue and expenses reported in the financial statements. Actual results could differ from those estimates by a material amount. These estimates are reviewed periodically and, as adjustments become necessary, they are reported in the period in which they become known.

3. DEPOSIT AGREEMENTS FOR FUTURE SALES

Deposit agreements for future sales represent deposits received pursuant to purchase and sale agreements. Sales revenue is recognized upon title of the property passing to the purchaser. The cash related to these deposits is held by the City of Ottawa and is reported on the statement of financial position as due from the City of Ottawa. For sales agreements terminated by the purchaser, non-refundable deposits are recorded as revenue and presented in other revenue.

BUILD OTTAWA (FORMERLY OTTAWA COMMUNITY LANDS DEVELOPMENT CORPORATION)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2023

4. LAND

Land inventory held for resale represents land held for future development. Capitalized costs include the purchase of land and development costs incurred related to unsold parcels. Land is accounted for at the lower of actual cost and net realizable value. The purchase price of land is the fair market value as at the projected date of sale. Fair value is the amount of the consideration that would be agreed upon in an arm's-length transaction between knowledgeable, willing parties who are under no compulsion to act. The cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Land inventory held for resale as at December 31, 2023 and 2022 was \$nil.

5. RELATED PARTY TRANSACTIONS

The City of Ottawa controls the Corporation and administers the cash disbursements on behalf of the Corporation. Any balance owing to the City of Ottawa is interest free and has no specified terms of repayment.

Related party transactions between the Corporation and the City of Ottawa include:

Related party transactions	2023	2022
Land acquisition	\$–	\$10,719,487
Legal and realty taxes disbursements	670	5,959
Administrative expenses	494,302	483,297
Contribution from the City of Ottawa	586,388	3,221,640

BUILD OTTAWA (FORMERLY OTTAWA COMMUNITY LANDS DEVELOPMENT CORPORATION)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2023

5. RELATED PARTY TRANSACTIONS (continued)

The contribution from the City of Ottawa represents funding revenue from the City of Ottawa to reimburse the Corporation for any excess expenses over land sale revenue.

Net purchase price of lands consists of \$nil [2022 - \$10,719,487] included in land acquisition costs on the statement of operations. Legal and realty taxes disbursements consist of \$799 [2022 - \$799] included in other assets on the statement of financial position and \$670 [2022 - \$5,959] included in legal disbursements on the statement of operations. Administrative expenses consist of \$494,302 [2022 - \$483,297] included in the administrative expenses on the statement of operations.

Change in due from the City of Ottawa comprises the following:

<u>Change in due from the City of Ottawa</u>	<u>2023</u>	<u>2022</u>
<u>Opening balance of due from the City of Ottawa</u>	<u>\$3,946,243</u>	<u>\$1,463,781</u>
(Increase) decrease in other assets	(47,070)	2,104
Decrease in accounts receivable	9,142	21,820
Decrease in taxes recoverable	5,633	10,932
(Decrease) increase in accounts payable and accrued liabilities	(2,996)	2,680,106
Decrease in deposit agreements for future sales	–	(550,000)
Increase in performance security	–	317,500
<u>Net change</u>	<u>(35,291)</u>	<u>2,482,462</u>
<u>Closing balance of due from the City of Ottawa</u>	<u>\$3,910,952</u>	<u>\$3,946,243</u>

Accrued liability:

Included in accounts payable and accrued liabilities is an accrual of \$2,900,000 (2022 - \$2,900,000) related to the construction of Canadian Shield Avenue that is required as a condition of a land sale in prior years. The Corporation has set aside \$2,900,000 of the above closing balance of due from the City of Ottawa to ultimately fund this capital expenditure in the period incurred.

BUILD OTTAWA (FORMERLY OTTAWA COMMUNITY LANDS DEVELOPMENT CORPORATION)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2023

6. PERFORMANCE SECURITIES

Performance securities are composed of refundable security deposits provided to the Corporation by purchasers of the properties. The amounts ensure development of the lands sold by the Corporation is in accordance with the Development Agreement. Reductions and releases are provided when directed by the Corporate Real Estate Office on behalf of the Corporation. As of December 31, 2023, the Corporation has \$1,175,000 [2022 - \$1,175,000] in performance and construction securities and \$2,781,000 [2022 - \$2,781,000] in letters of credit in the Corporation's favour for those properties sold in current and prior years.

7. OTHER ASSETS

Other non-financial assets consist of project development costs, other costs incurred to make a property ready to be listed for sale, and legal costs, which are stated at cost. Project development costs consist of direct costs relating to the commercial development of land by the Corporation as approved by City Council. These costs will be transferred to land inventory held-for-resale once the related property has been transferred to the Corporation. For projects that are abandoned, costs are immediately expensed.

8. CONTRACT OBLIGATION

In accordance with the Cost Sharing Agreement signed on December 17, 2020, the Corporation is liable for completed and future works incurred by the contracting party upon the disposal of two related properties. As of December 31, 2023, the Corporation has contractual obligations of \$300,733 [2022 – 300,733] which will become payable upon the sale of the remaining property.

9. COMMITMENTS

As at December 31, 2023, the Corporation has outstanding commitments amounting to \$188,487 [2022 – 151,354].

BUILD OTTAWA (FORMERLY OTTAWA COMMUNITY LANDS DEVELOPMENT CORPORATION)

SCHEDULE 1

SCHEDULE OF DEPOSIT AGREEMENTS FOR FUTURE SALES

As at December 31, 2023, with comparative information for 2022

<u>Land description</u>	<u>2023</u>	<u>2022</u>
180 Kanata Avenue	\$–	\$–
150 Kanata Avenue 1200 Canadian Shield	–	–
<u>Total deposit agreements for future sales</u>	<u>\$–</u>	<u>\$–</u>

See accompanying notes

BUILD OTTAWA (FORMERLY OTTAWA COMMUNITY LANDS DEVELOPMENT CORPORATION)**SCHEDULE 2****SCHEDULE OF EXPENSES**

For the year ended December 31, 2023, with comparative information for 2022

Expenses (recoveries)	2023	2022
Land acquisition [note 4 and note 5]	\$–	\$10,719,487
Development costs		
Servicing	–	2,675,640
Engineering services	7,261	2,127
Insurance, licenses and permits	36,772	33,719
Corporation tax return preparation and financial statement audit	10,634	6,971
For sale signs	318	1,588
Total development costs	54,985	2,720,045
Administrative expenses	494,302	483,297
Legal disbursements		
Legal fees, registration fees, execution certificates and land transfer tax	37,101	298,711
Total expenses	\$586,388	\$14,221,540

See accompanying notes to the financial statements

BUILD OTTAWA (FORMERLY OTTAWA COMMUNITY LANDS DEVELOPMENT CORPORATION)**SCHEDULE 3**
SCHEDULE OF OPERATIONS BY PROPERTY

For the year ended December 31, 2023

<u>Property description</u>	<u>Land acquisition</u>	<u>Development costs and administrative expenses</u>	<u>Total expenses</u>	<u>Revenue</u>	<u>Contribution from the City</u>	<u>Total revenue</u>
Other properties sold in prior years	\$-	\$15,533	\$15,533	\$-	\$15,533	\$15,533
Sub-total land parcels sold	-	15,533	15,533	-	15,533	15,533
Common expenses to all properties	-	570,855	570,855	-	570,855	570,855
Total	\$-	\$586,388	\$586,388	\$-	\$586,388	\$586,388

See accompanying notes to the financial statements

BUILD OTTAWA (FORMERLY OTTAWA COMMUNITY LANDS DEVELOPMENT CORPORATION)**SCHEDULE 3**
SCHEDULE OF OPERATIONS BY PROPERTY

For the year ended December 31, 2022

Property description	Land acquisition	Development costs and administrative expenses	Total expenses	Revenue	Contribution from the City	Total revenue
Other properties sold in prior years	\$–	\$2,692,917	\$2,692,917	\$0	\$2,692,917	\$2,692,917
150 Kanata and Canadian Shield	8,863,238	211,762	9,075,000	9,075,000	–	9,075,000
180 Kanata	1,856,249	68,651	1,924,900	1,924,900	–	1,924,900
Sub-total land parcels sold	10,719,487	2,973,330	13,692,817	10,999,900	2,692,917	13,692,817
Common expenses to all properties	–	528,723	528,723	–	528,723	528,723
Total	\$10,719,487	\$3,502,053	\$14,221,540	\$10,999,900	\$3,221,640	\$14,221,540

See accompanying notes to the financial statements