



156-160 Lyon Street Development



1435 Randall Avenue Development



9 Leeming Drive Development

OTTAWA COMMUNITY LANDS DEVELOPMENT CORPORATION

ANNUAL REPORT 2018



Message from the Chair

I am pleased to present, on behalf of the Ottawa Community Lands Development Corporation (OCLDC) and its Board of Directors, the Annual Report for 2018 to our members, the City of Ottawa.

This annual report details the performance of the OCLDC for 2018. The report also summarizes the OCLDC accomplishments for the term of Council from 2015 to 2018. It was a successful year for the OCLDC as it closed on four real estate transactions and generated \$7.67M in sales. The OCLDC has fulfilled its mandate through this term of Council, generating \$32M in gross revenues for the City of Ottawa. As part of these sales, the OCLDC continued in achieving its mandate to enhance communities by improving and beautifying municipally-owned land through our four pillars approach, which are financial, social, environmental and cultural sustainability.

Looking forward to this term of Council, the OCLDC will continue to bring projects to market to optimize community benefits and financial value to the City of Ottawa. The OCLDC has already listed two properties and is working on bringing other projects forward.

On a personal note, we would like to thank Gordon MacNair, who served as our Secretary and Chief Operating Officer since the Boards inception until June 2019. Gordon was instrumental in the creation of the Corporation and worked with Corporate Real Estate Office staff, Councillors and Directors to ensure properties directed to the Board by Council achieved the mandate of the Corporation.

We look forward to another productive year in 2019 and we continue to serve this Council and the City of Ottawa.

Sincerely



Pamela Sweet
Chair



Report to the Members

This Annual Report provides context for the evaluation and review of the Corporation's activities and progress in 2018. The report also supports the requirements of the Corporations Act (Ontario) for holding the 2018 Annual Members' Meeting of the Ottawa Community Lands Development Corporation (OCLDC) including receipt of Audited Financial Statements for 2018.

Mandate

On 10 October 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 granted in September 2008.

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 by:

- (i) planning, subdividing and developing or redeveloping sites owned or held by the corporation for residential, industrial, commercial, institutional, public, recreational, religious, charitable or other uses;
- (ii) constructing, operating, maintaining, owning and/or providing facilities for amusement, culture, heritage, parking and public transportation;
- (iii) acquiring, holding, selling, leasing or disposing of sites described in subparagraphs (i) and (ii) above;
- (iv) undertaking or conducting studies, research and design work;
- (v) conducting public marketing and advertising for sale in connection with the activities set out in subparagraphs (i), (ii) and (iii) above; and

- (vi) other complementary activities not inconsistent with the above noted 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 Corporate Real Estate Office (CREO) will be utilized in achieving the above noted goals and objectives.

OCLDC 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, CREO is continually working to improve processes to ensure that OCLDC is efficient and effective in working to achieve it's mandate.

Transfer of Assets from City to OCLDC

The core business of the OCLDC is unlocking value in the City of Ottawa's real estate portfolio through strategic development. The focus of the OCLDC activities is to determine the development potential of these assets and to work with CREO on the due diligence and transfer processes in order to optimize that development potential. The OCLDC and CREO work collaboratively to identify opportunities within the City's real estate portfolio for development and added value. To this end, the OCLDC has identified assets that have been earmarked for disposal or development and to market these assets to achieve the Corporations four pillars

The OCLDC and the City use a collaborative approach for the transfer of lands currently held by the City. This approach allows the OCLDC 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 to determine if the parcels have corporate and or operational needs, before being declared surplus and transferred to the OCLDC. Properties that are no longer required for City programming or operating purposes are transferred to OCLDC with development objectives approved by Council to achieve optimal value. The OCLDC also generates substantial community and financial value for the City of Ottawa through the sale of properties.

Sale Process for OCLDC Properties

The OCLDC typically advertises properties for sale utilizing advertising on the City web site, signs on properties and mailing lists which include the home builders associations. Successful purchasers are typically selected through a Request for Offer (RFO) process. The OCLDC evaluation criteria are site specific and based on overall City of Ottawa Official Plan objectives and community input. To be eligible for selection, proposals must meet minimum requirements as established through the evaluation criteria. Successful proposals are selected based on achieving the highest score, i.e. achieving "optimal value" under the OCLDC Disposal Policy.

In accordance with the mandate for the corporation, the activities of OCLDC resulted in a number of benefits to the City of Ottawa. These benefits are documented below.

Community Benefits

OCLDC 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;
- Development of a range of residential housing types catering to changing demographic, including the development of 1,850 new residential units;
- Providing lands for the development of affordable housing units;
- Protecting 17 hectares of Natural Environmental Area and parkland;
- Provision of parks and contribution to recreational facilities;
- Environmental benefits through progressive sustainable development measures;
- Job creation;

- Increasing municipal tax base;
- Elimination of carrying costs for aging and surplus City assets;
- Promoting transit oriented development;
- Promoting innovated traffic solutions; and,
- Supporting the construction of City infrastructure.

OCLDC Added Value

Some of the advantages of selling City land through OCLDC 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 ie. 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 enter into development agreement 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.

OCLDC Sales From 2015-2018 (Term of Council)

Table 1 below provides a summary of OCLDC revenues from 2015-2018. The OCLDC has again surpassed their mandate annual requirement of \$5.5M per year this term of Council as they have made \$32M gross revenue.

Year	2015	2016	2017	2018	Cumulative Total
Gross Revenue	5,800,000	0.00	18,700,000	7,668,800	32,168,800
Less Expenses*	628,958	690,471	1,105,908	1,549,200	3,974,537
Net Revenue and City Contribution	5,171,042	-690,471	17,594,092	6,119,600	28,194,263

*Expenses include legal expenses and disbursements, administrative costs and general costs for a development corporation such as: engineering services, appraisals, insurance, licenses and permits, sale signs and audit fees but does not include land acquisition costs.

Annual Highlights

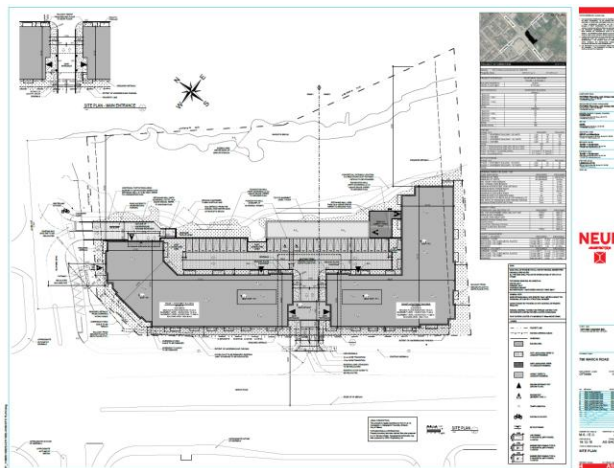
Sales

In 2018, the OCLDC sold four properties, 788 March Road, 651 Longfields, 156-160 Lyon Street and 1305 Maritime Way. These four transactions generated \$7.67M in gross sales of which \$366,530 was directed to Affordable Housing (The Affordable Housing Land and Funding Policy).

788 March Road – Closed in May 2018 for \$900,000

Current Site Plan Control application to permit two 6-storey apartment buildings with approximately 196 units and 270 parking spaces, with the majority provided in an underground parking garage.

Proposed Concept Plan*



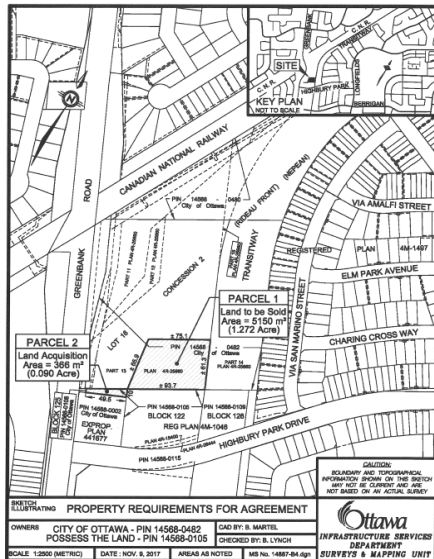
Additional benefits from the sale of 788 March Road included:

- Increased overall tax base for the City of Ottawa.
- New supply of rental units.
- Protection of Shirley's Brook, an environmentally sensitive land area in Official Plan.
- Ensured compatibility with surrounding heritage development.

651 Longfields Drive - Closed in May 2018 for \$508,800

As part of the transaction, the City acquired a small piece of land from the Purchaser to create one large viable parcel for future development/sale.

Document 1



Added value to the City:

- Create larger viable piece of land.
- Sale of land enabled Church to complete site plan.

156-160 Lyon Street – Closed in July 2018 for \$5,250,000

Proposed mixed used development with ground floor retail and potential food store, TOD development and residential and office.

Proposed Concept Plan*

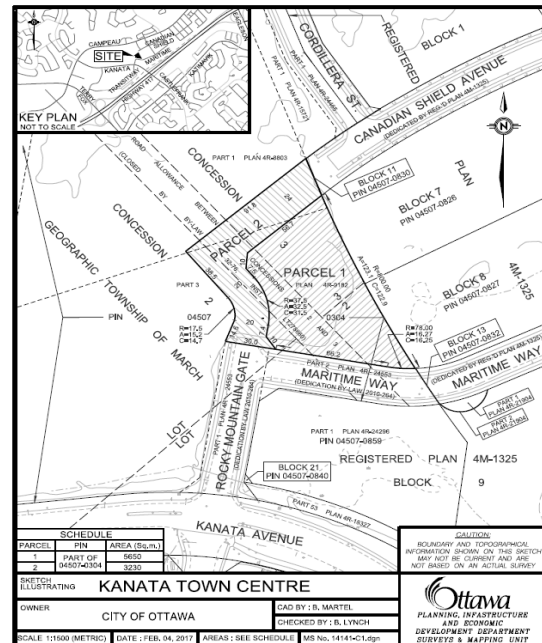


Additional benefits for the sale of 156-160 Lyon Street included:

- Revenue to offset expenses incurred by the LRT Project.
- Allocated 7 affordable housing units along with contribution to Affordable Housing (The Affordable Housing Land and Funding Policy).
- Generous Privately Owned Public Space (P.O.P.S).
- High visual and physical connectivity to the Lyon Street LRT Station that is one block away.
- A wider sidewalk in P.O.P.S. to improve pedestrian circulation.

1305 Maritime Way - Closed in December 2018 for \$1,010,000

This is the first parcel sold as part of 6301 Campeau Drive - Kanata Town Centre Site.



Additional benefits for the sale of 1305 Maritime Way included:

- Completing infrastructure that will facilitate development ie. completion of Maritime Way.
- New hotel generating some employment.

***Proposed Concept Plan** – uses indicated on plan subject to changes through the development processes.

Audited Financial Statements

The 2018 Audited Financial Statements are attached as Appendix 1. The Corporation funds its cash requirements through the support of the City of Ottawa.

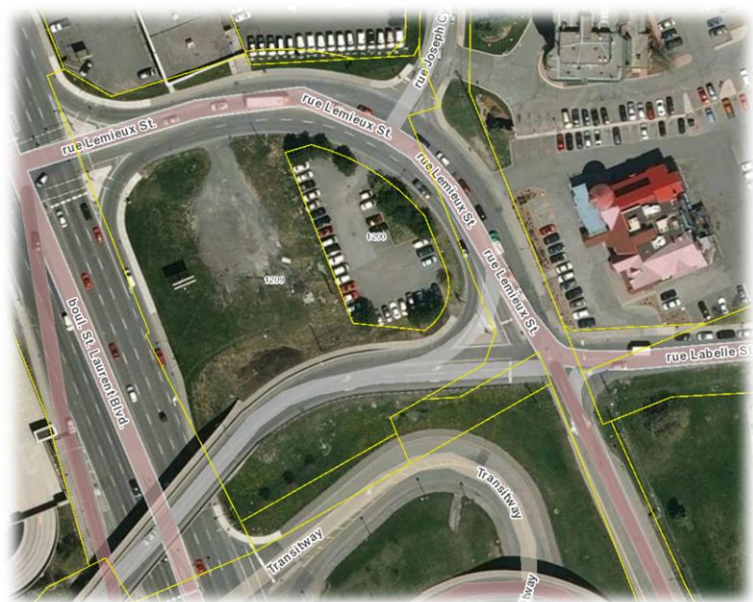
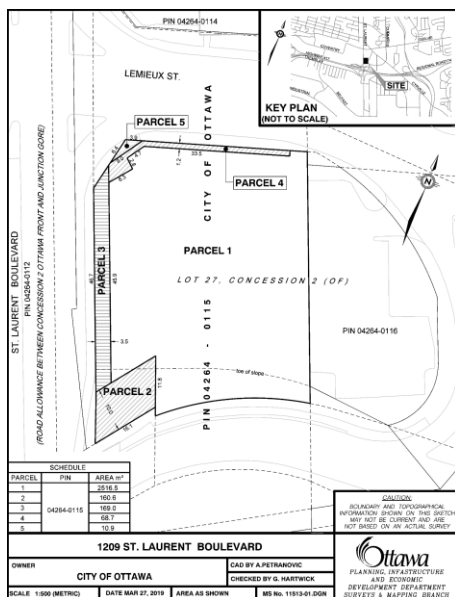
Future Development Prospects

The OCLDC continues to pursue both financial and non-financial ways to add value to its strategic disposals. In order to meet its obligations to the City of Ottawa, the OCLDC continually examines City properties that can be added to its portfolio for the term of Council from 2019-2022.

Some of the properties on the 2019 OCLDC work plan include the following:

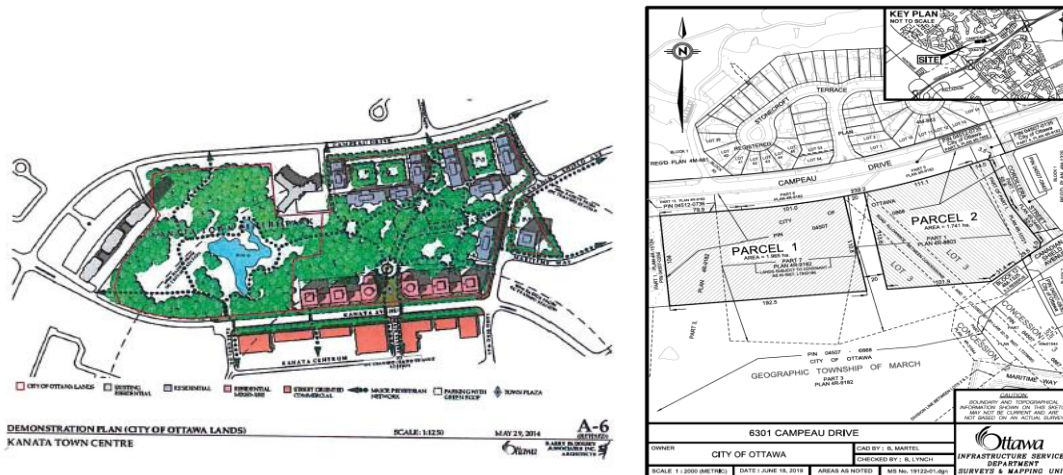
1209 St. Laurent Boulevard (Property Size - 0.2914 hectares)

- Ensure conformity with TOD Guidelines
- Affords 417 visibility and access
- Vacant and services available
- TOD area that will potentially attract a midrise mixed-use development



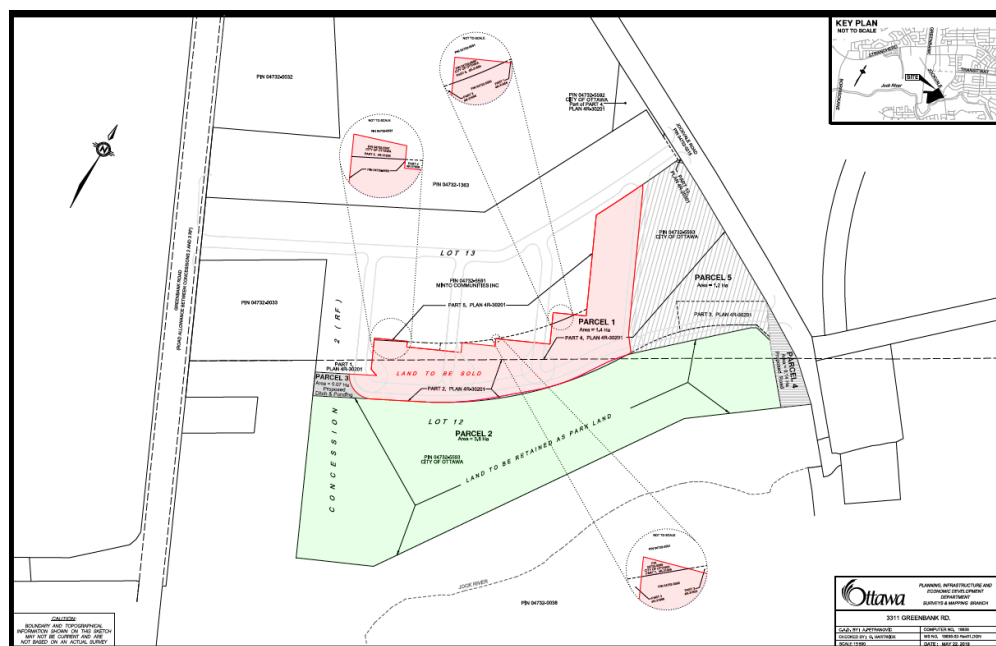
6301 Campeau Drive (Property Sizes: 1.965 hectares & 1.741 hectares)

- Sites are within the Kanata Town Centre. One of three suburban Town Centres identified in City's Official Plan designated as a Mixed-Use Centre.
- Property is in close proximity to transit.
- Adjacent to Major Open Space and Bill Teron Park



3311 Greenbank Road (Property Size: 1.4 hectares)

- Acquired in 1990 by the former City of Nepean to control development in South Nepean Town Centre.
- Development of town homes that conform to the South Nepean Town Centre Community Design Plan.
- Urban Design Guidelines for compatible infill.



Current Members of the Board of Directors

The OCLDC consists of the following members:



Pamela Sweet -Chair



Kathleen Willis - Vice-Chair



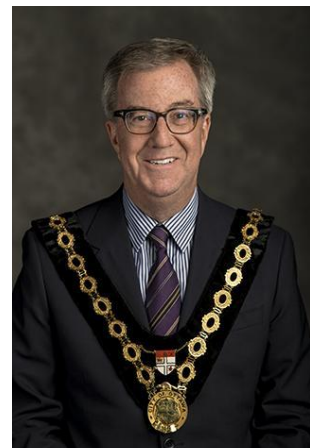
Laura Dudas - Director



Jan Harder - Director



Rawlson King - Director



Jim Watson - Director

Current Officers

The OCLDC consists of the following Officers:

Steve Kanellakos, President and Chief Executive Officer

Marian Simulik, Treasurer and Chief Financial Officer

**Financial Statements
Ottawa Community Lands
Development Corporation
December 31, 2018**

INDEPENDENT AUDITOR'S REPORT

To the Board Members, Mayor and Members of Council of the
Ottawa Community Lands Development Corporation

Opinion

We have audited the accompanying financial statements of the **Ottawa Community Lands Development Corporation** (the "Corporation"), which comprise the statement of financial position as at December 31, 2018, and the statement of operations and statement of changes in net debt for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as at December 31, 2018, and its financial performance 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 report. We are independent of the Corporation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our 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.

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 Corporation'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 Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation'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 these 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 Corporation's internal control.

- 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 Corporation'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 Corporation 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.

We 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.

Ottawa, Canada

August 15, 2019

The logo for Ernst & Young LLP, featuring the company name in a stylized, handwritten-style script.

Chartered Professional Accountants
Licensed Public Accountants

OTTAWA COMMUNITY LANDS DEVELOPMENT CORPORATION

STATEMENT OF FINANCIAL POSITION

As at December 31, 2018, with comparative information for 2017

1: Statement of Financial Position - Assets

Assets

Financial assets	2018	2017
Taxes recoverable	\$25,774	\$21,809
Due from the City of Ottawa [note 5]	1,787,466	854,612
Total financial assets	1,813,240	876,421

2: Statement of Financial Position - Liabilities

Liabilities	2018	2017
Accounts payable and accrued liabilities	941,771	377,338
Deposit agreements for future sales [note 3 and schedule 1]	0	100,017
Performance security	980,000	530,000
Total liabilities	1,921,771	1,007,355
Net debt	(108,531)	(130,934)

3: Statement of Financial Position - Non-Financial Assets

Non-financial assets	2018	2017
Other assets [note 6]	108,531	130,934
Accumulated surplus	\$0	\$0

See accompanying notes

On behalf of the Board:



Director



Director

OTTAWA COMMUNITY LANDS DEVELOPMENT CORPORATION

STATEMENT OF OPERATIONS

For the year ended December 31, 2018, with comparative information for 2017

4: Statement of Operations - Revenue

Revenue [schedule 3]	2018	2017
Land sales	\$7,668,800	\$18,700,000
Contribution from the City of Ottawa [note 5 and schedule 3]	525,459	559,463
Total revenue	8,194,259	19,259,463

5: Statement of Operations - Expenses

Expenses [schedule 2]	2018	2017
Land acquisition [note 4]	6,645,059	18,153,555
Development costs	818,784	145,612
Administrative expenses	463,725	435,019
Legal disbursements	266,691	525,277
Total expenses	8,194,259	19,259,463
Excess of revenue over expenses for year	0	0
Accumulated surplus, beginning of the year	0	0
Accumulated surplus, end of year	\$0	\$0

See accompanying notes

STATEMENT OF CHANGES IN NET DEBT

For the year ended December 31, 2018, with comparative information for 2017

6: Statement of Changes in Net Debt

Statement of changes in net debt	2018	2017
Excess of revenue over expenses for the year	\$0	\$0
Decrease in other assets	22,403	62,697
Net debt at beginning of year	(130,934)	(193,631)
Net debt at end of year	\$(108,531)	\$(130,934)

See accompanying notes

OTTAWA COMMUNITY LANDS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2018

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.

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.

New Accounting Standards

The Public Sector Accounting Board issued new accounting standards effective for fiscal years beginning on or after April 1, 2017.

Of these pronouncements, PS 2200 *Related Party Disclosures*, PS 3320 *Contingent Assets*, and PS 3380 *Contractual Rights* provide guidance on disclosure requirements only. The adoption of these standards did not result in additional note disclosures.

In addition to these disclosure standards, the Corporation adopted PS 3420 *Inter-entity Transactions* which establishes the accounting and reporting for transactions between public sector entities that comprise a government’s reporting entity from both a provider and recipient perspective. The adoption of this new standard did not result in any financial impact on the Corporation’s financial statements.

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.

OTTAWA COMMUNITY LANDS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2018

Financial instruments

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

Cash flow

The Corporation funds its cash requirements through the support of the City of Ottawa. The only cash transactions in fiscal 2018 were deposits totalling \$7,887,393 [2017 – \$17,371,319] representing land sale proceeds of \$7,568,800 [2017 – \$17,332,500], tax refund of \$21,809 [2017 – \$37,314], security deposit of \$278,000 [2017 – nil], and other miscellaneous items totalling \$18,784 [2017 – \$1,505] that were subsequently transferred to the City of Ottawa. All other cash transactions from operating activities were processed through the City of Ottawa. The Corporation did not have cash movement from financing or investing activities during 2018 or 2017.

Use of estimates

The preparation of financial statements in accordance with the 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 revenues and expenses reported in the financial statements. These estimates are reviewed periodically and, as adjustments become necessary, they are reported in the period in which they become known. The most significant estimates used in preparing these financial statements are the amount of accrued liabilities related to properties sold. Actual results could differ from those estimates by a material amount. The extent of measurement uncertainty cannot be reasonably estimated at this time.

OTTAWA COMMUNITY LANDS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2018

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.

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 or 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.

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:

7: Related Party Transactions

Related party transactions	2018	2017
Land acquisition	\$6,645,059	\$18,153,555
Legal and realty taxes disbursements	34,735	20,807
Administrative expenses	463,725	435,019
Contribution from the City of Ottawa	525,459	559,463

OTTAWA COMMUNITY LANDS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2018

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 \$6,645,059 [2017 - \$18,153,555] included in land acquisition costs on the statement of operations. Legal and realty taxes disbursements consist of \$2,088 [2017 - \$19,007] included in other assets on the statement of financial position and \$34,735 [2017 - \$20,807] included in legal disbursements on the statement of operations. Administrative expenses consist of \$463,725 [2017 - \$435,019] included in the administrative fee balance in the statement of operations.

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

8: Change in Due from the City of Ottawa

Change in due from the City of Ottawa	2018	2017
Opening balance of due from the City of Ottawa	\$854,612	\$1,660,549
Decrease in deposits for future sales	(100,017)	(1,274,983)
Decrease in accounts receivable	0	200,000
Decrease in other assets	22,403	62,697
(Increase) Decrease in taxes recoverable	(3,965)	15,505
Increase (Decrease) in accounts payable and accrued liabilities	564,433	(166,656)
Increase in performance security	450,000	357,500
Net change	932,854	(805,937)
Closing balance of due from the City of Ottawa	\$1,787,466	\$854,612

As at December 31, 2018, there are promissory notes outstanding of \$67,789 [2017 - \$67,789] for security of subdivisions agreements between the Corporation and the City of Ottawa.

6. 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 the City Council. These costs will be transferred to land inventory held-for-sale once the related property has been transferred to the Corporation. For projects that are abandoned, costs are immediately expensed.

OTTAWA COMMUNITY LANDS DEVELOPMENT CORPORATION

SCHEDULE 1

SCHEDULE OF DEPOSIT AGREEMENTS FOR FUTURE SALES

As at December 31, 2018, with comparative information for 2017

9: Schedule 1 Schedule of Deposit Agreements for Future Sales

Land descriptions	2018	2017
651 Longfields Drive	\$0	\$50,000
788 March Road	0	50,017
Total deposit agreements for future sales	\$0	\$ 100,017

See accompanying notes

OTTAWA COMMUNITY LANDS DEVELOPMENT CORPORATION

SCHEDULE 2

SCHEDULE OF EXPENSES

For the year ended December 31, 2018, with comparative information for 2017

10: Schedule 2 Schedule of Expenses

Expenses	2018	2017
Land acquisition [note 4]	\$6,645,059	\$18,153,555
Development costs		
Servicing	757,466	71,230
Engineering services	27,163	9,854
Utility relocation	0	10,407
Insurance, licenses and permits	29,700	33,404
Corporation tax return preparation and financial statement audit	4,192	6,900
For sale signs	263	13,817
Total development costs	818,784	145,612
Administrative expenses	463,725	435,019
Legal disbursements		
Legal fees, registration fees, execution certificates and land transfer tax	266,691	525,277
Total expenses	\$8,194,259	\$19,259,463

See accompanying notes

OTTAWA COMMUNITY LANDS DEVELOPMENT CORPORATION

SCHEDULE 3

SCHEDULE OF OPERATIONS BY PROPERTY

For the year ended December 31, 2018

11: 2018 Schedule 3 Schedule of Operations by Property

Property description	Land acquisition	Development costs and administrative expenses	Total expenses	Revenue	Contribution from the City	Total revenue
Phase I & II & Other properties sold in prior years	\$0	\$16,760	\$16,760	\$0	\$16,760	\$16,760
788 March Road	836,482	63,518	900,000	900,000	0	900,000
651 Longfields	463,278	45,522	508,800	508,800	0	508,800
156-160 Lyon	5,112,078	137,922	5,250,000	5,250,000	0	5,250,000
1305 Maritime	233,221	776,779	1,010,000	1,010,000	0	1,010,000
Phase 1 125 Watershield	0	1,379	1,379	0	1,379	1,379
Sub-total land parcels sold	6,645,059	1,041,880	7,686,939	7,668,800	18,139	7,686,939
Common expenses to all properties	0	507,320	507,320	0	507,320	507,320
Total	\$6,645,059	\$1,549,200	\$8,194,259	\$7,668,800	\$525,459	\$8,194,259

OTTAWA COMMUNITY LANDS DEVELOPMENT CORPORATION

SCHEDULE 3

SCHEDULE OF OPERATIONS BY PROPERTY

12: 2017 Schedule 3 Schedule of Operations by Property

Property description	Land acquisition	Development costs and administrative expenses	Total expenses	Revenue	Contribution from the City	Total revenue
Phase I & II & Other properties sold in prior years	\$0	\$80,954	\$80,954	\$0	\$80,954	\$80,954
3071 Riverside	16,109,485	390,515	16,500,000	16,500,000	0	16,500,000
1435 Randall	859,513	40,487	900,000	900,000	0	900,000
2140 Baseline	1,184,557	115,443	1,300,000	1,300,000	0	1,300,000
Sub-total land parcels sold	18,153,555	627,399	18,780,954	18,700,000	80,954	18,780,954
Common expenses to all properties	0	473,170	473,170	0	473,170	473,170
Phase 1 125 Watershield	0	5,339	5,339	0	5,339	5,339
Total	\$18,153,555	\$1,105,908	\$19,259,463	\$18,700,000	\$559,463	\$19,259,463

See accompanying notes