



OTTAWA COMMUNITY LANDS DEVELOPMENT CORPORATION

ANNUAL REPORT 2014



On behalf of the Ottawa Community Lands Development Corporation (OCLDC) and its Board of Directors, it is my pleasure to share with you the Annual Report for 2014.

Since its incorporation, the OCLDC has been very active in trying to optimize the community and financial value of the City of Ottawa's surplus properties no longer needed for program requirements. Part of that mandate also includes divesting the City of assets that were acquired for specific purposes, and once those are satisfied, disposing of the parcels to the general market to eliminate carrying costs, increase the tax base for the City of Ottawa and support efficient infill development.

This annual report details the performance of the OCLDC for 2014, which was a very successful year. The report also summarizes the OCLDC accomplishments for the term of Council from 2010 to 2014. The OCLDC has fulfilled its mandate and surpassed its goals over this term of Council, generating over \$56M in gross revenues for the City of Ottawa, dedicating 17 hectares of natural environment lands, supporting the development of 1,800 additional residential units, including affordable housing units and providing opportunities for institutional uses.

We are proud of what the OCLDC has accomplished since its creation and look forward to another term as we strive to deliver projects that provide value for all of the residents of the City of Ottawa where they live, work and play.

Sincerely

Director Marianne Wilkinson
Chair

REPORT TO THE SHAREHOLDER

This Annual Report provides context for the evaluation and review of the Corporation's activities and progress in 2014. The report also supports the requirements of the Business Corporations Act (Ontario) for holding the 2014 Annual General Meeting of the shareholder of the Ottawa Community Lands Development Corporation (OCLDC) including receipt of Audited Financial Statements for 2014.

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.

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 Real Estate Partnerships and Development Office (REPDO) will be utilized in achieving the above noted goals and objectives.

TRANSFER OF ASSETS

The core business of the OCLDC is unlocking value in the City of Ottawa’s real estate portfolio through sustainable development. The focus of the OCLDC activities is to determine the development potential of these assets and to work with REPDO on the due diligence and transfer processes in order to optimize that development potential. The OCLDC and REPDO 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 development or asset management. Such assets include former school sites, as well as underutilized and strategic parcels of land.

The OCLDC and the City are working on an approach for the transfer of lands currently held by the City. This will allow 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 and related carrying costs for the City are eliminated. The OCLDC also generates substantial community and financial value for the City of Ottawa through the sale of properties. OCLDC also provides disposal advice and expertise to REPDO for strategic parcels of land.

SALE PROCESS FOR OCLDC PROPERTIES

The OCLDC typically advertises properties for sale through advertising in local media, signs on properties and through mailing lists which include the home builders associations. Successful purchasers are selected through a Request for Offer (RFO) process. To be eligible for selection, proposals must meet minimum requirements that reflect the mandate OCLDC. Winning proposals are selected based on achieving the highest score, based on the objective of achieving “optimal value” under the OCLDC Disposal Policy.

In accordance with the objectives for which the corporation was incorporated and the Letters Patent, the activities of OCLDC resulted in a number of benefits to the City of Ottawa. These are documented below.

COMMUNITY BENEFITS

As per the objects of the corporation, Sections 4(b) and(c), the activities of the OCLDC provide significant benefits to the City of Ottawa, including the following:

- Development of a range of residential housing types catering to changing demographic;
- Provision of parks and contribution to recreational facilities;
- Preservation of heritage properties;
- Environmental benefits through progressive sustainable development measures;
- Job creation;
- Increased municipal tax base; and
- Elimination of carrying costs for aging and surplus City assets.

SUCSESSES OF THE OCLDC FROM 2010 TO 2014

The OCLDC integrates properties that are no longer required for program purposes by the City of Ottawa into the surrounding communities after extensive consultations with multiple stakeholders. The objective of this effort is to produce developments that address broader community needs and are sustainable.

For the term of Council ending 2014, the OCLDC fulfilled the objectives for which it was incorporated by demonstrating:

- A commitment to public consultation prior to and during the planning process;
- The importance of enhancing the quality of life in communities;
- The need to be responsive to current demographic trends;
- The importance of providing enhanced recreational and open space facilities;
- Respect for community values;
- Environmental stewardship; and

- The ability to obtain both good financial and community value in its projects simultaneously.

The OCLDC continues to achieve great success in its pursuit of “optimal value” for its surplus real estate through the implementation of sound financial, environmental, social and cultural goals. OCLDC projects have enhanced the City of Ottawa and its communities as demonstrated above, and can be measured by the following results:

Community Improvement:

- Supporting the development of Institutional and community uses, such as providing sites for churches, mosques and schools.
- Facilitating the development of an additional 1,800 new residential units catering to varied demographics
- Providing lands for the development of affordable housing units
- Protecting 17 hectares of Natural Environmental Area and parkland

Disposing of Sites:

- Generating \$53 M gross sales revenue for the term of Council from 2010-2014
- Contributing \$32 M Net Dividend to City of Ottawa
- Promoting developments that will generate estimated annual property tax revenue of \$5.5 M

AUDITED FINANCIAL STATEMENTS

The 2014 Audited Financial Statements are attached as Appendix 1. The Corporation funds its cash requirements through the support of the City of Ottawa. The cash transactions in fiscal 2014 were deposits of \$17.9M representing land sale proceeds, tax refund, and other miscellaneous items which 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 2014.

2014 RESULTS

For 2014, the OCLDC completed six sale transactions totaling \$17.9M. These sales included the former St. Thomas School (Leeming Drive) as well as five parcels in Phase 2 of the Subdivision Demonstration Project.

Former St. Thomas School

The St. Thomas School sale provided an opportunity for infill housing and more efficient use of within a serviced area of the city, and also reduced the asset management responsibilities of the City of Ottawa thereby offering a savings to the taxpayers of the City. Prior to the sale of this parcel, OCLDC staff coordinated and attended in excess of six (6) meetings with the Crystal Beach-Lakeview community. Initially, meetings were held to determine the future use of the school building and site. Following those meetings later meetings were held with the community to discuss compatible infill development scenarios on the subject property. An additional 0.124 ha of land was added to adjacent Maki Park prior to the successful rezoning of the remaining school site to allow for a combination of single, semi-detached and multiple attached units, Maple Leaf Homes was the selected through a Request for Offers process. Maple Leaf Homes, a niche builder, is in the process of obtaining Site Plan approval for 29 residential units, consisting of bungalow lofts and two storey units.

Longfields Subdivision

The 50 hectare parcel of City owned vacant land in Barrhaven is being developed in accordance with a concept that includes innovative planning and design, affordable housing and opportunities for niche builders. The subdivision features a mixed-density residential community which integrates pedestrian and cycle pathways, access to rapid transit, public parks and the preservation of environmental features. An application for subdivision approval was submitted and draft subdivision approval was granted in September, 2008.

Phase 1 consisting of 9.97 hectares, was registered in March 2011 and generated 109 residential units including a neighbourhood park and stormwater management facility.

The remaining sales in 2014 were in Phase 2 of the Longfields Subdivision Demonstration Project. Five parcels of land were sold to area home builders, including Monarch, Cardel and Bulat Homes. This phase of the development will generate a total of 205 residential units, consisting of custom single detached units, semi-detached and townhouse units. The focus of building design in this phase has been on front elevations and porches, to the extent that garages have been relegated to the rear of units with access off of a rear laneway.

This project delivered high architectural design standards, made more efficient use of urban serviced land through innovative infill development, provided additional parkland community resources beyond the typical development requirements.

The focus of the corporation's activities in 2014 for this subdivision was to complete servicing, installation of a roundabout, resurfacing Longfields and Beatrice and Claridge Drives and installation of landscaping.

OCLDC SALES FROM 2010-2014 (TERM OF COUNCIL)

The OCLDC generated \$53M in gross revenue by the end of fiscal year 2014, of which \$32M was net profits for our sole shareholder, the City of Ottawa. Based on an annual requirement of \$5.5M, the OCLDC surpassed its annual requirement by 160% of its expected \$22M target for term of Council ending 2014. In accordance with the mandate and objects of the corporation, these targets were accomplished through the disposal of surplus City properties while generating a number of community benefits; such as providing various forms of residential housing, affordable residential units, generating additional open space and parkland, and opportunities for institutional uses such as churches, a mosque, and schools.

2015 ACTIVITIES

Design Review of Builder Architectural Plans

The review of designs and home inspections is an ongoing activity that ensures builders and purchasers complete the developments in accordance with concept and architectural plans that were used in the selection of successful proposals. Any deficiencies are identified with builders and have to be rectified before securities, which are taken to ensure compliance, can be released. OCLDC staff is currently monitoring the following projects for compliance with building and architectural concept plan designs:

- I. Longfields builder designs by Monarch, Cardel, Bulat, Campanale, Mattino and Richcraft
- II. 25 Esquimault, Uniform Developments
- III. 9 Leeming, Maple Leaf Homes

The Longfields Urban Design Guidelines is a document that is used to implement the Longfields demonstration project. The document provides guidelines for fencing, exterior building elevations and various architectural elements, including street furniture. To ensure consistency in the implementation of these guidelines, the OCLDC staff is responsible for overseeing builder permit plans to ensure compliance with these guidelines.

OCLDC Policies and Procedures

In 2015, the OCLDC will also be developing policies and appropriate procedures for conducting business including the acquisition and disposal of land. This effort will involve REPDO staff as well as the City Clerk's Office and approval from Ottawa City Council will be needed for the final document. Once approved, this policy document will guide all of the OCLDC activities to fulfill its mandate.

Future Sales Prospects

The OCLDC continues to pursue both financial and non-financial ways in which to add value to its strategic disposals. In order to meet its obligations to the City of Ottawa, the OCLDC is in the process of examining properties that can be added to its portfolio for the term of Council from 2014 – 2018.

The corporation will be targeting the sale of four parcels of land in order to meet its 2015 financial targets.

1. 5731 Hazeldean Road
This property is 4.5 ha (11 ac.) in size and has approximately 140 metres of frontage on Hazeldean Road. Commercial development abuts the property to the east and west and Poole Creek traverses the northern part of the site, which is also designated as Urban Natural Area (UNA) 185. The parcel is zoned AM7 - Arterial Mainstreet Subzone 7 which allows for a broad range of uses including retail, service commercial, offices, residential and institutional uses in mixed-use buildings or side by side in separate buildings.
2. 2500 St. Laurent Boulevard
This property is 1.1615 ha (2.87 ac.) of land situated in the Ottawa Business Park at the northwest corner of the intersection of Conroy Road and St. Laurent Boulevard. The parcel was originally sold to Loblaw, however the City repurchased the site under a "build or buy-back" covenant that was registered on title and required Loblaw's to build on the subject lands by June 2006. However, since Loblaw never executed construction, the City enforced its right to buy back the site acting on the covenant.

During its ownership, Loblaw Properties, applied to change the Official Plan designation and zoning of the parcel from Employment Area to General Urban Area and the zoning was changed from Industrial Business Park - IP F(1.0) and

Employment Centre - CE[360] to General Commercial - CG13 H[12.0] to permit the property to be developed with a Loblaws retail food store. City Council did not support the change and refused to approve the applications, which were subsequently appealed to the OMB, where Loblaw Properties was successful. OCLDC staff will be returning the site to its former employment lands designation and marketing the site to the development industry to satisfy the employment goals under the Provincial Policy and Official Plan.

3. 788 March Road

This parcel is vacant land situated at the south-east corner of March and Klondike Roads that was acquired from Imperial Oil for the widening of March Road from a 2-lane undivided rural road to a 4-lane urbanized arterial road. The property contains 1.4 hectares (3.45 acres) and is designated as General Urban Area (GUA) in the City of Ottawa Official Plan and zoned General Mixed use (GM). Approximately a third of the property is subject to development constraints due to proximity to a water course known as Shirley's Brook, which will be protected through the sale process. The remaining lands consisting of approximately 1.2 hectares (3.0 acres) will be disposed of in order to recoup some of the acquisition costs.

4. 1435 Randall Avenue

This parcel of land had been used by the former Regional Municipality of Ottawa Carleton (RMOC) water distribution system as the Alta Vista water tower and pump station. The site is surrounded on the north side by the Alta Vista Fire Station, single detached dwellings to the south and west, and Ellwood Non-Profit Housing to the east. As a result of new infrastructure utilities, the Alta Vista water tower was declared surplus to City requirements and was eventually decommissioned and the structure dismantled in 2002.

In 2004, the Ottawa Housing Branch requested the property be put on hold until a suitable development partner was found to move forward on a viable plan for the redevelopment of the property. At the same time, the City of Ottawa received an unsolicited expression of interest from an abutting land owner interested in acquiring the parcel to expand on the existing non-profit housing development that currently abuts the site on Braeside Avenue. Neither of the above scenarios resulted in any firm proposals for the lands. As a result, the parcel was declared surplus to City needs and transferred to the OCLDC for strategic disposal.

The ability of the OCLDC to meet its financial targets is influenced by the development cycle which in turn is dependent on the market conditions. Location, value, size and current and potential uses all have a bearing on demand for OCLDC properties. Recent sales activities demonstrate there is ongoing demand for OCLDC land holdings and it can continue to create significant benefits and value from its portfolio.

APPENDIX 1

Financial Statements

Ottawa Community Lands Development Corporation

Financial Statements

Ottawa Community Lands Development Corporation

December 31, 2014

INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying financial statements of the **Ottawa Community Lands Development Corporation**, which comprise the statement of financial position as at December 31, 2014, the statement of operations and of change in net debt for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these 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.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the **Ottawa Community Lands Development Corporation** as at December 31, 2014 and the results of its operations for the year then ended in accordance with Canadian public sector accounting standards.

Ernst & Young LLP

Ottawa, Canada
September 2, 2015

Chartered Professional Accountants
Licensed Public Accountants

OTTAWA COMMUNITY LANDS DEVELOPMENT CORPORATION

STATEMENT OF FINANCIAL POSITION

As at December 31, 2014, with comparative information for 2013

ASSETS	2014	2013
Financial assets		
Taxes recoverable	\$ 303,622	\$ 317,424
Accounts receivable	8,171	18,132
Due from the City of Ottawa [note 5]	2,265,888	0
Land Inventory held for resale [note 4]	0	10,999,180
Total financial assets	2,577,681	11,334,736
LIABILITIES	2014	2013
Accounts payable and accrued liabilities	2,457,257	3,487,538
Deposit agreements for future sales [note 3 and schedule 1]	50,000	2,494,358
Performance security	72,500	0
Due to the City of Ottawa [note 5]	0	5,371,986
Total liabilities	2,579,757	11,353,882
Net Debt	(2,076)	(19,146)
Non-Financial Assets		
Other asset [note 6]	2,076	19,146
Accumulated surplus	\$ 0	\$ 0

Commitments [note 7]

See accompanying notes

On behalf of the Board:



Director



Director

OTTAWA COMMUNITY LANDS DEVELOPMENT CORPORATION

STATEMENT OF OPERATIONS

For the year ended December 31, 2014, with comparative information for 2013

Revenue [schedule 3]	2014	2013
Land Sales	\$ 17,731,090	\$ 2,835,188
Contribution from the City of Ottawa [note 5 and schedule 3]	228,927	768,392
Total revenue	17,960,017	3,603,580
Expenses [schedule 2]	2014	2013
Land acquisition	8,905,060	2,835,188
Development costs	7,933,948	684,878
Administrative expenses	719,183	36,263
Legal disbursements	401,826	47,251
Total expenses	17,960,017	3,603,580
Excess of revenue over expenses for the year	0	0
Accumulated surplus, beginning of the year	0	0
Accumulated surplus, end of the year	\$ 0	\$ 0

See accompanying notes

STATEMENT OF CHANGE IN NET DEBT

For the year ended December 31, 2014

Statement of change in net debt	2014	2013
Excess of revenue over expenses for the year	\$ 0	\$ 0
Decrease (increase) in other asset	17,070	(19,146)
Net debt at beginning of year	(19,146)	0
Net debt at end of year	\$ (2,076)	\$ (19,146)

See accompanying notes

OTTAWA COMMUNITY LANDS DEVELOPMENT CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2014

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 of change 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 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 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 transaction in fiscal 2014 were deposits totalling \$15,328,395 [2013 – \$211,002] representing land sale proceeds, tax refund, and other miscellaneous items which 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 2014 or 2013.

OTTAWA COMMUNITY LANDS DEVELOPMENT CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2014

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.

4. LAND INVENTORY HELD FOR RESALE

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. The purchase price of land is recorded at fair market value as at the date of purchase. Subsequently, the land is accounted for at the lower of actual cost or net realizable value.

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	2014	2013
Land acquisition [including inventory]	\$2,000,000	\$ 9,759,622
Legal and realty taxes disbursements	78,735	46,242
Administrative expenses	362,017	775,215
Contribution from the City of Ottawa	228,927	768,392

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 revenues.

Net purchase price of lands consists of \$nil [2013 - \$6,905,061] included in inventory on the statement of financial position and \$2,000,000 [2013 - \$2,835,188] included in land acquisition costs on the statement of operations. Legal and realty taxes disbursements consists of nil [2013 – \$43,224] included in inventory on the statement of financial position and \$78,735 [2013 - \$3,018] included in legal costs on the statement of operations. Administrative expenditures consists of nil [2013 – \$738,952] included in inventory on the statement of financial position and \$362,017 [2013 – \$36,263] included in the administrative fee balance in the statement of operations.

OTTAWA COMMUNITY LANDS DEVELOPMENT CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2014

Change in due from (to) the City of Ottawa is comprised of the following:

Change in due from (to) the City of Ottawa	2014	2013
Opening balance of Due from (to) the City of Ottawa	\$ (5,371,986)	\$ 2,623,603
Decrease in deposits for future sales	(2,444,358)	(50,000)
Decrease (Increase) in land inventory held for resale	10,999,180	(10,999,180)
Decrease in cash	0	150,331
Decrease in accounts receivable	9,961	126,321
Decrease (increase) in other assets	17,070	(19,146)
Decrease (increase) in taxes recoverable	13,802	(106,422)
(Decrease) increase in accounts payable	(1,030,281)	2,902,507
Increase in performance security	72,500	0
Net change	7,637,874	(7,995,589)
Closing balance of due from (to) City of Ottawa	\$ 2,265,888	\$ (5,371,986)

As at December 31, 2014, there are promissory notes outstanding of \$2,881,268 [2013-\$5,333,047] for security of subdivisions agreements between the Corporation and the City.

As at December 31, 2014, there was promissory notes outstanding of nil [2013-\$15,963,466] in relation to the future sale of specific land parcels held for resale which were transferred from the City of Ottawa. The promissory notes do not bear interest and have no specific terms of repayment.

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.

7. COMMITMENTS

As at December 31, 2014, the Corporation has outstanding commitments amounting to nil [2013-\$4,169,50]).

8. COMPARATIVE FIGURES

Comparative figures have been reclassified to conform to the current year's presentation.

OTTAWA COMMUNITY LANDS DEVELOPMENT CORPORATION

SCHEDULE 1

SCHEDULE OF DEPOSIT AGREEMENTS FOR FUTURE SALES

For the year ended December 31, 2014, with comparative information for 2013

Land descriptions	2014	2013
106 Longfields	\$0	\$ 1,146,586
104 Longfields phase 2	0	457,401
201 Springbeauty Avenue phase 2 Longfields	0	456,851
105 Beatrice Drive	0	383,520
651 Longfields Drive	50,000	50,000
Total deposit agreements for future sales	\$50,000	\$ 2,494,358

See accompanying notes

OTTAWA COMMUNITY LANDS DEVELOPMENT CORPORATION

SCHEDULE 2 SCHEDULE OF EXPENSES

For the year ended December 31, 2014, with comparative information for 2013

Expenses	2014	2013
Land Acquisition	\$ 8,905,060	\$ 2,835,188
Development Costs		
Servicing	6,722,862	597,138
Engineering services	945,389	65,384
Utility relocation	207,113	10,335
Insurance, licenses and permits	47,378	2,276
Corporation tax return preparation and financial statement audit	6,716	6,796
For sale signs	4,490	2,949
Total development costs	7,933,948	684,878
Administrative expenses	719,183	36,263
Legal disbursements		
Legal fees, registration fees, execution certificates and land transfer tax	401,826	47,251
Total Expenses	\$17,960,017	\$ 3,603,580

See accompanying notes

OTTAWA COMMUNITY LANDS DEVELOPMENT CORPORATION

SCHEDULE 3 SCHEDULE OF OPERATIONS BY PROPERTY

For the year ended December 31, 2014

Property description	Land acquisition	Development costs and administrative expenses	Total expenses	Revenue	Contribution from (to) the City	Total revenues
106 Longfields Stg 1	\$1,911,167	\$2,268,109	\$4,179,276	\$4,426,829	\$(247,553)	\$4,179,276
106 Longfields Stg 2	1,389,417	1,653,586	3,043,003	3,218,140	(175,137)	3,043,003
105 Beatrice	1,136,348	1,287,772	2,424,120	2,557,331	(133,211)	2,424,120
104 Longfields 201	1,235,424	1,468,285	2,703,709	2,766,450	(62,741)	2,703,709
Springbeauty	1,232,704	1,466,182	2,698,886	2,762,340	(63,454)	2,698,886
9 Leeming Drive	2,000,000	45,975	2,045,975	2,000,000	45,975	2,045,975
Sub-total land parcels sold	8,905,060	8,189,909	17,094,969	17,731,090	(636,121)	17,094,969
Common expenses to all properties	0	819,802	819,802	0	819,802	819,802
Phase 1 125 Watershield	0	45,246	45,246	0	45,246	45,246
Total	\$8,905,060	\$9,054,957	\$17,960,017	\$17,731,090	\$228,927	\$17,960,017

OTTAWA COMMUNITY LANDS DEVELOPMENT CORPORATION

SCHEDULE 3 SCHEDULE OF OPERATIONS BY PROPERTY

For the year ended December 31, 2013

Property description	Land acquisition	Development costs and administrative expenses	Total expenses	Revenue	Contribution from the City	Total revenues
Phase 1 subdivision development costs for properties sold in prior years	\$ 0	\$ 642,084	\$ 642,084	\$ 0	\$ 642,084	\$ 642,084
Other properties sold in prior years	0	33,233	33,233	0	33,233	33,233
25 Esquimaux Avenue	2,835,188	41,713	2,876,901	2,835,188	41,713	2,876,901
Sub-total land parcel sold	2,835,188	717,030	3,552,218	2,835,188	717,030	3,552,218
Common expenses to all properties	0	51,362	51,362	0	51,362	51,362
Total	\$ 2,835,188	\$ 768,392	\$3,603,580	\$ 2,835,188	\$ 768,392	\$3,603,580