



NATIONAL CAPITAL COMMISSION  
COMMISSION DE LA CAPITALE NATIONALE

# Annual Report

2018–2019

Canada

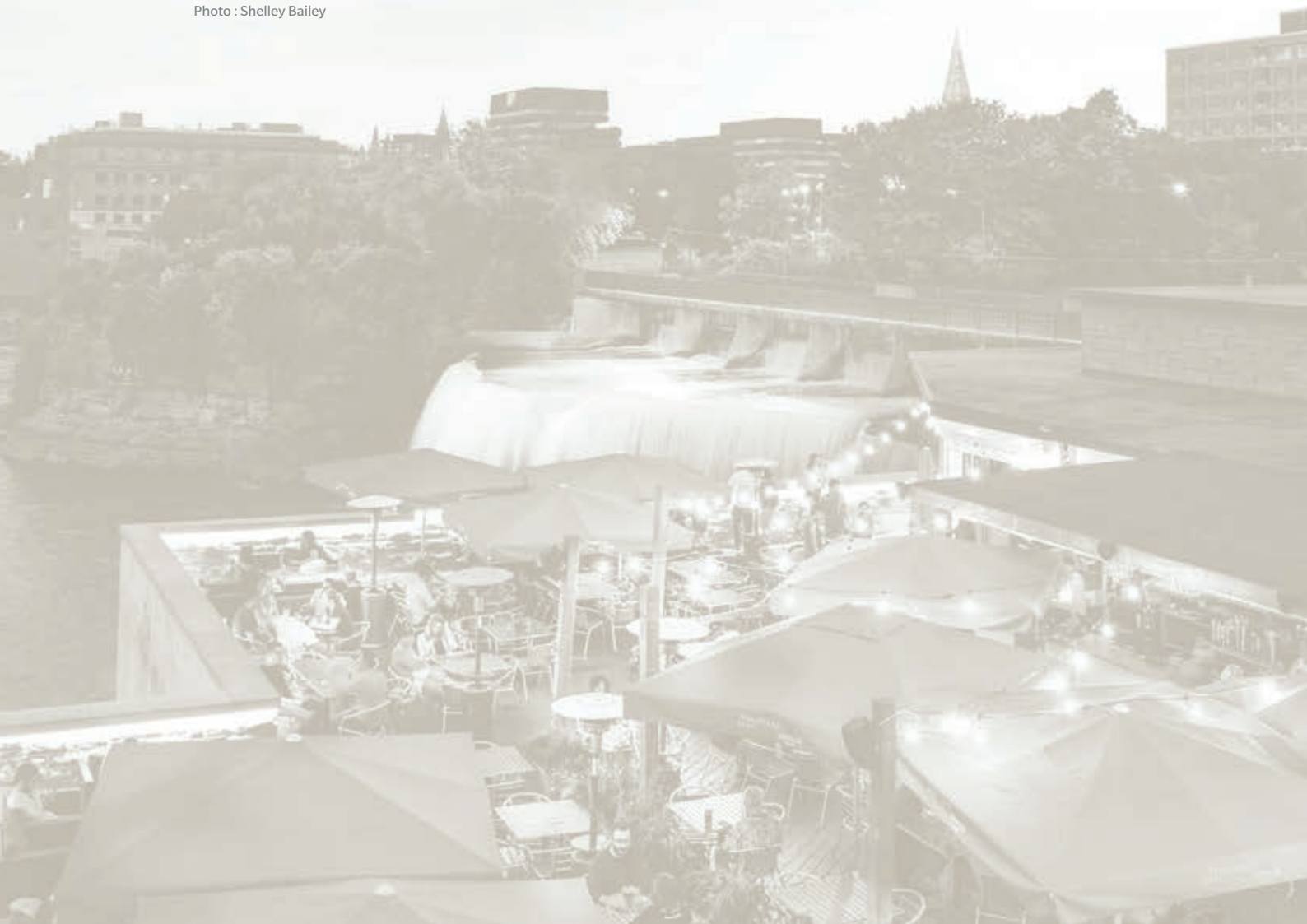
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Cover: First open to the public in summer 2018, Tavern on the Falls offers visitors a magnificent view of Rideau Falls, a landmark location on Confederation Boulevard.

Photo : Shelley Bailey



## 2018–2019 Performance Highlights

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**\$20.2M**

The NCC's rental portfolio generated \$20.2 million in revenues.

**15,251**

Over 15,000 citizens were engaged in planning, protecting and building a vibrant National Capital Region.

**22**

A total of 22 projects are currently under way, through funding from Budget 2018, in support of critical repair and maintenance of NCC assets.

**1,493,524**

This season, the Rideau Canal Skateway had a record 59 skating days, and welcomed nearly 1.5 million visitors.

**16.5**

The number of kilometres of unofficial trails that were integrated into the official trail network in Gatineau Park.

**126,753**

More than 126,700 visitors passed through the Gatineau Park Visitor Centre at 33 Scott Road in Chelsea, Quebec.

**1,087,636**

The NCC recorded over one million social media interactions across all platforms.

**28**

Progress has been made on 28 of the 36 planned actions in the NCC's Sustainable Development Strategy, 2018–2023, in its first year of implementation.

## MESSAGE FROM THE CHAIR

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When I look back at the past year, I am pleased to note that the NCC has embarked on exciting, new initiatives, while building on past successes and continuing to advance a number of important projects already under way.

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This reflects the organization's commitment to constantly building a better capital for the future, while safeguarding the important legacies of the past.

I am also pleased to see the new NCC continuing to grow and evolve, honing its focus on modern human resource management.

One of the NCC's corporate priorities for the next year is to demonstrate corporate excellence so that it is recognized as an exemplary Crown agency and employer—one that sets a standard in this regard to which others can aspire.

The NCC's commitment to collaboration with the many partners, stakeholders and individual Canadians who share its vision of an inspiring capital remains one of its defining characteristics. Indeed, I think it continues to grow stronger with each passing year.

Directly related to this culture of collaboration is the NCC's dedication to openness and transparency—the philosophy that the public's business should be carried out in the public eye. And, in this regard, the NCC continues to seek new ways to keep members of the public informed and involved, through events, open meetings and an ever-increasing presence on social media.

Its culture of public consultation is also robust, and the appetite for public involvement remains strong—as we have seen just recently in sessions related to the renewal of the Gatineau Park Master Plan, improvements to Westboro Beach and, of course, the relaunch of the process to redevelop LeBreton Flats, which has early public engagement at its heart.

Also remaining strong is the NCC's commitment to reconciliation, and to dialogue and inclusion with regard to the Algonquin Nation, on whose ancestral territory the Capital is located.

I would like to thank everyone—organizations and individuals—who have collaborated with the NCC in the past year, and encourage them to renew their efforts in the years to come.

It is testament to the calibre of the people at the NCC that, in a year of change that saw a new minister assume responsibility for the organization, and a new CEO take charge of its operations, its momentum has never faltered.

That being said, I must salute the people who have made the past year such a success.

I would like to thank our new minister, Minister Pablo Rodriguez, and his predecessor, Minister Mélanie Joly, for their support for the Capital.

I would like to thank the NCC's former CEO, Dr. Mark Kristmanson, for his dedication to the Capital and the organization, and for setting the course for several of the important projects that the NCC is currently pursuing.

And I would like to thank the NCC's new CEO, Tobi Nussbaum, for the leadership he has already shown, as well as his clear commitment to excellence. He has the full support of the Board as he begins to make his mark on the Capital.

I would like to thank my fellow Board members for their counsel and their camaraderie. They are a wonderful group of great Canadians who bring a real diversity of talents, experience, perspectives and thinking to our deliberations. The Capital and Canadians are well served by their dedication and enthusiasm.

I would like to thank the members of the public, whose continued engagement and collaboration in Capital building reflect their deep passion for the Capital.

And finally, I would like to thank the staff of the NCC for the creativity and talent they bring every day to building a capital of which we can all be proud.

Together—staff and Board members, partners and stakeholders, communities and individuals—we are working hard to ensure that the Capital is an inspiring source of pride for all Canadians, and the results speak for themselves.

The NCC, like the Capital it serves, continues to grow, evolve and improve—honouring a 120-year tradition of Capital building, while aspiring to even greater achievements in the years to come. And it is a real pleasure to be a part of such a tremendous collective effort, as we step together into the future.



**Marc Seaman** *Chair*

## MESSAGE FROM THE CEO

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The past year has been one of significant accomplishment at the National Capital Commission with respect to all three of the important roles it plays in the Capital: that of the main long-term planner of Canada's Capital Region, the principal steward of the Capital's built and natural heritage, and a creative partner with others who share our passion for Capital building.

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I am proud to present this annual report for 2018–2019. It is my first as the NCC's chief executive officer, and reviewing its contents gives me real pleasure as I reflect on the organization's work over the year — both in acting to restore and preserve existing assets and in advancing exciting future projects and initiatives that will enhance the Capital in years to come.

The year 2019 marks two important anniversaries for the NCC. It has been 120 years since the launch, under the direction of former prime minister Sir Wilfrid Laurier, of the efforts to build the Capital we know today; and it was 60 years ago that Parliament passed the *National Capital Act*, creating the NCC to carry those efforts forward into the future.

This anniversary year is a time to take inspiration from the past and those whose work we build on, and to reflect on the future and what we want our Capital Region to be in the years and decades ahead.

I took the first few weeks of my tenure as CEO to meet as many people involved with the NCC as possible — current and former staff, and members of the NCC's Board of Directors, of course, but also residents of the Capital, community groups and leaders, elected representatives at all three levels of government, representatives of the Algonquin Nation on whose ancestral territory the Capital has grown, and many other stakeholders. The message that I kept hearing was one of a profound belief in the potential of the Capital and the NCC's role in helping it realize its great promise.

I am confident that this sense of faith in the future, and trust in the NCC, has been reinforced by the progress we have seen in the past year on several key Capital-building enterprises.

These projects include the exciting revitalization of Nepean Point, which will see it become a hub of activity in the Capital's core, an iconic landmark transformed into a vital public space connected to the dynamic energy of the ByWard Market, the serene dignity of the National Gallery of Canada and the rugged beauty of the Ottawa River.

They include an inspiring plan to invite residents and visitors back to the riverfront west of the urban core through the creation of a beautiful and lively new linear park along its south shore.

They include partnering in the creation of a new, pioneering facility for developing and testing automated vehicles and a leading-edge sound stage campus and creative hub, opening the Capital to greater innovation, opportunity and investment.

They involve working with our partners to reopen the Chaudières Falls — one of the Capital's natural wonders — to the public for the first time in generations, and consulting with stakeholders and members of the public about the future of Gatineau Park, refreshing the Park's master plan to ensure that its great natural beauty continues to thrive, and to be enjoyed and appreciated by visitors for generations to come.

The past year also saw the NCC continue to work to rehabilitate many of its legacy assets, supported by \$55 million in funding from the federal government's 2018 budget. This includes extensive refurbishing of the Portage Bridge connecting Ontario and Quebec, as well as the Hog's Back swing bridge over the Rideau Canal, and the restoration of a series of other parkways, buildings and infrastructure.

As well, in its 2019 budget, the government asked the NCC to take on an active role related to interprovincial border crossings in the Capital Region, a task that we are now in the process of initiating.

This year, the NCC also kept up and even amplified its robust culture of public engagement, through an extensive program of public consultations, substantial improvements to its website and social media networks, another successful, packed-house season of events in the Urbanism Lab, and its continued dialogue and collaboration with the Algonquin Nation.

The past year also saw the launch of a new process to renew LeBreton Flats that will build on past experiences and lessons learned to ensure that this vital piece of Capital landscape achieves its potential, becoming a community that is thriving, connected and inclusive.

There were also challenges. The importance of the NCC's work to make the Capital more sustainable and resilient was underlined in dramatic fashion. During this past spring, the Capital once again came to terms with the aftermath of unpredictable and dangerous extreme climate events, this time in the form of damaging floods. This is an ever-present test for urban planners everywhere, and one that the NCC is responding to in every aspect of its operations, guided by the new Sustainable Development Strategy launched in the fall of 2018. It is an insightful and ambitious strategy, and I am confident its measures will be of immense benefit to the Capital.

As one eventful fiscal year comes to a close and another opens before us, I would like to take this opportunity to thank everyone involved in the NCC for their outstanding efforts on behalf of the Capital and Canadians — and, on a personal level, for the warm and encouraging welcome I have received since my arrival.

Thanks to our partners, stakeholders, contractors and members of the community for their cooperation and collaboration.

Thanks to the members of the NCC's Board of Directors, and in particular the Chair, Marc Seaman, for their unceasing support and much-appreciated counsel. I also want to acknowledge the contributions of my predecessor, Dr. Mark Kristmanson, who led the NCC for much of the reporting period.

And finally, thanks to the talented, creative, innovative and enthusiastic staff of the National Capital Commission for their dedication and sustained effort to make Canada's Capital Region a better place.

The work of building a world-class capital, which began in earnest 120 years ago, never ends. It is reassuring to know that there are so many people and organizations all working in concert to see that Canada's Capital continues to be a source of pride and inspiration to Canadians, and that, after so many decades of Capital building, the best is still yet to come.



**Tobi Nussbaum** *Chief Executive Officer*





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# PLACEMAKING IN THE CAPITAL

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Following the success of Canada’s sesquicentennial anniversary, the National Capital Commission (NCC) focused its efforts on advancing ambitious initiatives aimed at transforming the Capital. These initiatives showcase the development potential of the region, and speak to the value of leveraging opportunities to explore new ideas and new partnerships. They also reflect the organization’s ongoing efforts to build a 21st century capital—a dedicated task that involves respecting the intangible spirit of place, often developed over decades, while adapting to present and future design attitudes that demand change, often quickly. Most importantly, they highlight the importance of generating a spirited civic discussion around the best ways to create vibrant, inspiring and accessible public spaces for all Canadians.

**“Living and working in the National Capital Region means experiencing first-hand the work of the NCC. That’s what I love about my job. Being able to walk around the Capital with my family and see the projects that have been completed, and the ongoing work that we’re doing, is very rewarding.”**

**Valérie Simard**  
Financial Officer to the Executive Office  
10 years

◀ Richmond Landing is a universally accessible public site on the east side of the Portage Bridge. Completed in 2018, the site is a quiet oasis in the urban heart of the Capital and features the Royal Canadian Navy Monument and the Navy Wake.

## LeBreton Flats

Planning the future of LeBreton Flats remains a top priority for the NCC. This transformative project will see one of the largest urban sites in the core of Canada's Capital reimaged as a lively fusion of residential, commercial, cultural and social elements, accented by world-class public-realm amenities. Featuring 22.66 hectares (56 acres) of mixed-use space, the redevelopment of LeBreton Flats promises to restore a dynamic, inclusive and environmentally sustainable neighbourhood in the core of Canada's Capital.

In 2016, the NCC initiated formal negotiations with RendezVous LeBreton Group (RLG) for the redevelopment of LeBreton Flats. Unfortunately, issues within the partnership of RLG led to a mediation process which was unsuccessful. As a result, effective March 1, 2019, the NCC's Board of Directors cancelled the request for proposals. However, the Board remains committed to creating a visionary place for residents and visitors, which serves as a bold and enduring contribution to an even greater national capital.

The NCC initiated a renewed process that will allow the corporation to build on lessons learned. The decision to move forward with the timely development of a concept plan highlights an approach that embraces a flexible real estate strategy, and permits the corporation to leverage opportunities and new ideas.

Throughout this process, the NCC will continue to seek public input through its consultative efforts. Benefitting from early engagement with the Algonquin Nation, stakeholders, the surrounding community and the City of Ottawa, the corporation is well positioned to embark on the next development phase of the site. Maintaining an ongoing dialogue with Indigenous peoples, which includes engaging in formal consultations on projects in the surrounding area, has been and will continue to be a key component in this redevelopment process.

Following public consultations, the LeBreton Flats Master Concept Plan will be presented to the NCC's Board of Directors for approval in January 2020.



*“The development potential of LeBreton Flats is undeniable. We have an unprecedented opportunity to create a dynamic, thriving, connected and sustainable new community, as well as a visionary destination in the heart of the nation’s capital—a chance to build something great, and to build it together.”*

Tobi Nussbaum  
CEO



## Sparks Street Public Realm Plan

Sparks Street, running east to west from Elgin Street to Lyon Street, is well known for its historic properties, late 19th century architecture, and proximity to Parliament Hill. Located in the heart of Canada's Capital, the street represents an area of transition; a public realm that is recognized for its role both as seat of government and as a municipality.

Canada's first pedestrian mall has experienced many changes over time. Its roots can be traced back to traditional territory of the Algonquin-Anishinabe Nation and later, prominent 19th century developer Nicholas Sparks. Moving into the 20th century, Sparks Street saw many firsts for Ottawa—the electric streetcar and street paving to name a few—as it earned a bustling main street reputation.

In 2000, the City of Ottawa designated the Sparks Street Heritage Conservation District, because of the rich historic and heritage value of the area. However, within the past 20 years, the mall has gradually deteriorated. Many of the new installations, urban design detailing and programming interventions have become disjointed and disconnected from the original design, as well as from the street's guiding policies, plans and design guidelines.

*“Sparks Street—where Town meets Crown—occupies a place of real importance in the Capital's history and character. And as the steward of the Capital's cultural and built heritage, the National Capital Commission is pleased to work with our partners in the City and the federal government to ensure that it enjoys a dynamic future.”*

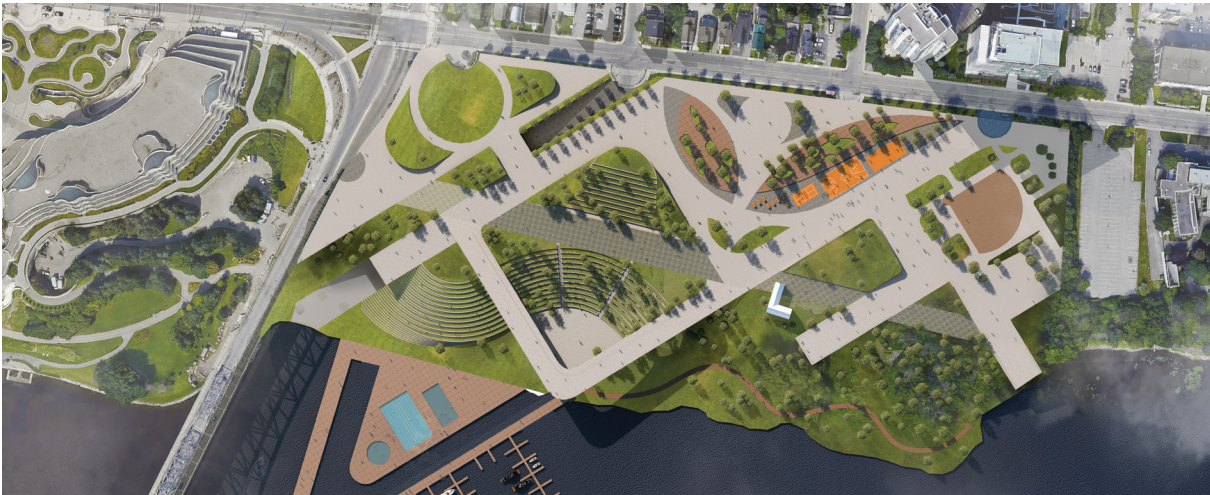
Tobi Nussbaum  
CEO

Over the course of 2018–2019, the NCC worked alongside its partners to study the current and potential uses of the mall and engage the public on a renewed and common vision for the future of Sparks Street. A storefront space was opened at 79 Sparks Street to facilitate this conversation, and two public consultations, as well as numerous stakeholder workshops, produced valuable input that prioritizes pedestrian mobility and access. The NCC's Urbanism Lab also hosted an event in September 2018 that explored how to create successful pedestrian spaces.

With growing recognition of the potential for this place of national significance, a plan to rejuvenate Sparks Street gained traction. The City of Ottawa proposed a new exercise, in collaboration with the NCC, Spark's Street Mall Authority, and Public Services and Procurement Canada (PSPC), to guide the direction for redevelopment.

In March 2019, a draft Sparks Street Public Realm Plan was presented to the public. The plan features design principles and recommendations that have been distilled from the various studies completed and public feedback received. This includes introducing flexible spaces designed to accommodate special events, artistic installations and cultural exchanges of civic, regional, national and international significance.

The Sparks Street Public Realm Plan is entering the final phase of development, and will be put forward for approval by the City of Ottawa council and the NCC's Board of Directors in September 2019.



## Activation Points

Working toward the animation of key locations along the parkways has allowed the NCC to highlight some of the distinctive features of the National Capital Region. Summer 2018 marked the second successful season for Tavern on the Hill, an outdoor canteen located in Header House in Major's Hill Park. The park offers magnificent views of the Ottawa River, the Rideau Canal and the Parliament Buildings, and Header House is the last remaining section of the Major's Hill Park greenhouse complex, which was dismantled in 1937–1938.

As a result of this success, the NCC opened a second seasonal canteen in 2018. At Tavern on the Falls, visitors can enjoy a visit to this landmark location on Confederation Boulevard, complete with a view of Rideau Falls.

Moreover, as part of an effort to offer greater public access to the region's expansive network of shorelines, water taxi services were successfully extended to the Richmond Landing dock as of July 2018. This stop has been a wonderful addition to the existing docks, located at the Rideau Canal Locks and the Canadian Museum of History, providing tourists and residents with increased connectivity to various points of interest along the waterways.

The NCC remains engaged with local community associations and elected officials to determine additional sites for potential future activation points around the Capital.

## Capital Riverfront Challenge

One of the key milestones outlined in the Plan for Canada's Capital, 2017–2067, is the transformation of historic riverfronts into vibrant public parklands. This desire to restore the region's shorelines, recognized as the foundation of regional trade and industry, has been promoted in modern Capital planning documents since 1950. Today, the Ottawa River North Shore Parklands Plan and the Ottawa River South Shore Riverfront Park Plan set the future vision and program elements for the riverfront, and acknowledge the collective expectation of reclaiming the shorelines of the National Capital Region for public enjoyment.

The Capital Riverfront Challenge invited post-secondary students from across the country to propose innovative ideas for key riverfront parcels along the Ottawa River shoreline. Open to those registered in Design, Architecture or Urbanism programs in recognized Canadian colleges and universities, the competition asked participants to focus their ideas on one of two sites: Jacques-Cartier Park South (north shore) or the Parkdale node (south shore).

Jacques-Cartier Park South is one of the major urban parks on Hull Island. Located at the head of the Alexandra Bridge, it is a large, open public space with wooded areas along the riverfront and is highly sought-after for events. Participants were encouraged to consider how to reinvigorate this urban park space at the heart of the National Capital Region.



## Monastère des Servantes de Jésus-Marie

As part of its commitment to enhance public access to the Ottawa River shoreline, the NCC acquired the Monastère des Servantes de Jésus-Marie in 2017. The riverfront site at 210 Laurier Street in Gatineau was established as a convent in 1902 and has been home to a congregation of nuns for over 100 years. Over the past century, it has come to occupy a special place in the local community.

According to the NCC's Ottawa River North Shore Parklands Plan, once the convent's current activities conclude, the property could be used in a way that would contribute to Jacques-Cartier Park's recreational dynamic and to its function as a gathering place, tourist destination and place of cultural expression.

The proposed plans for this site showcase the convent's history, and preserve elements of the building and surrounding lands to further support this idea. As a result, potential uses for the building must complement its heritage value: a cultural centre, exhibition centre, museum, or cultural or artistic education centre. It is suggested that the space behind the building be redeveloped in a way that integrates into Jacques-Cartier Park and allows the public to move freely around the property.

In fall 2018, the NCC hosted a series of consultations to assist with determining the preferences of stakeholders and members of the public regarding potential future uses of the convent. Members of the Congrégation des Servantes de Jésus-Marie; friends of the monastery, including monastery staff, volunteers, visitors and former staff members; and the general public were invited to participate in the discussion concerning potential future uses of the property. Many of those engaged in the process supported the design principles outlined in the Ottawa River North Shore Parklands Plan.

With the current lease ending in March 2020, the NCC will work toward identifying a vision for this property using the feedback generated from the consultative process. It is anticipated that a request for proposals will be issued in spring 2019.

The Parkdale node is located along a section of the south shore riverfront park that marks a transition from the urban character of the Capital core toward the natural character found at Mud Lake. The site offers beautiful views of the Ottawa River, the Capital core area and the Gatineau Hills. When considering this site, participants were asked to reflect upon the potential transformation of the space—from former parkway infrastructure to increased public park space.

An interdisciplinary jury, composed of planning and design professionals, reviewed the submissions, and two winning projects were announced in April 2019. Bennett Oh, Jinsu Park, and Lyric Barnik from the University of Waterloo were awarded for their Jacques-Cartier Park South proposal, and Ji Song Sun, Emily Kaing and Liyang Wan from the University of Calgary were awarded for their Parkdale node proposal. Both teams presented their ideas at a special session of the NCC's Urbanism Lab in May 2019.

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# THE YEAR IN REVIEW

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Tasked with building Canada's Capital Region in accordance with its national significance, the NCC has a long tradition of placemaking. The many achievements of 2018–2019 reflect ambitious first steps toward the deliberate creation of animated public spaces, and are a result of the NCC's concerted efforts in long-term planning, Capital stewardship and building creative partnerships.

By focusing on the ways that people interact with their built physical environment at a local level, the NCC has worked to prioritize the citizens who walk the streets, bike the trails and swim the shores of our nation's capital. The blueprints for these people-oriented spaces, outlined in the NCC's current projects and plans, in many ways have been inspired by, and are reflective of, our shared histories. They are also driven by our shared responsibilities to build a capital that is dynamic, liveable and resilient.

This includes balancing the modern needs of what is already a unique urban environment—a place to live, a destination to visit, and the seat of the Government of Canada—with sustainable design practices that enhance and protect the natural character of the region.

The NCC is proud to advance a mandate, rooted in community-based participation, which capitalizes on each of these assets. In doing so, it is able to imagine a place designed by Canadians, for Canadians—one that features bold, new, mixed-use developments, as well as reintroduces residents and visitors to places that have long inspired a sense of community.



▲ The Rideau Canal Skateway winds its way through the heart of the National Capital Region. It welcomed nearly 1.5 million visitors in winter 2018–2019.





# LONG-TERM PLANNING

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*As the long-term planner of the Capital Region, the NCC enhances the natural and cultural character of the Capital to ensure that it is inspiring to all Canadians and symbolizes our rich past, vibrant present and vital future.*

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“What better place for a planner to work than the NCC? It’s about dreaming big and striving for excellence, part of which means building on the legacy of our predecessors to create a better place – a special place – that we recognize as our capital. I am driven by the different ways we can shape the future of the region by transforming these big dreams into action. Through concerted efforts to improve conditions, every day we set the bar high for design excellence that mediates between sustainability and development.”

**Arto Keklikian**  
Principal Transportation Planner  
37 years

“As the chief of procurement, I am focused on ensuring that the NCC spends public money responsibly and receives the best value for money. My team manages many diverse contracts, from those that support asset repair and maintenance to those that support our internal services. Finding a way to meet operational requirements while complying with our contracting policies is an essential part of maintaining NCC lands so that they can be enjoyed by residents and visitors of the Capital.”

**Andrew Marton**  
Chief, Procurement Services  
3 months

◀ The Voyageurs Pathway is located on the northern shore of the Ottawa River, and is a valued recreational asset.



## Ottawa River South Shore Riverfront Park Plan

The value of the south shoreline has long been recognized as a defining feature of the National Capital Region. Covering approximately 219 hectares (540 acres) of publicly owned lands, the park stretches along nine kilometres of the southwest shore of the Ottawa River. The Sir John A. Macdonald Parkway, completed in 1967, was designed to offer visitors a beautiful scenic drive and pathways along the waterfront. Its enduring presence provides an example of design excellence in scenic road building, and is a legacy from Canada's centennial year.

The Ottawa River South Shore Riverfront Park Plan was approved by the NCC's Board of Directors in June 2018. Key strategic goals include improving access and connectivity to the waterfront, facilitating year-round use, increasing sustainable design elements, protecting natural assets, preserving cultural heritage, and offering safer cycling and pedestrian mobility.

### Westboro Beach

Currently, the NCC is taking its first steps toward revitalizing the south shore by initiating the Westboro Beach Area Redevelopment project. The proposed designs are in alignment with the Ottawa South Shore Riverfront Park Plan, and feature a new pavilion that will offer space for beach activities, community engagement and commercial operations.

Engaging with members of the community and with Canadians at large to ensure that diverse views and experiences are reflected in our work remains a priority for the NCC. In spring 2019, the first round of public consultations will ask participants to share ideas about ways to improve Westboro Beach. A second round of both online and in-person public consultations will be held in 2020 to solicit feedback on the completed design proposals.

Ultimately, the project aims to enhance year-round experiences for beachgoers and site users, as well as identify opportunities to celebrate the area's built heritage and archaeological features, including the existing pavilions and former Skead Mill. The redevelopment will also benefit from the future implementation of the City of Ottawa's light rail transit project.



## Ottawa River North Shore Parklands Plan

The Ottawa River North Shore Parklands Plan aims to create a 21st century waterfront destination in the heart of a green capital. Approved by the Board of Directors in April 2018, the plan is designed to guide future development along Gatineau's riverfront by presenting a comprehensive long-term vision. This includes ensuring that proposed land use offers a wide range of experiences to visitors, provides access to the river, showcases the symbolism of the Capital, and enhances the natural environment. Moreover, the Ottawa River North Shore Parklands Plan seeks to advance a vision recognizing that these areas remain places of living memory which tell the story of the land and the Algonquin presence in the National Capital Region.

Given the scope of the plan, which encompasses 68.8 hectares of mixed-use land and 7.4 kilometres of waterfront around Hull Island, the NCC is currently working to realize two major projects: the Monastère des Servantes de Jésus-Marie and Jacques-Cartier Park South. These initiatives will help to transform these green community spaces by establishing nodes of activity that foster a sense of place, and increase connectivity along the north shoreline.

## Capital Pathway Strategic Plan

The NCC is responsible for the Capital Pathway—236 kilometres of multi-use paths in Canada's Capital Region. With a long history of pathway planning, the NCC ensures that this expansive network is, and remains, an exceptional Capital discovery route connecting large natural areas, cultural landscapes and symbolic points of interest.

Over the past decade, the NCC has been guided by the Pathway Network for Canada's Capital Region: 2006 Strategic Plan, which established a clear and common vision for the 21 distinct pathways. This plan resulted in many improvements to the network, such as the construction of 20.5 kilometres of new pathways and the introduction of new signage to ensure the safety of all users.

In 2018, the NCC began the process of revising the strategic plan in order to provide a framework for future planning and the day-to-day management of the Capital Pathway. The renewed Capital Pathway Strategic Plan will complement its predecessor, while responding to many new realities, including the increased use of the pathways, the arrival of new vehicles on the market, the demands for new access points, and the frequency of extreme weather events.

Several public consultations were held in early 2018, both in person and online, asking participants to assist the NCC in identifying a preliminary vision and developing strategic objectives for the new plan. Multiple stakeholder meetings with the City of Ottawa, the Ville de Gatineau, special interest groups, municipal emergency services and federal partners were also held over the course of 2018–2019.

A draft plan is currently under development, and will focus on an ultimate network concept and outline specific actions, strategies and guidelines for the Capital Pathway network. A final draft is expected to be presented to the Advisory Committee on Planning, Design and Realty, as well as the NCC's Board of Directors, in 2019–2020.

## Gatineau Park Master Plan Review

Covering a total of approximately 36,131 hectares, Gatineau Park is a stunning natural conservation area located minutes from the urban core of the Capital. The Park's vast splendour—including its trails, forests, lakes and lookout points—was noted in early regional plans as a central feature that is intrinsically unique to the Capital Region.

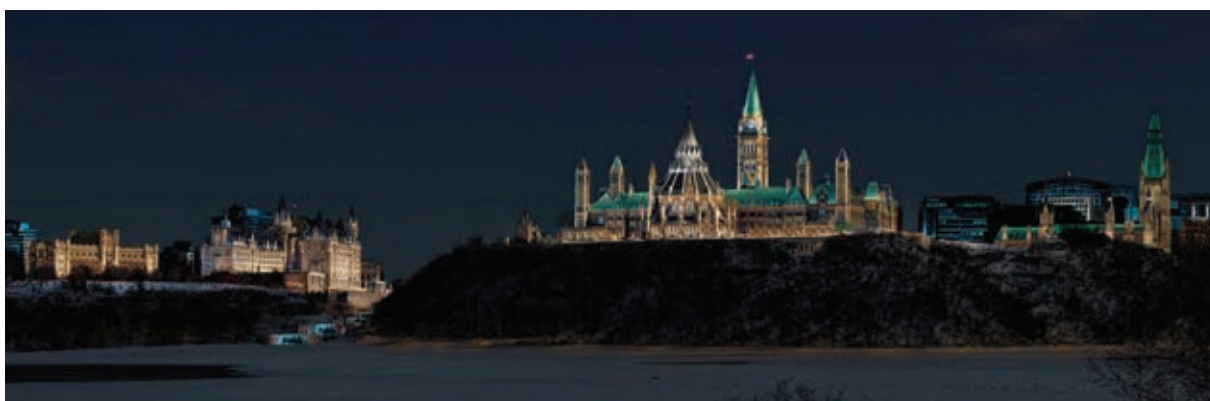
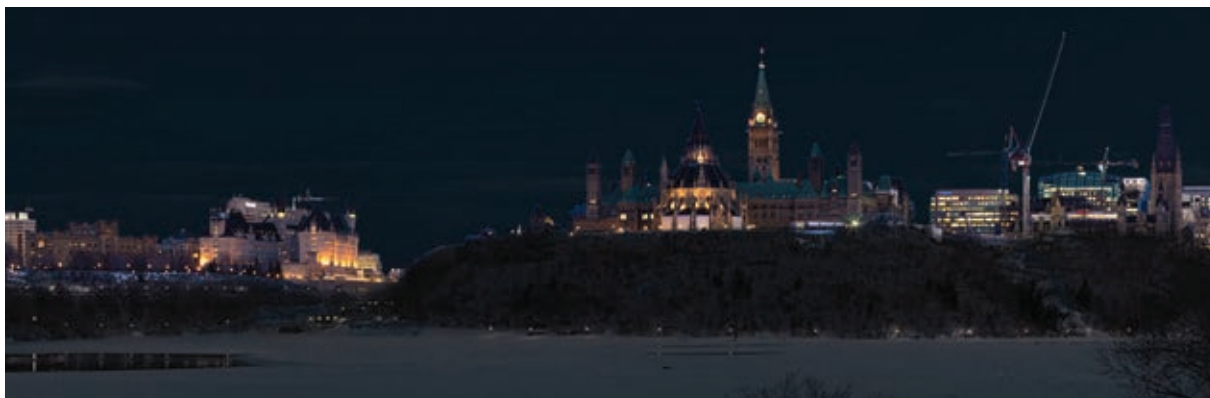
The NCC reviews its master plans every 10 years, on a 50-year horizon, as part of its planning process. Efforts to review and update the 2005 Gatineau Park Master Plan began in 2017, with the intention of bringing the Park forward into the 21st century. The revised plan will build on lessons learned for conserving, managing and enhancing the natural and recreational resources and infrastructure, as well as help guide investments in Gatineau Park. Furthermore, in conjunction with the Plan for Canada's Capital, it will also serve to outline the long-term policy direction for Gatineau Park.

Phases one and two of the review involved diverse consultation processes with the public, stakeholders and Indigenous groups, concerning the vision for the Park. In November 2018, as part of the third review phase, the NCC sought additional feedback on land use concepts and designations, as well as the strategic direction and policies. More than 4,500 individuals participated in these discussions.

The consultative process will continue in spring 2019. Several meetings across the National Capital Region are scheduled to validate the strategic direction and engage the public in the development of strategic goals for the Park's management plans. Phase four is set to begin in late 2019, with a draft plan to be completed in spring 2020.

Ultimately, the review of the Gatineau Park Master Plan provides policy makers with the opportunity to showcase Canada's leadership in the field of environmental protection. It also illustrates the dedication of the NCC to preserving the natural and cultural heritage of the "Capital's conservation park" for future generations.





## Capital Illumination Plan

The NCC's Capital Illumination Plan, 2017–2027, is the first of its kind, and establishes a compelling and cohesive illumination vision to enhance the Capital's nighttime beauty, as well as the experience of residents and visitors. It is identified as one of the milestone projects in the Plan for Canada's Capital, and will make the nighttime Capital more attractive, safe and environmentally sustainable.

As a planning and design tool, the Capital Illumination Plan is being actively used by NCC staff to guide the development and review of lighting strategies and projects. Its content focuses on strengthening the central Capital landscape in the nighttime context, and includes the lighting of significant sites, buildings, monuments and public art within the urban centre.

In 2018, the Canadian Institute of Planners presented the NCC with the Award for Planning Excellence Merit for the Capital Illumination Plan. The award is designed to honour projects that showcase excellence in planning work and contribute to the profession.

The NCC will continue to collaborate with its partners on an ongoing basis, in particular the City of Ottawa and Ville de Gatineau, to achieve the objectives of the Capital Illumination Plan within areas that are not under NCC jurisdiction.



# CAPITAL STEWARDSHIP

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*As the largest landowner in the Capital Region, the NCC is the principal steward entrusted with caring for and protecting the prominent public places that are essential to Canada's symbolic, natural and cultural heritage.*

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“The NCC is the greenskeeper of Canada’s six official residences, and I’m proud to play a role in preserving their historical landscapes in an environmentally friendly way. In 2018–2019, my team acquired new technology to support the ongoing pesticide-free maintenance of the grounds of each property. Setting high standards for sustainable property management and promoting green gardening will allow the NCC to continue conserving these special places for future generations.”

**Nicholas Westwood**

Manger, Official Residences Grounds and Greenhouses

3 years

“The Greenbelt is an extremely valuable resource, not only for its high level of native biodiversity in close proximity to the national capital, but also in terms of providing access to unique research opportunities. As a result of our research in the Greenbelt to date, we’ve been able to better understand the risk areas for Lyme disease transmission in the national capital and test promising interventions to reduce human exposure to infected ticks.”

**Dr. Manisha Kulkarni**

Assistant Professor, School of Epidemiology and Public Health

University of Ottawa

◀ A view of the “Carbide” Willson ruins at Meech Lake in Gatineau Park. The NCC is the custodian of this asset, considered to have heritage significance at the regional level.

## Asset Management

As the largest landowner in Canada's Capital Region, the NCC is the guardian of many nationally significant lands and public assets. These lands, totalling 535 square kilometres and including many natural and built assets, serve citizens and visitors every day and help to define the symbolic, natural and cultural heritage of Canada's Capital Region.

Given the size of the NCC's diverse property portfolio, the corporation has been actively working to address the ongoing challenge of maintaining and preserving its assets. Limited resources have led to deferred maintenance on certain assets in order to prioritize work on others, primarily to address health and safety issues.

Budget 2018 announced the Government of Canada's commitment to reducing this funding shortfall. An investment of \$55 million over two years has allowed the corporation to begin the long process of revitalizing assets in need of critical repair. All projects funded through Budget 2018 have been initiated, and the majority are on track to be completed by the end of the 2019–2020 fiscal year.

Moving forward, the NCC will continue to work with the government to address its long-term financial needs to ensure that maintenance requirements are addressed across the Capital Region.

### *Natural Assets Under the NCC's Stewardship*

- 23 urban parks
- 75 kilometres of waterfront
- 50 lakes
- 39,600 hectares of forested lands
- 2,500 hectares of wetlands
- 5,600 hectares of farmlands







### *Built Assets Under the NCC's Stewardship*

- 1,700 properties
- 6 official residences
- 400+ kilometres of multi-use pathways and parkways
- 145 bridges
- 194 monuments, public art displays, interpretive panels and commemorative plaques

**The approximate replacement value of NCC built assets is \$1.7 billion.**

### **Voyageurs Pathway**

In 2017, the National Capital Region experienced historic flooding. Given the record water levels, combined with record flows, many NCC waterfront assets were impacted, leaving parks and over 20 kilometres of pathways underwater. This included a section of the Voyageurs Pathway, between the Canadian Museum of History and the Portage Bridge.

As part of the Capital Pathway network, the Voyageurs Pathway offers residents and visitors a unique discovery experience along the northern shore of the Ottawa River. The 29.5-kilometre multi-use pathway is a valued recreational asset, and features a truly special view of Parliament Hill.

The severe damage caused to the pathway required extensive rehabilitation efforts. In December 2018, the Voyageurs Pathway was the first major infrastructure project completed using funds from the Budget 2018 investment. Today, the pathway is rebuilt to higher standards, with increased resiliency in preparation for future extreme weather events.

## Official Residences Asset Portfolio Condition Report

Since 1986, the NCC has been entrusted with the ownership and stewardship responsibilities for the buildings and grounds of Canada’s official residences. The entire portfolio includes not only the six official residences but also an additional 50 ancillary buildings, with a total gross area of approximately 25,000 square metres. All of the buildings are designated “classified” or “recognized” heritage buildings by the Federal Heritage Buildings Review Office (FHBRO), reflecting the national significance of the portfolio.

Given the age, condition and heritage of the official residences, the investment needed to maintain these properties requires a disproportionate amount of the NCC’s already limited funds. As a result, the corporation must understand the condition of its assets in order to make strategic decisions regarding this portfolio.

*The Official Residences of Canada: Asset Portfolio Condition Report*, released in April 2018, presented an in-depth assessment of the current state of the properties. According to the findings, 58 percent of

the ancillary buildings and 50 percent of the main residences were considered to be in “poor” to “critical” condition. The report estimates that the NCC requires a one-time injection of \$83 million over 10 years to address the deferred maintenance deficit affecting all six properties, and \$24.6 million, on an annual basis, for ongoing maintenance, repairs and renovation projects, in line with Treasury Board of Canada Secretariat standards for real property maintenance.

In 2018–2019, despite recurring budget constraints highlighted in *The Official Residences of Canada: Asset Portfolio Condition Report*, the NCC completed or undertook multiple projects at Rideau Hall—a classified heritage building that predates Confederation—including staff/service area rehabilitation, damp proofing and a new granite front forecourt. Other residences saw life cycle, and health and safety upgrades, such as roof replacement, as well as access and fire suppression system upgrades. The NCC continues to work with the government to address its long-term financial needs to ensure that maintenance requirements are sufficiently being met.





## Enjoying Gatineau Park Year-Round

Since Gatineau Park's early days, its protection and preservation have remained a top priority for residents, conservationists and policy makers alike. Today, the Park is the National Capital Region's largest and most popular green space. The NCC is proud to be the custodian of this extraordinary natural asset, and actively works to protect its ecosystems and species at risk, control invasive species, and conduct scientific assessments.

The NCC also remains committed to offering Canadians sustainable recreational opportunities within the Park. The characteristic beauty of each season in the National Capital Region makes Gatineau Park the perfect place for adventure year-round. From camping in the summer to snowshoeing in the winter, the Park offers a unique outdoor experience just minutes from the city. The 2018–2019 season was a great success: over 126,000 people passed through the Visitor Centre at 33 Scott Road, and 49,000 people visited the Mackenzie King estate.

Gatineau Park also continues to host community programming throughout the year, encouraging residents and tourists to discover the region's largest natural playground. In 2018–2019, 5,700 students participated in NCC programs, and 800 new Canadians participated in various outdoor activities, including the winter carnival, snowshoeing and summer camping.

### Fall Rhapsody

Fall 2018 marked another successful season of the NCC's free shuttle service from downtown Ottawa and Gatineau to popular viewpoints throughout Gatineau Park. During the month of October, the NCC's partnership with the Société de transport de l'Outaouais and OC Transpo brought over 13,000 passengers to the Park to see the splendid fall colours—a 24 percent increase from the previous year. In addition, as part of Fall Rhapsody, over 5,000 people celebrated Algonquin culture during *Anishinabe Nibin*, or Algonquin summer, at the Gatineau Park Visitor Centre. Organized in collaboration with the community of Kitigan Zibi Anishinabeg, residents and visitors in the National Capital Region gathered together to spend a weekend learning about the traditional Algonquin way of life.

### Responsible Trail Management Project

Gatineau Park offers approximately 200 kilometres of official trails for all-season activities, including hiking, mountain biking, snowshoeing and skiing. However, within the boundaries of the Park, an extensive network of user-created unofficial trails can also be found, negatively impacting the Park's environment and posing a public safety risk.

As a result, the NCC initiated the Responsible Trail Management Project. The primary goal is to reduce the growth of unofficial trails and their overall environmental impact. Successfully managing the official trail network will allow the NCC to fulfill the Park's conservation mandate and to meet environmental obligations, while enriching the opportunities for recreational activities by providing a variety of options for outdoor experiences.

From 2014 to 2017, extensive public consultations were held as part of an effort to engage Park users, stakeholders, associations and elected officials in the conversation about trail management. Over 80 different organizations and groups were invited to participate in the dialogue.

The NCC is currently working with regional volunteer organizations to integrate approximately 100 kilometres of unofficial trails into the official trail network. In addition, approximately 200 kilometres of unofficial trails will be naturalized in order to restore and protect sensitive habitats.

In April 2019, the NCC's Board of Directors approved the integration of 16.5 kilometres of unofficial trails into the network of official trails in Gatineau Park. This work will continue over the next four years, as the NCC works with its partners to manage a trail network that balances the recreational needs of users while respecting the Park's ecological integrity.

*“The Ottawa Mountain Bike Association (OMBA) is very proud of our ongoing and dynamic partnership with the NCC. By working together and sharing our resources and expertise, we have been able to implement snow biking, a new recreational activity offered in Gatineau Park. The NCC has been very receptive to our input during the responsible trail management consultations, and park visitors will now have single-track trails that are sustainable and that minimize the environmental impact.”*

Sandra Beaubien  
President, Ottawa Mountain Bike Association

## #BLUESNEST

In 2018, during preparations for one of Canada's biggest outdoor music festivals, Ottawa Bluesfest, a killdeer nest was found within the expected footprint of the main stage at LeBreton Flats. The killdeer is protected under Canada's *Migratory Birds Convention Act* and so, before event organizers could begin constructing the stage, the NCC required a special permit from Environment and Climate Change Canada to relocate the nest. Given the time constraints, a permit was quickly obtained, which authorized the NCC and its nominees, Ottawa Bluesfest and the Woodlands Wildlife Sanctuary, to safely relocate the nest.

NCC staff built an artificial mobile nesting platform—made of soil, grass and pebbles—to simulate the original nesting surface. In addition, a new nest was created at the final location, with exposed soil, pebbles, sticks and grass to imitate the native nest. The Woodlands Wildlife Sanctuary successfully transferred all four eggs to the mobile nesting platform and, following many small moves, the killdeer pair continued to incubate the eggs at each new location. On June 30, 2018, three of the four eggs hatched and the two adult birds moved away from the nest with their chicks. When the fourth egg hatched, NCC conservation officers transferred the healthy abandoned chick to the Ottawa Valley Wild Bird Care Centre to be released into the wild.





## Canadiana Fund

The Canadiana Fund, a special committee of the NCC, is mandated to enhance the beauty and significance of state areas within Canada's official residences. It is responsible for proposing examples of furnishings, artwork and decorative art objects to the Official Residences Branch for consideration as donations to the Crown Collection. The donations selected often reflect Canada's heritage or artistic traditions, or have historical associations with one or more of the official residences.

In 2018–2019, the NCC acquired nearly 20 artifacts through the Canadiana Fund. The donations included both furniture and artwork, including a collection of artwork from well-known Indigenous artists. A fundraising campaign was also successfully launched to celebrate music at Rideau Hall. The efforts of the campaign resulted in the Canadiana Fund donating two new Steinway concert pianos to the Crown Collection: one for the historic Ballroom of Rideau Hall and another for the Large Drawing Room. Funds were also secured to invest in the preservation of the Glenn Gould piano located in the Long Gallery. The Glenn Gould piano is currently at the Steinway factory in New York for restoration.

## Asa Meech House

Nestled amid a grove of tall maples, the Asa Meech house at 601 Chemin du Lac-Meech is among Gatineau Park's best-kept secrets. Acquired by the NCC in 1964, the historic one-and-a-half-storey clapboard home can trace its origins back nearly two centuries, when reverend Asa Meech traversed the tall forests and steep hills surrounding Meech Lake. The reverend was among the area's first permanent inhabitants, and the quaint heritage home reflects his early contributions to the lake now bearing his name.

Recognizing the cultural and historical importance of Gatineau Park's oldest home, the NCC began comprehensive rehabilitation of the dwelling in 2018. A thorough evaluation by heritage experts revealed early log timbers and machine cut nails from the reverend's first log house, suggesting it had been incorporated into the clapboard structure that stands today. A new cedar shake roof was installed, century-old floorboards refinished, and the home's distinctive clapboard and ornate 19th century detailing are being carefully stripped, sanded and repainted. Upgraded mechanical systems, appliances and fixtures add new opportunities for adaptive reuse. In a creative link to the NCC's Greenbelt heritage farmsteads, a compromised beam in the home's interior has been replaced with a 150-year-old barn timber. The original heritage barn was razed during the 2018 tornadoes.

The end result is a spectacular triumph in stewardship. Blending old and new, the historic structure will be rented as part of the NCC's residential leasing portfolio. With work to be completed by summer 2019, the historic home will be protected for years to come, giving future generations the opportunity to explore Gatineau Park's unique cultural heritage.



# CREATIVE PARTNER

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*As a creative partner, the NCC meaningfully engages and collaborates with a wide range of stakeholders and citizens to help build a strong and distinctive Capital Region that represents all Canadians.*

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“Being a part of the NCC marketing team allows me to develop and implement innovative strategies for reaching our audience: the residents and visitors of Canada’s Capital Region. In 2018–2019, we modified our marketing approach for the Gatineau Park winter campaign. The results of our efforts saw an 18 percent increase in the number of winter season passes sold compared with the previous year. This reflects our dedication to connecting the public to our many plans, programs and initiatives.”

**France Charlebois**  
Marketing Advisor  
5 years

“Transparency is important to the NCC. Our Access to Information and Privacy (ATIP) team supports public access to information about the NCC’s many initiatives, while also ensuring that personal information is protected. As part of its efforts to build a capital for all Canadians, the NCC takes its role as a public partner seriously. ATIP helps to keep the organization accountable.”

**Alain Belleville**  
Chief, Access to Information and Privacy  
2.5 years

◀ As one of the largest owners and managers of land in the National Capital Region, the NCC collaborates with local municipalities to build a capital for all Canadians.

## Building Relations With Indigenous Peoples

The NCC continues to seek ways to build strong relationships with local Indigenous leaders and peoples, ensuring that their interests are truly reflected in the numerous projects and initiatives being undertaken across the region.

### Delegation of Algonquin Chiefs

In 2016, the NCC's Chief Executive Officer began hosting regular discussions with the Delegation of Algonquin Chiefs. This working group was established in order to engage with Algonquin Nation leadership, and encourage open dialogue on a variety of topics, including major Capital projects in the region, and the management and use of NCC lands. The Delegation of Algonquin Chiefs is open to all communities represented by the Algonquin Nation Secretariat and the Algonquin Anishinabe Nation Tribal Council, and aims to foster a positive working relationship and closer collaboration between the NCC and the Algonquin Nation. Since the establishment of the working group, the NCC has held 12 meetings with the Delegation of Algonquin Chiefs.

### Mâwandòseg Bridge

In 2018, the NCC continued to consult with First Nations representatives and a group of young ambassadors from the Kitigan Zibi Anishinabeg First Nation regarding signage for the Mâwandòseg Bridge. The newly rebuilt pedestrian bridge, named for its location on traditional grounds used for celebration, can be found on the Voyageurs Pathway over Leamy Creek in Gatineau. The installation of the new sign, designed and interpreted by the local Indigenous communities, is planned for fall 2019.



In 2018, 800 people participated in public digs at Leamy Lake Park and the Moore Farm for Archaeology Month.

### Working With the Crown Collection

In 2018, the NCC responded to a request by the Mohawk Delegation of Akwesasne First Nation, whose wishes were to accommodate the recognition of traditional ceremonies. The intent of the request was to ensure that the tradition of “feeding” their masks was carried out by tribal representatives.

Discussions were held to plan the feeding of the masks according to Mohawk traditional customs. In April 2019, elder representatives of the Mohawk Nation, joined by representatives from the NCC, celebrated in a ceremony held in Gatineau Park. Moving forward, upon the request of the Mohawk Delegation, a process to repatriate the masks will be initiated, with the goal of presenting them to the Mohawk Nation in 2019.

### Algonquin Experience Workshop

The year 2019 marks the United Nations (UN) International Year of Indigenous Languages. To show its support, the NCC engaged in the promotion of an Algonquin-language working session with staff. The workshop's overwhelming success highlighted the desire to learn about the diversity of Indigenous languages.



## Archaeology in the Community

The archaeological heritage of Canada's Capital Region can be traced back 8,000 years, and remains largely intact. Several sites on the shores of the Ottawa, Rideau and Gatineau rivers contain evidence of occupation by Indigenous peoples over thousands of years, as well as the first settlements established by Europeans. For this reason, the NCC organizes digs and public workshops to encourage Canadians to uncover the history of the land.

As part of its commitment to heritage conservation, the NCC manages archaeological resources—before, during and after development initiatives—and considers archaeological issues as part of its planning. This work involves mapping the archaeological potential of the Capital Region, conducting environmental assessments to minimize adverse environmental impacts (including on archaeological resources) and ensuring adequate artifact storage.

Indigenous engagement is essential in this area, particularly for excavations. The NCC actively works with local Indigenous communities through its Protocol for the Co-management of Archaeological Resources to protect and manage archaeological resources and assist in capacity building. During summer 2018, four of the six students participating in the NCC's Archaeology Program were Anishinabe.

In 2018, the NCC launched the Assessment and Rescue of Archaeological Legacy project, in response to the 2017 spring flood and the ongoing erosion of archaeological sites situated on shorelines managed by the NCC. Fieldwork focused on the collection of baseline data from 16 archaeological sites on the north shore of the Ottawa River, between the mouth of the Gatineau River and the Champlain Bridge. Findings indicated that the sites in Leamy Lake Park and Jacques-Cartier Park, in particular, have been severely damaged by erosion. To mitigate the loss of archaeological resources at these sites, preventive measures will be introduced in summer 2019.

## UNCOVERING HISTORY

The foundations of Lieutenant Colonel John By's house were jointly excavated by the NCC and Parks Canada in 1972 and 1973. These excavations yielded more than 95,000 artifacts, reflecting the daily life of a British military officer's family in 19th century Ottawa. The collection, expertly curated over the years by Parks Canada, was transferred to the NCC in 2018. The preparation of the detailed catalogue necessary to find a long-term archaeological repository for the collection was carried out by the NCC's summer archaeology students.

## Connecting With Canadians

In the ongoing pursuit of meaningful engagement, the NCC remains committed to building strong relationships with citizens and stakeholders. The 2018–2019 fiscal year was one of the NCC's most successful years, as over 15,000 Canadians participated in consultations on various topics. The NCC's social media presence also continues to grow, with almost 165,000 people engaging online in 2018–2019.

### The Urbanism Lab

Designed as an innovative forum for dialogue and participation, the NCC's Urbanism Lab is where community and thought leaders, experts, and interested citizens gather for focused discussions on key topics facing the Capital Region. In 2016, the NCC began broadcasting on YouTube, in addition to Periscope.

In 2018–2019, the Urbanism Lab offered sessions on several important and emerging topics, including the following notable examples.

**Walk This Way: Designing a Pedestrian Paradise—**

In September 2018, the NCC invited urban planners from New York City, Montréal and Vermont to explore how to create spaces that contribute to the urban fabric as dynamic and multi-functional venues. The panel discussion was intended to guide future plans for urbanizing our capital and to build onto the NCC’s existing plans to make Ottawa a more pedestrian-friendly city.

**Gardens and Healthy Cities—**In October 2018, the NCC collaborated with Canadensis and the Canadian Nursery Landscape Association to explore the unique contributions to human health that gardens and picturesque landscapes provide. The panel featured directors from two of the nation’s proudest botanical gardens, along with knowledgeable community facilitators from the Canadian health community. The event also provided an opportunity to highlight the NCC’s important role, as the official gardener of the Capital, in maintaining the Capital’s rich natural legacy.

**Beyond Green Buildings—**In November 2018, the NCC welcomed visitors to one of its signature buildings, 50 Sussex Drive, for a discussion on the future of sustainable urban development. Hosted by The Royal Canadian Geographical Society, the event featured a panel of experts from Quebec, Ontario and the United States, who shared their experiences about how to achieve greener cities. They also discussed how sound urban planning principles can contribute to building more resilient cities that are able to manage the increasing pressures related to climate change. The event was presented in partnership with the Canada Green Building Council and the Embassy of the United States in Canada.

**The City and the Brain—**In December 2018, the NCC partnered with Urban Forum to discuss new and innovative ways of analyzing built environments using neuroscience. Two professors from the University of Waterloo shared their research on the interpretation of spaces at a cognitive level, as well as the relationship between the built environment and psychological well-being.

**Metropolitan Governance and Big Data—**In January 2019, the NCC invited speakers from the University of Toronto, University of California, Berkeley, and Université du Québec en Outaouais to speak to the role big data can play in shaping policy making in large metropolitan areas. The presentations explored how analytic techniques can inform governmental decision making and the importance of facilitating open and transparent data sharing to better connect cities and support urban planning.

**Reuse and Renewal: Designing Futures for Historic Places—**In February 2019, the NCC hosted a discussion that focused on the reuse and renewal of historic buildings and sites and the opportunity to find new purposes for heritage spaces in the Capital. Industry experts shared their experiences working on several successful examples of transformative projects, including the Monastère des Augustines in Québec City, Quebec, and the Galt Post Office in Cambridge, Ontario.

**Okay, Google: How do I engage my community online?—**In March 2019, the NCC considered how organizations can best build and engage communities online by leveraging new and existing digital platforms. Communications professionals from Public Safety Canada, Hydro Ottawa, and Ottawa Public Health presented case studies that showcased the use of innovative communications tools like voice search technology, geo-tagging and chatbots, in supporting digital content strategies.

### *2018–2019 Public Engagement Highlights*

The NCC hosted 47 public engagement events:

- 9 online consultations
- 18 public consultations
- 9 stakeholder and community meetings
- 12 Urbanism Lab events



## Partnerships

A capital is a shared place and a shared responsibility. In 2018–2019, the NCC supported many of its partners in delivering their unique initiatives.

### Trailblazing in the Capital

Visitors and residents of the Capital Region could enjoy more than 25 kilometres of multi-use winter trails along the river shorelines in 2018–2019. Maintained by community-based organizations in partnership with the NCC, these trails offer new life to spaces that are traditionally underutilized in the coldest months.

In the west, winter enthusiasts can follow the Sir John A. Macdonald Winter Trail, a 16-kilometre groomed, multi-use winter trail for walkers, skiers, snowshoers and snow bikers, along the Sir John A. Macdonald Parkway. To the east, a 9.5-kilometre multi-use winter trail can also be found along the Ottawa River shoreline, starting at Trim Road and running to Green's Creek. Finally, the City of Ottawa initiated a pilot project to groom a winter trail along the Rideau River. This pressed-snow trail follows the Rideau River Eastern Pathway between the Hurdman Bridge and Montréal Road.

### Christmas Market

In December 2018, the NCC partnered with Alpha Art Gallery and the ByWard Market to host the inaugural Ottawa Winter Wonderland Christmas Market. More than 20 local vendors participated in the holiday festivities located in the Clarendon Courtyard of the ByWard Market.

### Café Altern

The NCC partnered with the Conseil des écoles publiques de l'Est de l'Ontario to host Café Altern, an innovative café program for high school students. The café is located at 459 Sussex Drive, and the initiative aims to teach students about running a business and, more simply, how one coffee can make a difference. Café Altern opened in November 2018, and will remain open until the end of May 2019.



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## LEADING BY EXAMPLE

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*The NCC is dedicated to promoting the principles of corporate social responsibility in all that it does. This means engaging in environmentally sound practices to help achieve sustainability, protecting the heritage of the Capital, planning a universally accessible capital, and fostering a diverse, healthy workforce.*

“The key to success in any organization rests within its workforce. Employee experience and candidate experience are both very important to the NCC, which is why my team continues to explore new, more efficient ways of providing human resources support to our managers and their staff. Ensuring that the NCC is a workplace that attracts and retains industry leaders will enable us to best deliver our mandate.”

**Vicki Kelly**  
Manager, Human Resources Client Services  
9 months

“Organizational growth often comes as a result of solutions-oriented leadership and, as auditors, we strive to help our colleagues find solutions. My team works hard to provide the CEO and the Board of Directors with an independent opinion and level of assurance on the efficiency, economy and effectiveness of NCC operations, as well as the adequacy of corporate risk management, control and governance processes.”

**Michel Collette**  
Acting Director, Audit, Research, Evaluation and Ethics Branch,  
and Chief Audit Executive  
5 years

◀ The NCC is committed to working with its partners, stakeholders and the public to continue building a greener and more sustainable Capital Region. In 2018–2019, a total of 2,400 trees were planted at more than 15 sites.

## Environmental Sustainability

The NCC has a long tradition of environmental protection within Canada's Capital Region. Its first environmental strategy, entitled *Building a Greener Capital (2009–2017)*, was built on this tradition, and had ambitious targets for environmental action in five areas: reducing waste, protecting biodiversity, preventing pollution, leading in environmental practices and combatting climate change.

In fall 2018, the NCC introduced an updated Sustainable Development Strategy, 2018–2023, (SDS), which challenges the organization to innovate and improve upon the way it does business. The SDS provides a focused and innovative agenda for environmental leadership in Canada's Capital Region, and serves as an overarching element to be included in all of the NCC's plans, strategies, policies and operations. It also reflects the NCC's commitment to working with its partners, stakeholders and the public to continue building a greener and more sustainable National Capital Region together.

The relaunching of this environmental strategy is significant, because it aims to protect our natural and cultural heritage and to improve the health and well-being of all residents and visitors. It also aligns with three important federal and international initiatives: the Federal Sustainable Development Strategy, the Greening Government Strategy and the UN Sustainable Development Goals.

In support of these environmental strategies, the SDS allows the NCC to provide a visible and transparent reporting mechanism for tracking progress toward sustainability goals annually. The SDS was approved by the NCC's Board of Directors in September 2018.

## Partnerships for Regional Sustainability

Creating sustainable communities requires collaboration across political and geographical boundaries, as well as knowledge and expertise from various disciplines. The NCC brings together conservation groups, active mobility advocates, energy conservation experts, urban planners and ecology organizations, as well as its partners at the City of Ottawa, Ville de Gatineau and other levels of government to gather ideas and implement projects in order to address important challenges and opportunities in the region. Through the implementation of the Sustainable Development Strategy, 2018–2023, the NCC will act as a leader jointly with its regional partners to move beyond greening NCC operations and toward a more sustainable Capital Region.

## Environmental Assessments

The NCC completed the assessment of 19 sites and undertook ongoing remediation activities at 12 sites. In 2018–2019, the NCC made 99 project decisions under Section 67 of the *Canadian Environmental Assessment Act, 2012*. This compares with 71 project decisions made in 2017–2018. In both 2017–2018 and 2018–2019, there were no projects that required a determination from the Governor-in-Council.

- The NCC has reduced greenhouse gas emissions by 58 percent compared with a 2005 baseline.
- A total of 2,400 trees were planted at more than 15 sites.
- Some 90 volunteers participated in new citizen science programs.
- All demolition projects have diverted at least 95 percent of waste from landfills.

## Employee Engagement

Increased employee engagement remains a top priority at the NCC. As a result, the corporation worked with an outside firm to facilitate solutions-based workshops with employees. Following this external assessment, an internal task force on engagement was created to address all recommendations. The task force was composed of employees at varying levels, and from all branches of the NCC, who volunteered for the opportunity to enhance our work environment. Task force members met regularly throughout 2018–2019, with the goal of transforming the recommendations into concrete actions. These efforts led to the development of the Framework for Engagement, which was endorsed by the Executive Management Committee in March 2019.

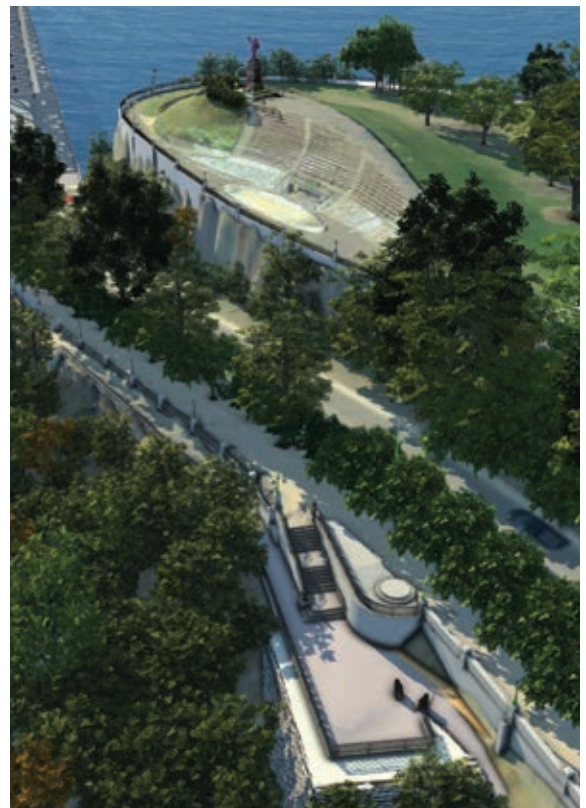
The Framework for Engagement is multi-faceted and encompasses themes identified by task force members, as well as elements of well-being, diversity and inclusion, and community building. It is intended to be used as a tool that will improve the experience of employees throughout their careers, and make the NCC an employer of choice.

## Universal Accessibility

Throughout 2018–2019, the NCC continued its leadership in promoting and enhancing universal accessibility in the Capital. Internally, the Advisory Committee on Universal Accessibility plays an essential role in promoting inclusive and accessible projects and programs within the National Capital Region. Fall Rhapsody included another successful transportation project for persons with disabilities, and offered shuttle services from downtown Gatineau to Gatineau Park. Externally, the Advisory Committee on Universal Accessibility works with partners like the Rick Hansen Foundation to advocate for a built environment across Canada for people of all abilities, and supports Canada's role in the UN Convention on the Rights of Persons with Disabilities.

## Capitalizing on Innovation

In this era of digital transformation, the NCC is continuing to evolve its technological capabilities in support of planning, design and presentation of national capital projects. The geomatics team continued its partnership with Carleton University's Carleton Immersive Media Studio lab in 2018 to further develop its NCC-focused city model for visualization and view protection analysis. This process is supported by the collection of data sets from various partners, enriching the quality of the depiction within a 3-D model. As the dataset of the existing environment is compiled, users will be able to place new elements into the visualization and constructively analyze changes. The use of a 3-D model will help the NCC better understand the outcome of landscape-changing development projects within the National Capital Region.







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# LOOKING FORWARD

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For over a century, the NCC and its predecessors have been mandated to serve as both the Capital Region's primary long-term planner and the principal steward of federal lands. These responsibilities are what drive the NCC toward creating a dynamic, inspiring and sustainable capital that remains a place of national significance, and a source of pride, for all Canadians. As the NCC approaches another important milestone, 120 years of Capital building, its strategic priorities reflect the corporation's commitment to introducing bold, innovative projects to the public realm.

**Foster an inclusive and meaningful National Capital Region of national significance through strong relations with the public, Indigenous peoples and all orders of government.**

**Ensure a picturesque and natural National Capital Region through conserving and enhancing natural assets, cultural landscapes and built heritage under the NCC's stewardship.**

**Contribute to a thriving, connected and sustainable National Capital Region that inspires Canadians through the planning, development and improvement of the NCC's assets.**

◀ Gatineau Park is the National Capital Region's largest and most popular green space, offering residents and visitors a unique outdoor experience just minutes from the city.



## Maintaining Infrastructure and Assets

Improving the condition of its diverse portfolio of assets and infrastructure to ensure safety and resiliency, and that they meet the expectations and needs of Canadians, remains a top priority for the NCC. In 2018, the Government of Canada announced an investment of \$55 million in Budget 2018. This two-year funding allowed the NCC to take the essential first step in addressing its deferred asset maintenance. All projects funded through this federal investment have been initiated as of September 2018.

Moving forward, the NCC will continue its work improving assets in need of critical repair and maintenance, in accordance with Budget 2018. The NCC will also work to improve its governance structure for investments in assets, and initiate condition reports on priority assets, in order to best inform asset management plans and resource allocation.

Furthermore, the NCC will continue to provide ongoing leadership for projects to maintain, rehabilitate and improve the health, safety, functionality and security of the official residences. As Budget 2018 did not address deferred asset maintenance within this portfolio, the corporation will continue to advise the government on options for its management, governance and funding, and advance projects in accordance with government policy decisions.

### Regional Transportation and Interprovincial Crossings in Canada's Capital Region

The NCC's planning mandate for federal lands in the National Capital Region includes interprovincial bridges, which are major components of federal involvement in the planning of the region. As announced in Budget 2019, and to address the demonstrated need for an additional crossing in the National Capital Region, the NCC will work toward refreshing existing studies, and developing a long-term integrated interprovincial crossing plan with both provincial governments and the cities of Gatineau and Ottawa.



## Transforming LeBreton Flats, the Islands and the Shorelines

To enhance the public experience of a vibrant and distinctive National Capital Region, the NCC is facilitating and supporting the transformation and redevelopment of LeBreton Flats and the surrounding Chaudières, Albert and Victoria islands. In particular, the NCC remains committed to the redevelopment of LeBreton Flats to the highest standards of planning, design, sustainability and connectivity.

The NCC is moving forward with the timely development of a concept plan that will provide a renewed vision for LeBreton Flats. Benefitting from early engagement with the public, the Algonquin Nation, stakeholders, the surrounding community and the City of Ottawa, the NCC will build on lessons learned in order to create synergies and ensure greater connectivity. The corporation is planning to launch a request for proposals to redevelop the Library District, a 1.17-hectare (2.9-acre) mixed-use site adjacent to the future location of the new Ottawa Public Library and Library and Archives Canada, in late 2019.

The NCC will continue its dialogue with Indigenous peoples, and engage them in formal consultations on the projects at LeBreton Flats and in the surrounding area, including Victoria Island. The NCC will continue with the remediation of the island, in parallel with its efforts to advance and complete its long-term vision and plan for the site, which is to be developed in partnership with the Algonquin First Nation. The NCC meets regularly with the chiefs representing the Algonquin First Nation to discuss a number of significant issues, including the redevelopment of LeBreton Flats and the future of Victoria Island.

Furthermore, efforts to offer public access and seamless connectivity for Canadians to discover the shorelines and waterways continue to be a priority for the NCC. In keeping with its vision for the Capital's shorelines, the NCC will move forward with plans to revitalize Nepean Point, based on the winning proposal for the site. Additionally, in an effort to expand access to the shorelines and waterways of the National Capital Region, the NCC will pursue the development of a new southeast riverfront park plan, in alignment with the Ottawa River South Shore Riverfront Park Plan. The NCC will also develop and implement commercial activation points along the shorelines for animation and activity.



## Pursuing Asset Management and Financial Sustainability Strategies

As part of its long-term asset management and financial sustainability strategy, the NCC will identify solutions that could be leveraged to augment its revenue generation, and optimize the use of its lands and other assets to realize their best possible value. Part of this strategy is the 10-year development plan, which identifies underperforming assets and determines methods to leverage those assets for reinvestment in the NCC's high-performing assets. These methods include land leases, disposals, the granting and issuance of easements, and the potential transfer of Regional Interest Land Mass to interested partners.

## Modernizing Planning in the Capital Region

The NCC is committed to modernizing its planning framework, and is implementing innovative planning tools and plans that support the long-term direction of a lively and sustainable National Capital Region. Central to these efforts will be the implementation of the Plan for Canada's Capital, 2017–2067. The NCC will also advance the renewal of other key plans for the Capital Region, including the Gatineau Park Master Plan. Other work to support the modernization of the planning framework will focus on developing clear and concise policies, simplifying processes to achieve more efficiency and timeliness, and fostering a better understanding of requirements among proponents seeking federal approvals.

Additionally, through its responsibility for granting federal land use, design and transaction approvals, the NCC will support major projects being undertaken in the Capital Region, including the rehabilitation of the Parliamentary Precinct and the City of Ottawa's Stage 2 light rail transit project.



## Practising Environmental Sustainability

At the heart of the NCC's business is the stewardship of federal lands and assets. The NCC will continue to work to conserve, protect and manage these lands, green spaces and urban parks in order that current and future generations may use, enjoy and appreciate these natural settings.

After setting ambitious targets for environmental action in 2009, the corporation made real progress achieving objectives outlined in its first environmental strategy. This progress has helped inform the renewed Sustainable Development Strategy. Approved by the NCC's Board of Directors in fall 2018, the renewed strategy is significant because of its adoption of the Federal Sustainable Development Strategy framework, the Government of Canada's primary vehicle for contributing to the UN Sustainable Development Goals.

Moreover, the NCC will strive to strengthen its relationships with capital cities organizations and urban networks, both domestically and abroad. This information sharing will assist the corporation in developing industry best practices and support the implementation of the updated Sustainable Development Strategy.

## Demonstrating Corporate Excellence

The NCC recognizes that its workforce is its strongest asset. The corporation's staff directly contribute to its success. To that end, the NCC will pursue the revitalization and rejuvenation of its human resource practices and policies. Through the use of solutions-based workshops, corporation-wide micro-surveys, and a 360-degree learning needs analysis, the NCC will renew its employee engagement strategy, modernize its recruitment framework and develop an organizational learning strategy. These initiatives will assist the NCC in its efforts to become an employer of choice in the National Capital Region.

In all of its activities and operations, the NCC's priority is to stand out as an exemplary federal Crown corporation. The NCC will strive to meet the highest standards of innovation, effectiveness, economy and efficiency in all that it does. Building on existing systems, the NCC will examine further opportunities to optimize business processes and operations. The corporation will also strive to leverage emerging technologies through digital transformation strategies.

The NCC will continue to communicate and promote NCC programs and activities through its integrated Marketing, Communications and Public Affairs plan. The plan, coupled with the corporation's efforts toward digital transformation, will promote assets regionally and nationally. Included in the NCC's efforts toward digital transformation is the creation of a 3-D model of the National Capital Region and a virtual tour of the NCC's pathways, parks and other assets.



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# CORPORATE GOVERNANCE

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## Mandate

The National Capital Commission (NCC) is a federal Crown corporation created by Canada's Parliament in 1959 under the *National Capital Act*. The role of the NCC as defined in the *National Capital Act* is "to prepare plans for and assist in the development, conservation and improvement of the National Capital Region in order that the nature and character of the seat of the Government of Canada may be in accordance with its national significance." The corporation fulfills this role through the following areas of activity:

- setting the long-term planning direction for federal lands in Canada's Capital Region;
- guiding and controlling the use and development of federal lands in Canada's Capital Region;
- managing, conserving and protecting NCC assets (including Gatineau Park, the Greenbelt, urban parks, real property, and other assets such as bridges, pathways and parkways); and
- maintaining heritage sites in Canada's Capital Region, such as the official residences and commemorative sites.

As a federal Crown corporation, the NCC is subject to Part X of the *Financial Administration Act*. The NCC reports to Parliament through the minister of Canadian Heritage, who is designated as the minister for the purposes of the *National Capital Act*.

## Mission

The NCC's mission is to ensure that Canada's Capital Region is of national significance and a source of pride for Canadians.

## Guiding Principles

To guide the conduct of its activities, the NCC abides by the following principles. These principles support the priorities established by the federal government for Crown corporations.

### Organizational Excellence

The NCC pursues organizational excellence by working collectively to achieve high standards and provide a superior client experience for Canadians and its stakeholders, while nurturing a resilient and engaged workforce.

### Clarity

The NCC sets and communicates clear priorities for the building of Canada's Capital.

### Openness and Transparency

The NCC ensures the openness, transparency, and integrity of its activities, and continually engages the public and stakeholders.

### Collaboration

The NCC recognizes that reconciliation with the Indigenous peoples of Canada and collaboration with the public and all stakeholders are essential to its success.

### Pride

The NCC takes pride in building an inclusive Capital Region that embodies Canadian values and traditions.

◀ Residents and visitors can enjoy over 236 kilometres of multi-use paths in Canada's Capital Region, including the one pictured here: the Rideau Canal Western Pathway along the Queen Elizabeth Driveway.



## Core Responsibilities

With a mandate reaching back 120 years, the NCC has been serving as both the National Capital Region's primary long-term planner and the principal steward of federal lands, to build a dynamic, inspiring and sustainable capital. In addition to internal services, the NCC has two core responsibilities which reflect its key obligations to the public as a government organization.

### Long-Term Planning

The NCC ensures that federal lands and assets meet the needs of government and Canadians, and reflect and respect the significance, natural environment and heritage of the National Capital.

The NCC develops long-term plans, identifies the National Interest Land Mass (NILM), and manages federal land use, design and transaction approvals.

With partners in the region, the NCC also conducts interprovincial transportation planning, and facilitates transportation projects.

### Stewardship and Protection

The NCC manages, maintains, protects, develops and rehabilitates federal lands and assets in the National Capital Region. The corporation also ensures that Canadians have safe, appropriate and sustainable access to experience these federal lands and assets. Through its stewardship activities with the official residences, the NCC ensures that accommodations for Canada's official leaders are appropriate, and serve as inspiring settings for state events and ceremonies.

### Internal Services

To fulfill its ongoing planning and stewardship responsibilities, the NCC has a series of organization-wide internal services that support the delivery of its activities and management of resources. These functions support the NCC's management of financial and human resources; governance structures, including the board of directors and committees; public affairs, communications and marketing; legal services; reporting to Parliament and Canadians; as well as information technology and geomatics services.



## Board of Directors

### Composition, Roles and Responsibilities

The NCC's board of directors brings together people of relevant professional backgrounds, from the Capital Region and across Canada. As defined in the *National Capital Act*, the board consists of a chair, a chief executive officer (CEO) and 13 other members, from the Capital Region and other parts of the country. At this time, seven members of the Board are from Canada's Capital Region (including the Chair and CEO), while the remaining eight members are from across Canada. The mayors of the cities of Ottawa and Gatineau are also participants in all board meetings, on an ex-officio, non-voting basis.

The board of directors is responsible for the oversight and direction of the NCC's activities and assets. In carrying out this role, the board of directors undertakes the following:

- sets broad strategic directions for the organization;
- ensures the effective and efficient use of corporate resources;
- monitors and reviews corporate performance and risks;
- approves key accountability documents for the government, such as the corporate plan, annual report and quarterly financial reports;
- approves significant projects and transactions to be undertaken by the organization; and
- communicates and fosters relationships with government, stakeholders and the public.

In its corporate oversight role, the board of directors plays an active part in setting and monitoring management direction. The CEO is accountable to the board of directors for the management of the NCC's activities and the implementation of the board's strategic directions for the coming year. The CEO reports to the board of directors on corporate performance at the start of each board meeting by presenting a report on activities.

### Board Appointments

The minister responsible for the *National Capital Act* appoints board members with the approval of the Governor-in-Council, while the Governor-in-Council appoints the chair and CEO. Since February 2016, a new appointment process is in place for Governor-in-Council appointments, including chairs, heads and members of boards of directors. The new requirements establish an open, transparent and merit-based selection process for Governor-in-Council appointments. Under this process, interested individuals can apply to the government for appointment. A selection committee will assess candidates, and identify those found to be the most highly qualified for appointment. Based on this advice, the minister makes a recommendation to the Governor-In-Council for appointment.

### Municipal Participation at Board of Directors Meetings

In February 2016, the NCC Board of Directors amended its by-laws to include the mayors of the cities of Ottawa and Gatineau as participants in all board meetings on a non-voting, ex-officio basis.

The participation of the mayors is governed by the same code of conduct, confidentiality provisions and conflict of interest rules required of NCC board members. As non-voting, ex-officio participants, the mayors—like all other members—can participate in discussions by raising questions and making comments during meetings of the NCC's board. The mayors are present for all board business, with the exception of some items to respect commercial confidentiality, cabinet confidences, solicitor-client privilege, human resource or privacy matters, or matters related to the official residences of Canada.

# National Capital Commission Board of Directors<sup>1</sup>



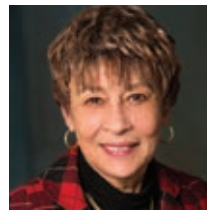
**Marc Seaman**  
Chair  
Ottawa, Ontario  
June 7, 2017 to  
June 6, 2022  
**A, B, C, 1, 2**



**Dr. Mark Kristmanson**  
Chief Executive Officer  
Ottawa, Ontario  
February 3, 2014 to  
February 2, 2019  
**A, B, C, 1, 2**



**Tobias (Tobi) Nussbaum**  
Chief Executive Officer  
Ottawa, Ontario  
February 4, 2019 to  
February 3, 2023  
**A, B, C, 1, 2**



**Mireille Apollon**  
Gatineau, Quebec  
December 14, 2017 to  
December 13, 2021  
**A**



**Larry Beasley**  
Vancouver,  
British Columbia  
January 30, 2018 to  
January 29, 2022  
**A, 1**



**Victor Brunette**  
Gatineau, Quebec  
June 18, 2015 to  
June 17, 2019  
**1**



**Michael Foderick**  
Toronto, Ontario  
December 17, 2017 to  
December 16, 2020  
**B**



**Tanya Gracie**  
Ottawa, Ontario  
December 14, 2017 to  
December 13, 2020  
**B, C**



**Aditya Jha**  
Mississauga, Ontario  
March 26, 2015 to  
March 25, 2019  
**C**



**Carol Loughrey**  
Fredericton,  
New Brunswick  
July 1, 2015 to  
June 30, 2019  
**B, 2**



**Lisa M. MacDonald**  
New Glasgow,  
Nova Scotia  
July 1, 2015 to  
June 30, 2019  
**C**



**Deborah Morrison**  
Ottawa, Ontario  
June 25, 2018 to  
June 24, 2022  
**C**



**Norm Odjick**  
Maniwaki, Quebec  
December 17, 2017 to  
December 16, 2020  
**A, B, 2**



**Sara Jane O'Neill**  
Ottawa, Ontario  
December 14, 2017 to  
December 13, 2021  
**B, C**



**Bob Plamondon**  
Ottawa, Ontario  
May 14, 2014 to  
May 13, 2018  
**B**



**Basil L. Stewart**  
Summerside,  
Prince Edward Island  
June 18, 2015 to  
June 17, 2019  
**B, C**



**Denis Vaillancourt**  
Rockland, Ontario  
May 14, 2018 to  
May 13, 2022  
**C**



**Maxime  
Pedneaud-Jobin**  
Mayor of the  
Ville de Gatineau



**Jim Watson**  
Mayor of the  
City of Ottawa

## Non-voting ex-officio participants

### Corporate Committees

- A** = Executive Committee
- B** = Audit Committee
- C** = Governance Committee

### Advisory Committees

- 1** = Advisory Committee on Planning, Design and Realty
- 2** = Advisory Committee on the Official Residences of Canada

1. As of February 4, 2019, Tobias (Tobi) Nussbaum became chief executive officer.

## Accountability and Operations

The board of directors operates under a series of by-laws and charters. The NCC by-laws detail the powers of the board under the *National Capital Act*, provide specific information pertaining to board meetings, delegate powers to the CEO and corporate secretary, and contain other operating resolutions, such as banking operations. The NCC charters set forth the duties and responsibilities of the board of directors and corporate committees.

The corporation's governance framework and by-laws are reviewed by the Governance Committee once every three years to ensure that they continue to reflect best corporate governance practices and meet the requirements of the corporation. The last review was completed in 2017–2018, with all recommended amendments approved by the Board in January 2018.

Board members are required to act honestly, diligently, carefully, in good faith and in the best interests of the NCC. They are bound by the *Financial Administration Act*, the *Conflict of Interest Act*, the code of conduct and conflict of interest guidelines for members of the NCC board of directors, as well as the NCC by-laws. All board members are obliged to declare any conflicts of interest annually and as they arise during the year. Board members must recuse themselves from decision making in any situation that could be considered a real or perceived conflict of interest.

The board of directors assesses its collective performance through a structured self-evaluation process.

The board meets in person five times per year, as well as via teleconference on an as-required basis throughout the year. Each meeting consists of an open public session and an in-camera session. The public is invited to attend the public session in person or to view proceedings online, via live webcast on the NCC's website and YouTube. Live updates of meeting proceedings are also provided via social media. Meeting agendas and other documents, such as the CEO's report on activities, are also posted on the NCC website.

The NCC also holds an annual public meeting. At the annual public meeting, members of the public are able to express their ideas and ask questions directly to the board. The scope of the annual public meeting includes direct public input in a workshop to discuss the NCC's strategic priorities for the coming year.

## Committees

Three corporate committees support the board of directors, and four advisory or special committees provide advice to the CEO and executive management.

### Corporate Committees

**The Executive Committee** is called upon when necessary to deal with specific business or issues. In such cases, the board of directors can delegate certain powers and functions to this committee. Currently, these delegated powers include a limited power to grant approvals pursuant to section 12 of the *National Capital Act*.

**The Audit Committee** oversees the integrity of the NCC's financial information, reporting, processes and controls, as well as the NCC's internal audit function.

**The Governance Committee** assists the board in overseeing and assessing the NCC's governance framework to ensure that it meets effective corporate governance principles and best practices.

## Board of Directors Remuneration

Earned from April 1, 2018 to March 31, 2019

Board Members	Retainer <sup>1</sup>	Per Diems <sup>1,2,4,5,6,7</sup>	For Travel <sup>2,3</sup>	Total	Attendance					
					Board Meetings 16 days	EC 0.5 days	AC 3.0 days	GC 2.0 days	ACPDR 6.5 days	ACORC 2.0 days
	\$ (A)	\$ (B)	\$ (C)	\$ (A+B+C)						
Mireille Apollon	3,588	5,781	0	9,369	14.0	0.5	–	–	–	–
Larry Beasley	3,589	8,343	1,546	13,478	15.5	0.5	–	–	3.5	–
Victor Brunette	4,000	5,812	0	9,812	12.5	–	–	–	6.0	–
Michael Foderick	589	5,813	516	6,918	14.5	–	2.0	–	–	–
Tanya Gracie	4,409	6,375	0	10,784	15.5	–	3.0	2.0	–	–
Aditya Jha <sup>8</sup> (term ended on March 25, 2019)	4,000	3,563	0	7,563	9.5	–	–	1.0	–	–
Carol Loughrey	4,000	6,000	977	10,977	15.0	–	2.5	–	–	2.0
Lisa M. MacDonald	4,000	5,250	969	10,219	16.0	–	–	2.0	–	–
Deborah Morrison (term started on June 25, 2018)	1,652	3,750	0	5,402	10.5	–	–	1.0	–	–
Norm Odjick	3,589	6,000	70	9,659	10.0	0.5	2.0	–	–	1.5
Sara Jane O'Neill	3,589	5,250	0	8,839	13.5	–	2.0	1.5	–	–
Bob Plamondon <sup>8</sup> (term ended on May 13, 2018)	2,901	1,719	0	4,620	4.5	–	1.0	–	–	–
Marc Seaman	9,400	25,125	0	34,525	15.5	0.5	2.0	2.0	2.0	1.5
Basil L. Stewart	4,000	5,250	1,063	10,313	15.5	–	3.0	2.0	–	–
Denis Vaillancourt (term started on May 14, 2018)	2,440	5,250	0	7,690	13.5	–	1.0	1.0	–	–
<b>Total</b>	<b>55,746</b>	<b>99,281</b>	<b>5,141</b>	<b>160,168</b>						

1. Rates per Privy Council Order 2002-368, effective October 1, 2000, rounded to nearest whole dollar.

2. Includes attendance at briefing sessions, strategic planning sessions, corporate and advisory committee meetings, annual public meeting; for the Chair, includes per diems for executive duties approved by the Board.

3. Remuneration for travel is based on the geographical location of the residence of Commission members, and does not cover travel expenses, which are reimbursed to members based on reasonable out-of-pocket expenses.

4. Includes attendance at in-camera Board and committee teleconference meetings, special duties, and electronic votes.

5. Marc Seaman, as the chair, was an ex-officio member on the advisory committees, and received a per diem for attending meetings or meeting lunches.

7. At certain times during the year, all board members are requested to attend the Governance Committee.

8. In accordance with the *Financial Administration Act*, once a board member's term has expired, they will remain active until a new member has been appointed by the Governor-in-Council.

**EC:** Executive Committee; **AC:** Audit Committee; **GC:** Governance Committee; **ACPDR:** Advisory Committee on Planning, Design and Realty; **ACORC:** Advisory Committee on the Official Residences of Canada

## Advisory and Special Committees

These committees provide technical advice to the CEO and the executive management team in implementing the NCC's mandate. Recognized experts from across Canada are recruited to sit on these committees. The board of directors appoints advisory committee members. The CEO appoints special committee members.

**The Advisory Committee on Planning, Design and Realty** provides objective, professional advice on the NCC's long-range plans and policies for the use of federal lands in Canada's Capital Region, land use and design proposals affecting such lands, and other real property issues. Committee members are experts in real estate development; environmental, urban and regional planning; urban design; heritage preservation; architecture; and landscape architecture.

**The Advisory Committee on the Official Residences of Canada** provides objective, professional advice on asset management and matters relating to the six official residences in Canada's Capital Region. The committee also provides advice to Public Services and Procurement Canada, the custodian of the Citadelle, the governor general's official residence in Québec City. Committee members are experts in interior design, architecture, heritage and real asset management.

**The Advisory Committee on Universal Accessibility** provides objective, professional advice on how to address universal accessibility requirements for projects undertaken by the NCC.

**The Canadiana Fund** is responsible for soliciting donations of heritage art, artifacts, furniture and funds for the enhancement of staterooms in the official residences. Pieces are chosen that reflect Canada's heritage, artistic traditions and historical associations, or that complement the architectural style of a particular residence.

## Remuneration

Remuneration for the board of directors is set by the Governor-in-Council, and follows the Privy Council Office's Remuneration Guidelines for Part-Time Governor-in-Council Appointees in Crown Corporations. The chair of the board of directors receives an annual retainer between \$8,000 and \$9,400 and a per diem of \$375 for attending board and committee meetings, and for certain special executive, analytical or representational responsibilities approved by the board of directors. Other board members who participate in committees and perform other special duties receive an annual retainer of between \$4,000 and \$4,700 and a \$375 per diem. In addition, board members are reimbursed for all reasonable out-of-pocket expenses, including travel, accommodation and meals, while performing their duties. The chair of the Audit Committee receives an additional retainer of \$2,000 per year.

As ex-officio non-voting participants, the mayors of Ottawa and Gatineau do not receive remuneration.

## Independent Audit

The Office of the Auditor General of Canada (OAG) serves as the auditor for the NCC. The OAG performs an annual audit of the NCC's year-end financial statements to provide an opinion on whether or not the financial statements present fairly, in all material respects, the financial position of the NCC, and the results of its operations, changes in its net financial assets, and its cash flows in accordance with Canadian public sector accounting standards, and if the transactions that have come to the auditor's notice during the audit of the financial statements have complied, in all material respects, with Part X of the *Financial Administration Act* and regulations, the *National Capital Act*, the by-laws of the corporation, and the directive issued pursuant to section 89 of the *Financial Administration Act*.

As a federal Crown corporation, the NCC is subject to a special examination by the OAG every 10 years. The special examination is performed to obtain assurance that, based on the criteria established for the examination, there are no significant deficiencies in the corporation's systems and practices. The last special examination was completed in 2017.

## National Capital Commission Ombudsman

Appointed by the board of directors, the NCC ombudsman serves as an independent and confidential resource for the public to solve complaints when all other internal avenues of redress are exhausted. When appropriate, the ombudsman will intervene or investigate with a view to settling a complaint in a fair way, using the simplest, least adversarial process possible. The ombudsman is required to submit an annual report on his or her activities to the board of directors. The annual report is also made available to the public on the ombudsman's website.

## Organizational Structure

The organizational structure of the NCC illustrates relationships between the board of directors and the executive management group, various committees and the NCC's branches. Within the NCC's organizational structure, the CEO is responsible for setting operational and management objectives, providing direction on implementation strategies, and overseeing day-to-day operations. The CEO is supported by an executive management team that represents each branch of the NCC. Executive directors are responsible for ensuring that the corporation's key sectors of activity are implemented and well managed.

## Executive Management Committee as of March 31, 2019

### **Tobi Nussbaum**

Chief Executive Officer<sup>2</sup>

### **Daniel Champagne**

Executive Director, Capital Planning

### **Mark Dehler**

General Counsel and Commission Secretary

### **Véronique de Passillé**

Acting, Chief of Staff to the Chief Executive Officer

### **Jayne Hinchliff-Milne**

Director, Audit, Research, Evaluation and Ethics, and Chief Audit Executive

### **Michel Houle**

Executive Director, Corporate Services, and Chief Financial Officer

### **Greg Kenny**

Executive Director, Official Residences

### **Céline Larabie**

Executive Director, Human Resources

### **Anne Ménard**

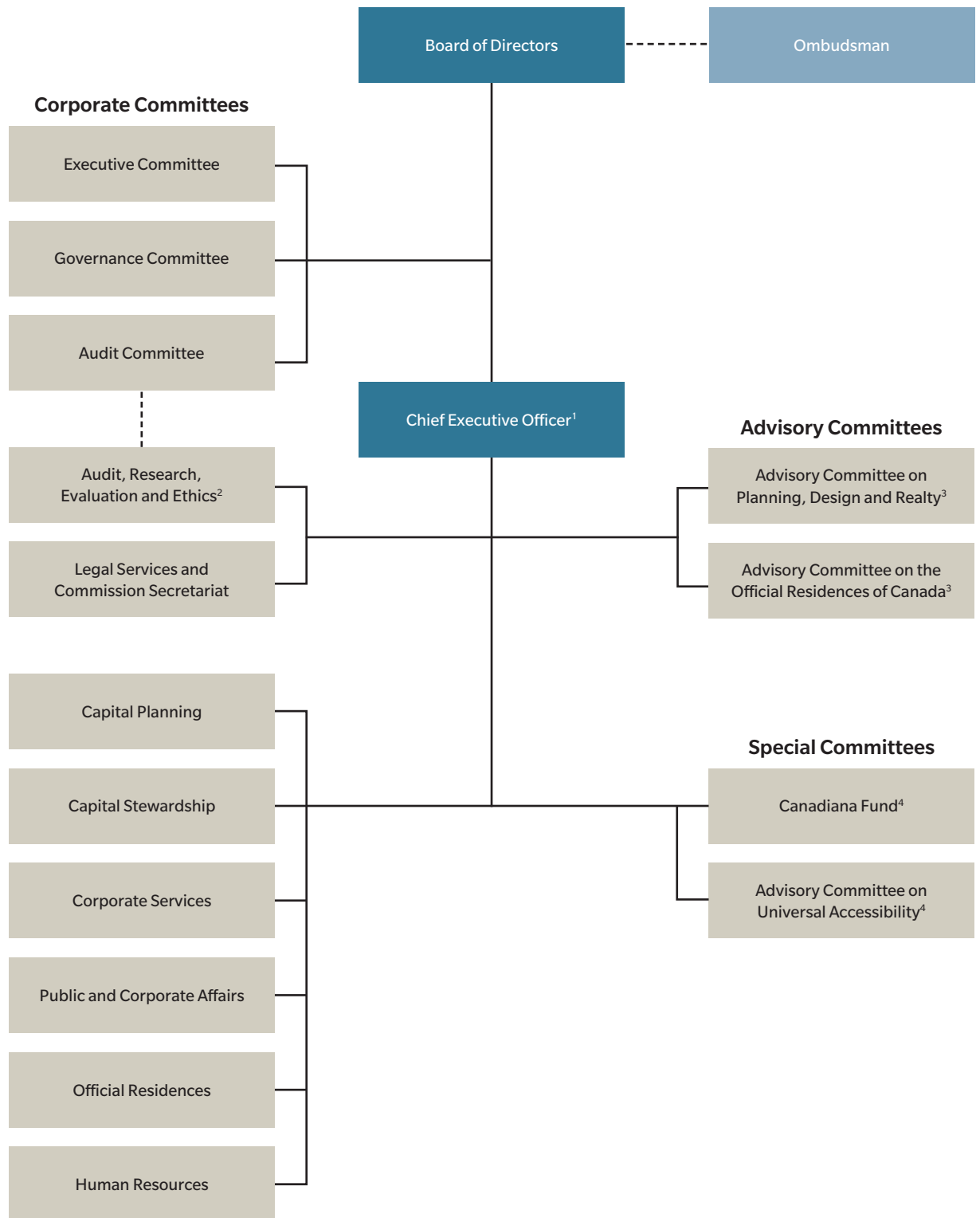
Acting, Executive Director, Capital Stewardship

### **Natalie Page**

Executive Director, Public and Corporate Affairs

2. Dr. Mark Kristmanson was chief executive officer of the NCC until February 2, 2019.

# Structure of the National Capital Commission



1. The chief executive officer is also a member of the board of directors.
2. The audit function reports directly to the Audit Committee.
3. Members of the advisory committees are appointed by the board of directors.
4. Members of the special committees are appointed by the chief executive officer.

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# MANAGEMENT DISCUSSION AND ANALYSIS

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## Five-Year Key Highlights

For the years ended March 31 (thousands of dollars)

	2019	2018	2017	2016	2015
<b>Operating Funding</b>					
Parliamentary appropriations for operating expenditures	72,014	66,130	68,467	67,712	68,781
Operating revenues	46,417	48,858	38,746	33,200	32,804
	<b>118,431</b>	114,988	107,213	100,912	101,585
<b>Cost of Operations</b>	<b>134,573</b>	132,638	136,058	121,250	143,020
<b>Capital Funding</b>					
Parliamentary appropriations for capital expenditures	37,295	23,500	22,789	22,665	23,665
<b>Major Capital Projects</b>					
LeBreton Flats redevelopment	30	627	1,091	653	2,077
Official residences	3,247	6,451	9,804	6,102	2,744
Real property acquisitions	6,277	7,940	8,375	2,526	822
<b>Capital Assets</b>					
Land	326,605	310,348	305,896	299,736	292,614
Buildings and infrastructure and leasehold improvements (net of amortization)	328,724	324,463	314,835	303,297	300,068
Investments in capital assets	26,194	31,939	37,565	26,794	22,480
<b>Acquisition and Disposal Fund</b>	<b>20,745</b>	21,280	25,476	33,775	36,197

\* Variations in year-over-year cost of operations are primarily attributable to one-time expenditures, which are further described in the Financial Performance section on page 68 of the present 2018–2019 annual report.

\* Investments in capital assets excludes non-monetary expenditures

## Five-Year Key Operating Highlights

For the years ended March 31

	2019	2018	2017	2016	2015
<b>Number of employees</b>	<b>460</b>	441	444	402	401

◀ The area known today as Remic Rapids Park was once a popular trading and rest area for Indigenous populations and early explorers in Canada. To complement the park's beauty, local artist John Felice Ceprano has created balanced rock sculptures by hand on the river's edge since 1986.

## 2018–2019 Operating Environment

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As part of its annual strategic planning process, the NCC prepares a horizon scan, which surveys the most significant trends, opportunities and challenges influencing its operations over the coming years.

### *Relationship With Indigenous Peoples*

The NCC has worked with the Algonquin Nation in a spirit of friendship and collaboration for many years, expanding its outreach to all of the Algonquin communities in the Ottawa River watershed. It has also established a steering committee of chiefs and elders from local Algonquin groups to develop a long-term vision for Victoria Island. The NCC will continue to create opportunities to work together in a spirit of reconciliation and respect on shared priorities for upcoming projects, such as the development of LeBreton Flats. The NCC will ensure that it maintains a strong relationship and applies a cooperative approach with the Indigenous peoples of the National Capital Region.

### *Openness and Transparency*

The NCC has implemented several measures to demonstrate greater openness and transparency. The corporation is ensuring effective communication and stakeholder engagement by building strong relationships with people and organizations throughout the region and across the country, including local communities and Indigenous communities, and by consulting Canadians from coast to coast to coast, both online and in person. Through its citizen-focused approach, the NCC provides opportunities for public input and collaboration, recognizing the role that all Canadians should have in building a thriving and sustainable National Capital Region that reflects the very best of Canada.

### *Engagement With Municipalities*

The participation of the mayors of Ottawa and Gatineau at the NCC's board of directors meetings enhances cooperation in the areas of urban planning, transportation, tourism and regional development. The NCC will collaborate with partners to move toward developing smart cities. This concept, supported by the federal government, encourages the adoption of innovative approaches and bold ideas in urban planning to improve every aspect of community life. The NCC will continue to engage with municipalities, including the City of Ottawa, Ville de Gatineau, and Municipalité régionale de comté (MRC) de La Vallée-de-la-Gatineau, and will use its long-term planning and stewardship expertise to contribute to a dynamic and inspiring National Capital Region that strengthens our communities and creates opportunities to continue growing Canada's middle class.

### *Environment and Climate Change*

The National Capital Region is home to many green spaces which contribute to quality of life and are intrinsic to Canada's symbolic natural and cultural heritage. The NCC will continue to prioritize its work to conserve, protect and manage green spaces, including Gatineau Park and the Greenbelt; consult widely in renewing its sustainability strategy; and cooperate with provinces, as well as local municipalities, on environmental planning. The NCC is demonstrating its commitment to support the federal government's environmental objectives through several initiatives, such as measuring the ecosystem services provided by the NCC's natural assets, renewing its environmental strategy, and developing the new Sustainable Agriculture and Food Strategy. The corporation will continue to be active in its commitment to environmental stewardship, using its green spaces to help mitigate climate change. At the same time, it will have to address the challenge of increased maintenance costs posed by more frequent and more severe extreme weather events, like flooding, and its impacts on the Capital's shorelines, and transportation and building infrastructure.

## *Active Transportation and Regional Connectivity*

The NCC has an important role to play in terms of transportation in the National Capital Region. The organization contributes to active transportation and, in particular, it has played an important role in making the region a mecca for recreational cycling. The NCC pursues its work collaboratively with cities, provinces, and federal departments and agencies, with the aim of encouraging active transportation, including the integration of cycling into the local and regional transportation systems, and enhanced interprovincial and transit connectivity. The NCC will continue to encourage and support the development of a thriving and sustainable capital through integrated land use and transportation planning and development that reinforces the principle of sustainability and maximizes the viability of active mobility in the region.

## Capability to Deliver Results

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### *Employees*

Employees of the NCC undertake the role of shaping, preserving and promoting the Capital Region with a strong commitment to excellence and a high degree of professionalism and expertise. NCC employees possess a breadth of knowledge and experience in a wide range of professions. They include architects, engineers, real estate professionals, urban planners, horticulturists, biologists, grounds technicians and gardeners. Together, they work as caretakers, thinkers and advocates of the National Capital Region.

### *Partners and Sponsors*

The NCC relies on the support of partners and sponsors for the successful delivery of many of its programs, events and activities. The NCC also benefits from sponsors and partners in terms of access to their capabilities and expertise.

### *Volunteers*

Volunteers are an important asset for the NCC, not only to support the successful delivery of its programs and services, but also to contribute to making Canada's Capital Region a source of national pride and significance. Volunteers donate their time to make it possible for residents and visitors to ski and hike in Gatineau Park, discover the Mackenzie King Estate, cycle along car-free parkways during NOKIA Sunday Bikedays, skate on the Rideau Canal Skateway, and admire the historic Maplawn Garden.

### *Stakeholder Engagement*

To build a signature capital, renowned for both its green space and its heritage properties, the NCC remains committed to its role as a value-added partner. This requires consistent and comprehensive engagement with Canadians—local municipalities, elected officials, partners, sponsors, residents, stakeholders, academics and the general public—in order to facilitate a constructive dialogue around building a capital for all Canadians.

# Integrated Risk Management

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The NCC uses a comprehensive and integrated risk management framework to identify, manage and mitigate its risks. The corporation applies this framework in strategic decision making, operational planning and project management. Enterprise risk management is integrated into the NCC's planning and reporting cycle through a risk profile exercise, which helps to identify key corporate risks and corresponding risk response measures for the planning period. These corporate risks are monitored throughout the year, and their trends and the effectiveness of mitigation measures are reported to the board of directors each quarter.

The key corporate risks identified for 2018–2019 were capacity, reputation and influence, and safety and security.

## *Capacity*

Capacity risks relate to the NCC's ability to maintain sufficient levels of both financial and human resources to be resilient to a changing business environment, effectively deliver its activities and manage its assets. To mitigate the financial capacity risk, in 2018–2019, the NCC identified its need for long-term targeted funding to address the maintenance of the official residences. The corporation continued to collaborate with government to identify long-term sustainable funding solutions to ensure that its assets remain safe, resilient and enjoyable for current and future generations of visitors to the National Capital Region. In terms of human resource capacity, the NCC remained focused on optimizing business processes and developing human resource strategies to attract, manage and retain a talented workforce.

## *Reputation and Influence*

Reputation and influence risks relate to the NCC's ability to maintain a positive reputation and be able to influence partners, stakeholders, the public and elected officials. To protect its reputation and influence, the NCC engages with stakeholders, partners and the public, and builds awareness of the added value that the organization provides to the Capital Region. In 2018–2019, the NCC continued to implement its Integrated Communications Plan, which uses a proactive approach to engaging partners and to better communicating policies and processes related to NCC regulatory roles. This communications plan will be enhanced by updating the corporation's public engagement strategy. The NCC was also involved in many highly visible projects in the National Capital Region in which it engaged with municipalities and consulted with other major stakeholders on planning initiatives.

## *Safety and Security*

Safety and security risks relate to the deterioration of conditions of the NCC's assets due to deferred maintenance or insufficient prioritization of maintenance and renewal activities, which could cause health and safety issues. This risk was also identified in the OAG's Special Examination Report—2017. Risk response measures over the course of 2018–2019 consisted of continuing work on assets in need of critical repairs, in accordance with Budget 2018; reviewing long-term asset management plans and providing recommendations on portfolio strategy; and implementing costing and de-acquisition strategies related to non-NILM properties. Regular inspections of lands and assets, as well as ensuring that security plans, policies and procedures are up-to-date, remain a key part of the NCC's day-to-day activities.

## Performance Against Priorities

The following pages summarize the NCC's performance against its planned objectives included in the Summary of the 2018–2019 to 2022–2023 Corporate Plan.

The NCC met or partially met 91 percent of its 2018–2019 key expected outputs and commitments, along with a multitude of other complex and emerging priorities.

### *Performance Rating Guide*

The NCC's performance rating guide is used to measure the achievement or progress against targets set out in the Summary of the 2018–2019 to 2022–2023 Corporate Plan. Performance evaluation at year-end is based on the four categories described below.

Rating	Definition	Corporate plan commitments
On target	The commitment is on track or has been achieved on time, on budget and within the committed scope.	26
Target variance	There are some uncertainties about the NCC's ability to deliver the commitment, or the commitment has been fulfilled with some minor delays, changes in scope, budget increases or overruns.	6
Not on target	The commitment has been delivered or likely will be delivered with significant delays, changes in scope, budget increases or overruns.	3
Not applicable	The commitment falls outside the current fiscal year, and the commitment's status cannot be determined at this time. / The commitment has been abandoned following an expressed decision by the Government, Board of Directors or Executive Management Committee.	25

## Priority 1:

*Address the condition of NCC infrastructure and assets, including the official residences, to ensure that they meet the expectations and needs of Canadians.*

Expected outcomes	
<b>Medium-term</b>	NCC asset conditions are improved for safety and resilience.
<b>Long-term</b>	NCC assets are in appropriate condition, and meet the expectations and needs of Canadians.

Key output	Target date	Status
<b>Asset Condition and Funding Review*</b> Undertake work on assets in need of critical repairs, and revitalize and restore them to good condition in accordance with Budget 2018.	2018–2020	On target
On a priority basis, develop long-term asset management plans.	2020–2023	On target
Implement long-term asset management plans to progressively improve the assets and ensure that they are in appropriate condition.	2023+	On target
<b>Financial Sustainability Strategy</b> Develop action plans for revenue generation, including the identification of lands for disposal and leasing.	2018–2020	Target variance
Implement revenue generation action plans on an ongoing basis.	2020–2023	On target
Reinvest revenues in asset maintenance and upkeep to ensure that assets remain safe and resilient.	2023+	Not applicable

\* This excludes the official residences.

**Asset Condition and Funding Review:** The 2018–2019 fiscal year was the first year of implementation for projects funded through Budget 2018. To ensure that the Government’s \$55-million investment brings about the best possible benefits and focuses on where the need is greatest, the NCC moved forward with an implementation plan based on a holistic approach, to address maintenance requirements across the National Capital Region. This plan will enable the corporation to begin addressing the maintenance requirements for assets in need of critical repairs.

All projects funded through this investment have completed the study and planning phases. Four projects (18%) are at the final stages of design development. Seventeen projects (77%) are in the construction implementation phase. One project is complete.

The NCC is reviewing current asset condition reports, and advancing the development of asset management plans. A process has also been initiated to prioritize key assets for inspection.

**Financial Sustainability Strategy:** The NCC continues to explore opportunities to increase potential revenue generation through long-term ground leases and disposals of surplus properties outside the National Interest Land Mass (NILM), while advancing a 10-year plan, focusing on properties with development and long-term leasing potential.

## Priority 2:

*Facilitate the redevelopment of LeBreton Flats, and the islands in becoming signature destinations of national significance.*

Expected outcomes	
<b>Medium-term</b>	Improved linkages, accessibility, wayfinding and public access to LeBreton Flats and the islands.
<b>Long-term</b>	An enhanced experience through a vibrant and distinctive Capital district at LeBreton Flats and the islands.

Key output	Target date	Status
<b>Redevelopment of LeBreton Flats and the Islands Sites</b> Continue negotiations and seek to finalize a master development agreement governing the future development.	2018–2020	Not on target
Engage with Algonquin leaders and the City of Ottawa.	2018–2020	Not applicable
Pending an agreement for future development, seek federal approval.	2020–2023	Not applicable
Provide seamless connectivity to LeBreton Flats, the shores and the islands.	2023+	Not applicable
<b>Bronson Pulp Mill Ruins Improvements</b> Continue improvements at the Bronson Pulp Mill ruins until planned completion.	2018–2020	Not on target
<b>Richmond Landing Improvements</b> Continue improvements at Richmond Landing until planned completion.	2018–2020	On target
<b>Indigenous Placemaking on Victoria Island</b> Advance the <i>Kabeshinân Minitig</i> Plan, a master plan for Victoria Island, in partnership with the Algonquin First Nation.	2018–2020	Target variance
Complete the <i>Kabeshinân Minitig</i> Plan in partnership with the Algonquin First Nation.	2020–2023	Not applicable
Complete a place of special significance for Indigenous peoples on Victoria Island.	2023+	Not applicable

**Redevelopment of LeBreton Flats and the Islands Sites:** Effective March 1, 2019, the NCC’s Board of Directors cancelled the request for proposals for the redevelopment of LeBreton Flats issued by the NCC on April 17, 2015. The NCC is moving forward to create a Master Concept Plan that will provide a renewed vision for building LeBreton Flats. The overarching vision in the Master Concept Plan will enable the NCC to be open to a flexible real estate strategy to increase competition and leverage opportunities. This renewal process will draw on past experience to build a lively fusion of residential, commercial, cultural and social elements accented by world-class public-realm amenities. Consultations with Algonquin stakeholders are ongoing and will be a fundamental part of the process.

**Bronson Pulp Mill Ruins Improvements:** This project has been put on hold while the NCC undertakes environmental remediation efforts on Victoria Island.

**Richmond Landing Improvements:** Phase 1 of the improvements at Richmond Landing, including the installation of a dock, was completed in 2018–2019. Phase 2 of the project will proceed in 2019–2020, and would include removing existing stairs, landings and retaining walls, and installing a new universally accessible pathway, multiple seating areas and landscaping.

**Indigenous Placemaking on Victoria Island:** The NCC is anticipating that an agreement on the scope of work for the *Kabeshinân Minitig* Plan, a master plan for Victoria Island, could be reached in 2019–2020. The NCC is adjusting its projected timelines in the development, funding and implementation of the plan in order to undertake environmental remediation on the island.

### Priority 3:

*Offer public access and new connections for Canadians to discover the shorelines and waterways.*

Expected outcomes	
<b>Medium-term</b>	Enhanced connectivity, ecological management, safety and security along the shorelines and pathways.
<b>Long-term</b>	Seamless connectivity and access to shorelines and waterways in the Capital Region.

Key output	Target date	Status
<b>Shoreline Infrastructure, Activation Points and Waterways</b>		
Seek the approval of the board of directors for the Ottawa River South Shore Riverfront Park Plan.	2018–2020	On target
Submit plans to the board of directors for approval of the Ottawa River North Shore Parklands Plan.	2018–2020	On target
Continue to implement plans for commercial activation points along the shorelines of the Capital Region, as nodes for animation and activity.	2018–2020	On target
Contribute to discussions with stakeholders on common challenges concerning the ecological management of the waterway.	2018–2020	On target
Complete consultations to facilitate the development of improved links between the north and south portions of Jacques-Cartier Park.	2020–2023	On target
Seek partnerships for the implementation of the Ottawa River South Shore Riverfront Park Plan and the Ottawa River North Shore Parklands Plan.	2020–2023	Not applicable
Increase animation and activity along the shorelines and waterways of the Capital Region.	2020–2023	On target
Maintain accessible, animated and sustainable shorelines and waterways for the public.	2023+	Not applicable
<b>Nepean Point Revitalization</b>		
Develop a vision and plan to revitalize Nepean Point, based on the winning proposal.	2018–2020	On target
Initiate the green demolition of Nepean Point to allow the site to be construction-ready.	2020–2023	Not applicable
Begin improvements toward the planned completion.	2023+	Not applicable

**Shoreline Infrastructure, Activation Points and Waterways:** The Board of Directors approved the Ottawa River North Shore Parklands Plan and the Ottawa River South Shore Riverfront Park Plan in 2018–2019.

Among its efforts to create and promote commercial activation points along the shorelines, the NCC signed a lease with the Tavern on the Falls, initiated an internal design competition for the future of Westboro Beach, and finalized the designs for new pop-up bistros throughout the National Capital Region.

Working with stakeholders on common challenges concerning the ecological management of waterways, the NCC provided input to Environment and Climate Change Canada on its Ottawa River watershed study. Networking discussions between the NCC and other stakeholders are ongoing, with a view to supporting the establishment of the Ottawa Riverkeeper Watershed Network.

Within the NCC’s commitment to improve links between the north and south portions of Jacques-Cartier Park, public consultations were held in 2018–2019 relating to the future of 210 Laurier Street in Gatineau. Additional planning and work related to the property will continue in 2019–2020 and future years.

**Nepean Point Revitalization:** Subsequent to the conclusion of an international design competition, in November 2017, the NCC continued to advance designs and concepts for the project. In 2019–2020, the NCC will be developing an implementation and funding strategy for future consideration and approval by the board of directors.



## Priority 4:

*Modernize the planning framework to provide for timely and effective coordination of federal land use and design in the Capital Region, and renew the Gatineau Park Master Plan.*

Expected outcomes	
<b>Medium-term</b>	Innovative planning tools are implemented.
<b>Long-term</b>	NCC plans support the long-term direction for a lively, distinctive and sustainable Capital Region.

Key output	Target date	Status
<b>Gatineau Park Master Plan</b> Conduct public, Indigenous and stakeholder consultations on the future directions for the Gatineau Park Master Plan.	2018–2020	On target
Complete draft Gatineau Park Master Plan.	2018–2020	On target
Continue acquisitions of private properties in Gatineau Park.	2018–2020	On target
Engage municipalities regarding zoning and design guidelines.	2020–2023	Not applicable
Seek the board of directors' approval for the Gatineau Park Master Plan.	2020–2023	Not applicable
Incorporate the Gatineau Park Master Plan into operational plans.	2023+	Not applicable
<b>Sustainable Development Strategy</b> Seek the board of directors' approval on the Sustainable Development Strategy.	2018–2020	On target
Initiate the implementation of the Sustainable Development Strategy.	2020–2023	On target
Integrate the principles of the Sustainable Development Strategy into NCC master plans and operations.	2023+	Not applicable
<b>Supporting Policies for the Planning Framework</b> Initiate consultations with stakeholders on the update to the Parkways Policy.	2018–2020	Not on target
Complete the National Interest Land Mass (NILM) review.	2018–2020	Target variance
Submit the NILM review and the Parkways Policy for the board of directors' approval.	2020–2023	Not applicable
Initiate the development of a renewed views protection policy to ensure the primacy of national symbols in the Capital skyline (in collaboration with the City of Ottawa and Ville de Gatineau).	2023+	Not applicable
Initiate the review of the Capital Core Sector Plan.	2023+	Not applicable
Continue to advance design guidelines.	2018–2020	On target
<b>Federal Land Use, Design and Transaction Approval Process</b> Review and streamline federal land use, design and transaction approval policies and processes.	2018–2020	On target
Foster better understanding of requirements among proponents seeking federal approvals through more efficient and timely processes and concise policies.	2020–2023	Not applicable
Provide support that meets with a high level of stakeholder satisfaction for major projects being undertaken in the Capital Region over the next five years.	2023+	Not applicable
<b>Capital Illumination Plan</b> Advance the implementation of priority projects with partners.	2018–2020	Target variance
Implement projects with partners on an ongoing basis.	2020–2023	Not applicable
Maintain compelling and cohesive illumination and lighting for the core of the Capital.	2023+	Not applicable

**Gatineau Park Master Plan:** The NCC is on track in its review of the Gatineau Park Master Plan, aiming to seek approval from the Board of Directors for the revised plan in 2019–2020. This fiscal year, the NCC completed the Phase 1 existing conditions report, as well as Phase 2 work and consultations related to the preliminary vision, goals and strategic directions for the master plan. NCC staff presented Phase 3 content to the Board of Directors, focusing on concepts for land use within Gatineau Park. A public advisory committee meeting was held. Public consultations, including an online survey, as well as workshops in Gatineau, La Pêche, Pontiac and Chelsea, were held to validate the land use concept and designations. Stakeholders and elected officials were also consulted. The NCC plans to hold consultations in 2019–2020 relating to land use policy proposals.

The NCC has continued to implement its acquisition strategy for Gatineau Park.

**Sustainable Development Strategy:** The Board of Directors approved the NCC’s Sustainable Development Strategy, 2018–2023.

**Supporting Policies for the Planning Framework:** Given other priorities and recent, unexpected events, such as flooding in spring 2019, the NCC has had to delay the update to the Parkways Policy.

The NCC is moving forward with the review of the NILM, and anticipates that the review will be completed by the end of 2019–2020.

Building toward the development of a renewed views protection policy, the NCC is working with Carleton University on a 3-D model of the National Capital Region. At this time, the modelling work will focus on LeBreton Flats, Confederation Boulevard and other locations of particular interest for views protection.

With regard to advancing design guidelines, the NCC intends to present a draft of the guidelines to the Advisory Committee on Planning, Design and Realty and the Board of Directors in 2019.

**Federal Land Use, Design and Transaction Approval Process:** Among its efforts to review and streamline the federal land use, design and transaction approval process, the NCC developed a proponent’s guide. Information sessions with internal and external stakeholders about the process are ongoing.

**Capital Illumination Plan:** The NCC is continuing to integrate lighting requirements that are consistent with the Capital Illumination Plan into Multi-Year Capital Program projects, where feasible.

Through the federal land use, design and transaction approval process, in 2018–2019, the NCC has confirmed that several projects, undertaken by other stakeholders, will comply with the Capital Illumination Plan, at locations such as the Senate of Canada Building, the Central Post Office, the Parliamentary Precinct and Les Terrasses de la Chaudière.

## Priority 5:

*Be a value-added partner to create lasting legacies that serve as sources of pride for Canadians.*

Expected Outcomes	
<b>Medium-term</b>	Canadians, Indigenous peoples, stakeholders and partners are engaged in terms of objectives for the Capital Region.
<b>Long-term</b>	Strong relationships, strategic partnerships and collaboration are fostered in support of common goals for a Capital Region that serves as a source of pride for Canadians.

Key output	Target date	Status
<b>Engagement With Indigenous Peoples</b> Engage with Indigenous leaders through the Victoria Island steering committee.	2018–2020	Target variance
Work with the Algonquin First Nation on outreach and engagement with other Indigenous peoples.	2020–2023	On target
Advance the creation of a place of special significance for Indigenous peoples in the Capital Region.	2023+	Not applicable
<b>Partner and Stakeholder Relationships</b> Advance consultations and outreach on key projects, including with federal, provincial and municipal partners, and other stakeholders.	2018–2020	On target
Explore the establishment of relationships with public transportation entities to reduce the environmental impacts on the Capital's green spaces.	2018–2020	Target variance
Continue to hold events through the Urbanism Lab program to increase collaboration.	2018–2020	On target
Increase stakeholder satisfaction as demonstrated through surveys.	2020–2023	On target
Continue to develop relationship charters with municipalities in the Capital Region.	2020–2023	On target
Strengthen collaborative relationships with all partners and stakeholders.	2023+	Not applicable
Become a thought leader for excellence in urban design.	2023+	Not applicable
<b>National Commemorative Projects</b> Provide support to the government and other partners on monuments, memorials and works of public art in the Capital Region.	2018–2020	On target
Establish a plan and policy for the governance and maintenance of commemorations and works of public art.	2020–2023	On target
Establish partnership funding strategies.	2023+	Not applicable

**Engagement With Indigenous Peoples:** The NCC has met 12 times with the Delegation of Chiefs, since its establishment, and held a Victoria Island visioning exercise with the Algonquin Chiefs in 2018–2019. The NCC’s CEO travelled to the Algonquin Anishinabeg Nation Tribal Council to present the project status report and to solicit feedback. Regular meetings with members and representatives of the Algonquin Nation continue to be held. The environmental remediation that has been initiated on Victoria Island has added some complexity to timelines for planning the future of the island.

**Partner and Stakeholder Relationships:** In 2018–2019, the NCC advanced discussions with partners and stakeholders on multiple initiatives, such as the review of the Gatineau Park Master Plan, the future of 210 Laurier Street in Gatineau, and an initiative with potential collaborators to plant 10,000 native trees on 30 NCC properties.

In relation to the NCC’s efforts to establish relationships with public transportation entities to reduce environmental impacts on green spaces in the National Capital Region, in fall 2018, the Fall Rhapsody shuttle was in place for four weekends, and 13,099 people used the service, representing an increase of 24 percent from the previous year. The NCC had intended to explore collaboration opportunities for sustainable transportation in Gatineau Park in the fourth quarter of 2018–2019. However, these efforts will now take place in 2019–2020. Sustainable transportation will also be integrated as part of the action plan for the forthcoming updates to the Gatineau Park Master Plan.

As part of the NCC’s outreach and engagement activities, this fiscal year, the Urbanism Lab lecture series included 10 sessions, featuring topics such as “Building Successful Indigenous Communities,” “Designing a Pedestrian Paradise,” “Gardens and Healthy Cities,” and “Ok Google: How do I engage my community online?”

The NCC continues to work with consultants to track public and stakeholder awareness and satisfaction. The NCC commissioned the 2018 National Public Awareness Survey, conducted by Nanos Research, and the 2018 Stakeholders Survey, conducted by Environics Research. Through this research, the corporation learned that 65 percent of Canadians have a positive or very positive overall impression of Canada’s Capital Region. Twenty-four percent have a neutral impression, and only seven percent have a negative or very negative impression. Eighty-six percent of survey respondents from the National Capital Region were aware of the NCC. However, at the national scale, only 24 percent of Canadians were aware. This represents a decrease of 4 percent as compared with results from 2015. Seventy-six percent of the stakeholders who were interviewed had positive or very positive impressions of the NCC. Stakeholders and those who have greater familiarity with the NCC are more likely than the general public to have positive views of the NCC.

In 2018–2019, the NCC further enhanced engagement efforts with its municipal partners, through extensive activities in communication, information sharing and consultation at all levels of the corporation, with the City of Ottawa, Ville de Gatineau, the MRC des Collines-de-l’Outaouais, as well as the MRC’s member municipalities located within the National Capital Region (Chelsea, La Pêche and Pontiac).

**National Commemorative Projects:** Among the NCC’s efforts to provide support to the government and other partners on monuments, memorials and works of public art in the Capital Region, the NCC relocated the *Twelve Points in a Classical Balance* sculpture, commissioned by the NCC in 1981, from the Garden of the Provinces and Territories to the corner of Sparks Street and Bronson Avenue.

## 2018–2019 Performance Measurement Framework

The table below presents performance results in 2018–2019 against targets derived from the NCC’s corporate performance measurement framework (PMF), along with historical data from 2017–2018 and 2016–2017. Within the PMF, performance objectives are included in five categories: real property leasing, project management, federal approvals, engagement and outreach, and employment equity.

Measures	Target	Results			
<b>Real Property Leasing</b>	<b>Vacancy Rate</b>	<b>2016–2017</b>	<b>2017–2018</b>	<b>2018–2019</b>	
Residential	4%	3%	2.6%	2.8%	
Commercial	4%	2.6%	3%	3.9%	
Agricultural	4%	4.2%	1.4%	1.8%	
<b>Real Property Leasing</b>	<b>Revenue</b>	<b>2016–2017</b>	<b>2017–2018</b>	<b>2018–2019</b>	
Residential	\$3.5 million*	\$3.1 million	\$3.2 million	\$3.2 million	
Commercial	\$17.5 million*	\$13.7 million	\$15.8 million	\$15.7 million	
Agricultural	\$1.7 million*	\$1.2 million	\$1.4 million	\$1.4 million	
<b>Project Management</b>					
Projects on time	77% of planned projects were completed on time				
Projects within scope	87% of planned projects were completed within scope				
Projects on budget	83% of projects were completed on budget				
<b>Federal Approvals</b>	<b>Approval Service Level Agreement</b>	<b>2016–2017</b>	<b>2017–2018</b>	<b>2018–2019</b>	
Levels 1, 2 and 3	75% of service level agreement timing met	48%	80%	73%	
<b>Engagement and Outreach</b>	<b>Engagement</b>	<b>2016–2017</b>	<b>2017–2018</b>	<b>2018–2019</b>	
Social media engagement	Year-over-year increase in total social media engagement	105%	190%	-0.4%	
Social media followership	Year-over-year increase in total social media followership	38%	14%	11.5%	
NCC public engagement activities	N/A	64	55	47	
<b>Employment Equity</b>	<b>Federal</b>	<b>NCC</b>	<b>2016–2017</b>	<b>2017–2018</b>	<b>2018–2019</b>
Women	48%	50%	51.0%	51.5%	51.2%
Aboriginal persons	2%	2%	3.1%	2.9%	2.2%
Persons with disabilities	4%	4%	4.2%	4.5%	3.3%
Members of a visible minority	22%	12%**	8.2%	9.3%	11.8%

\* These values include realty tax recoveries, which were included in the targets presented in the 2018–2019 to 2022–2023 Corporate Plan Summary.

\*\* This target was established for 2018–2019. The NCC’s objective is to increase the target by 2.5% per year in order to reach 22% by the end of the planning period and meet federal government guidance.

# Financial Review

## Parliamentary Appropriations

In 2018–2019, the NCC was granted a total of \$109.3 million in parliamentary appropriations for operating and capital expenditures. This represented a net increase of \$19.7 million or 22 percent from \$89.6 million in 2017–2018, which is due primarily to the following.

Non-recurring and project-specific appropriations for operating and capital expenditures:

- \$13.2 million in funding from Budget 2018 for the revitalization of the NCC’s portfolio of tangible capital assets;
- \$1.8 million for the retroactive impact of the recently signed collective agreement;
- \$1.3 million for the Rideau Cottage and Harrington Lake rehabilitation projects;
- \$0.9 million under the Federal Contaminated Sites Action Plan, in accordance with the funding schedule; and
- \$0.7 million for the design of the Memorial to the Victims of Communism.

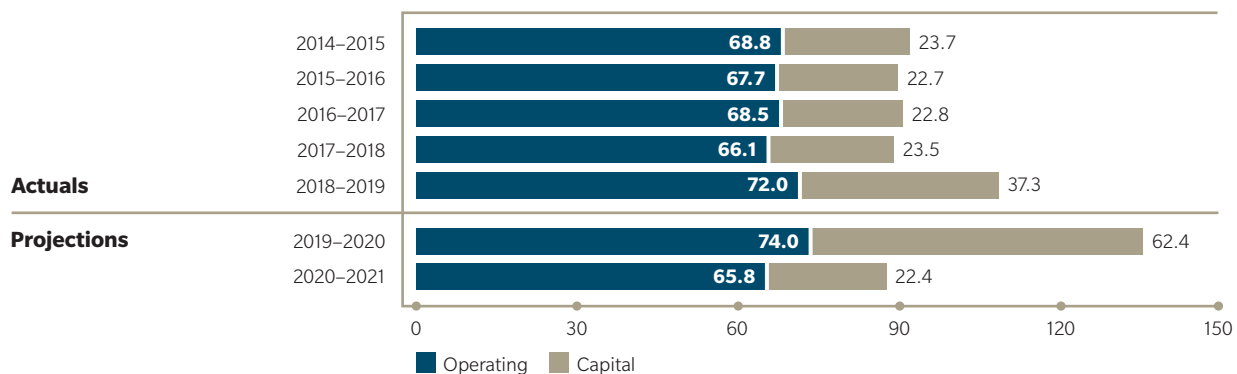
Permanent increases in appropriations for operating expenditures:

- \$1.2 million for the recently signed collective agreement; and
- \$0.6 million for the reimbursement of eligible salary expenditures and other increases.

**Table 1: Parliamentary Appropriations, 2017–2018 to 2020–2021** (in thousands of dollars)

	Actuals			Projections	
	2017–2018	2018–2019	Variance	2019–2020	2020–2021
Operating	67,590	66,146	(1,444)	73,989	65,770
Supplementary – Operating	(1,460)	5,868	7,328	–	–
<b>Subtotal</b>	<b>66,130</b>	<b>72,014</b>	<b>5,884</b>	<b>73,989</b>	<b>65,770</b>
Capital	24,305	29,042	4,737	62,453	22,380
Supplementary – Capital	(805)	8,253	9,058	–	–
<b>Subtotal</b>	<b>23,500</b>	<b>37,295</b>	<b>13,795</b>	<b>62,453</b>	<b>22,380</b>
<b>Total appropriations</b>	<b>89,630</b>	<b>109,309</b>	<b>19,679</b>	<b>136,442</b>	<b>88,150</b>

**Chart 1: Parliamentary Appropriations, 2014–2015 to 2020–2021** (in millions of dollars)



## Revenues

The NCC generated \$46.4 million in operating revenues in 2018–2019, a decrease of \$2.5 million or 5 percent from \$48.9 million in 2017–2018, which is attributable to the following.

Decreases as a result of the following non-recurring revenues in the previous year:

- \$6.0 million in recoveries related primarily to the construction of the National Holocaust Monument, the rehabilitation and extension of the Chauffeur’s Garage at Rideau Hall and the Rideau Cottage projects;
- \$2.0 million in gain on disposal of tangible capital assets, primarily as a result of land exchange transactions involving PSPC for the Government Conference Centre; and
- \$1.0 million in rental operations and easements, which is attributable primarily to non-recurring revenues recorded in the previous year for a 99-year easement for the Rockcliffe air base stormwater facility.

These decreases were offset in part by a \$5.2 million increase in other revenues that resulted from the following non-recurring revenues in the current year, which were offset by a \$1.2 million decrease in contributions and administration fees related to other projects:

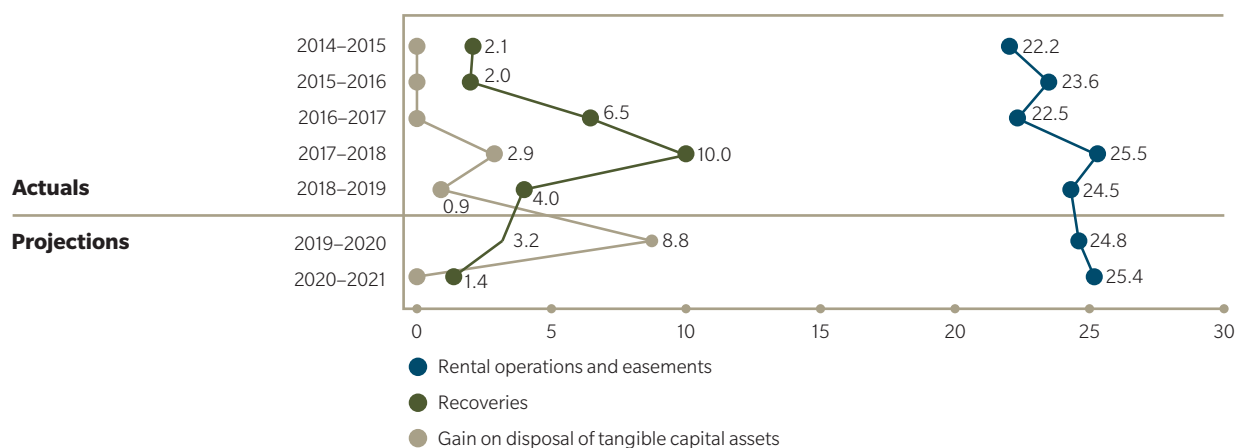
- \$4.3 million as a result of an agreement for land transferred from PSPC to the NCC; and
- \$2.1 million received in consideration of the environmental condition of additional land transferred from PSPC to the NCC.

They were also offset by the following increases in recurring operating revenues:

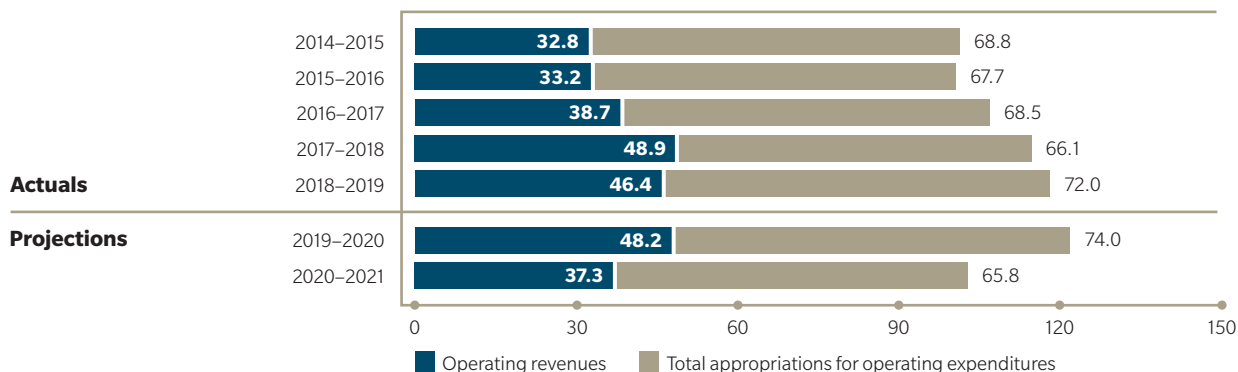
- \$1.0 million increase in interest revenue compared with the previous year, due to additional investments, higher bank balances and interest rates during 2018–2019; and
- \$0.3 million in combined increases compared with the previous year related to user access fees, monetary sponsorships and headquarters sublease revenues.

Rental operations and easements provided the most significant source of operating revenues in 2018–2019, representing 53 percent (52 percent in 2017–2018) of total operating revenues. Recurring revenues are expected to remain relatively stable in future years, if the impact of project-specific items—such as recoveries, contributions, gain on disposal of tangible capital assets and the headquarters sublease—are excluded.

**Chart 2: Main Source of Operating Revenues, 2014–2015 to 2020–2021** (in millions of dollars)



**Chart 3: Total Operating Funding, 2014–2015 to 2020–2021** (in millions of dollars)

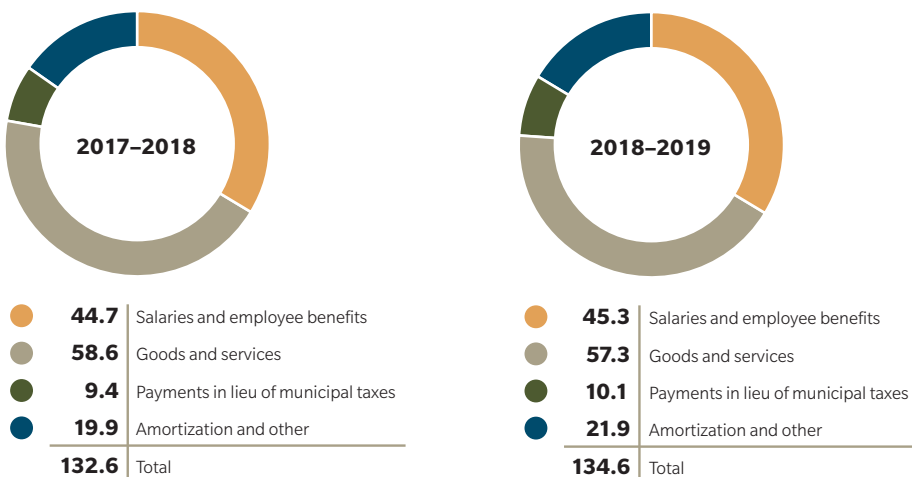


## Expenses

Total operating expenses, detailed by object in Note 11 of the financial statements, increased by 1 percent to \$134.6 million, compared with \$132.6 million in 2017–2018. The \$2.0 million year-over-year increase is attributable primarily to a \$1.1 million increase in various writedowns of tangible capital assets, a \$0.7 million increase in salary and employee benefits, a \$0.7 million increase in amortization expense, a \$0.7 million increase in payments in lieu of municipal taxes, offset in part by a decrease of \$1.4 million in goods and services, due primarily to the construction, in the previous year, of the National Holocaust Monument.

The year-over-year increase of \$0.7 million in salary and employee benefits was due primarily to an increase in the sick leave liability, as well as increases approved under the recently signed collective agreement, which is funded partially through additional parliamentary appropriations.

**Chart 4: Expenses by Object** (in millions of dollars)



## Surplus

The 2018–2019 surplus of \$21.2 million is attributable primarily to the following:

- \$17.9 million surplus due mostly to a timing difference between capital funding, which is recognized when received, and the amortization expense;
- \$4.3 million for other revenues recognized for land transferred to the NCC from PSPC;
- \$2.1 million received from PSPC in consideration of the environmental condition of lands transferred to the NCC; and
- \$0.9 million gain on disposal of tangible capital assets related to transactions with the City of Ottawa.



These items were partially offset by the following:

- \$1.4 million in various writedowns of tangible capital assets;
- \$1.1 million loss on disposal of tangible capital assets related primarily to land transferred;
- \$0.7 million in increased payments in lieu of municipal taxes, related to the resolution of previous years' files; and
- \$0.7 million increase in amortization expense.

## Capital Expenditures

In 2018–2019, the NCC undertook \$46.4 million in capital expenditures, a total increase of \$11.1 million from \$35.3 million in 2017–2018.

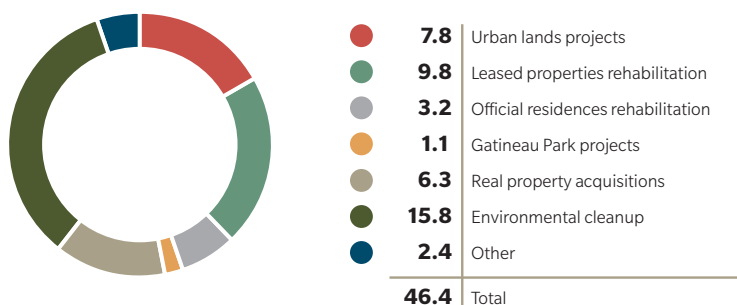
Major capital investments during 2018–2019 were as follows:

- \$15.3 million increase in the provision for future environmental cleanup of the Victoria Island and Hurdman West sites;
- \$9.8 million for leased properties, including the rehabilitation of several buildings on Sussex Drive, the 50 Sussex Drive redevelopment, the reconstruction of a barn on Prince of Wales Drive and the installation of tile drainage on several Greenbelt farms;
- \$7.8 million in the urban lands portfolio for projects such as the Confederation Boulevard upgrades, the resurfacing of the Portage Bridge and widening of the cycle track, the Hog's Back swing bridge rehabilitation, and the Voyageurs Pathway rehabilitation to address flood damage;
- \$4.3 million as a result of an agreement for land transferred from PSPC to the NCC;
- \$3.2 million for the official residences, including the Harrington Lake farmhouse building rehabilitation and damp proofing of the Ambassador Court foundation;
- \$2.0 million for real property acquisitions, including property acquisitions in Gatineau Park; and
- \$1.1 million for Gatineau Park projects, including the Philippe Lake Parkway rehabilitation.

The most notable variance in capital expenditures, compared with the previous year, is related primarily to the increase in the provision for future environmental cleanup of the Victoria Island and Hurdman West sites, offset by a reduction in real property acquisitions due to a significant acquisition made in the previous year, for a land exchange with PSPC related to the Government Conference Centre.

The NCC has initiated all projects funded through Budget 2018 appropriations, and the majority are on track to be completed by the end of fiscal year 2019–2020. The most significant of these projects include the replacement of the LeBreton Bridge on the Sir John A. Macdonald Parkway, the rehabilitation of the Hog's Back swing bridge and rehabilitation of the Portage Bridge.

**Chart 5: NCC Capital Expenditures, 2018–2019** (in millions of dollars)



## Budgetary Analysis

Table 2 provides a detailed analysis of the 2018–2019 to 2022–2023 Corporate Plan Summary and 2017–2018 actual results. The table also provides operational budgets for 2019–2020, as presented in the 2019–2020 to 2023–2024 Corporate Plan Summary.

The revenue surplus compared with budget in 2018–2019 was due primarily to higher-than-planned other revenues related to compensation received from PSPC in consideration of the environmental condition of lands transferred to the NCC and contributions received for projects and higher-than-budgeted interest revenues. The NCC also recognized a gain on disposal of tangible capital assets for land transactions involving the City of Ottawa.

The actual cost of operations was \$3.0 million higher than budget, primarily as a result of unbudgeted writedowns of tangible capital assets, a loss on disposal of tangible capital assets recorded in 2018–2019 for land transferred as part of a land exchange transaction and increased amortization expense.

**Table 2: Statement of operations and accumulated surplus for the year ending March 31** (in thousands of dollars)

	2019–2020	2018–2019			2017–2018		
	Budget	Budget	Actual	Variance	Budget	Actual	Variance
<b>Revenues</b>							
Rental operations and easements	24,761	24,075	24,508	433	23,504	25,478	1,974
Recoveries	3,214	3,390	4,034	644	4,185	10,002	5,817
User access fees	3,445	3,531	3,614	83	2,843	3,028	185
Interest	4,701	1,312	2,875	1,563	1,703	1,917	214
Headquarters sublease	1,729	2,277	2,164	(113)	2,277	2,278	1
Gain on disposal of tangible capital assets	8,812	–	933	933	–	2,907	2,907
Monetary sponsorship	–	–	157	157	–	297	297
Other revenues	1,521	1,815	8,132	6,317	923	2,951	2,028
	<b>48,183</b>	<b>36,400</b>	<b>46,417</b>	<b>10,017</b>	<b>35,435</b>	<b>48,858</b>	<b>13,423</b>
<b>Expenses</b>							
Long-Term Planning	6,606	5,794	4,243	1,551	5,372	4,285	1,087
Stewardship and Protection	93,964	89,612	95,111	(5,499)	88,417	94,378	(5,961)
Internal Services	35,622	36,214	35,219	995	35,713	33,975	1,738
	<b>136,192</b>	<b>131,620</b>	<b>134,573</b>	<b>(2,953)</b>	<b>129,502</b>	<b>132,638</b>	<b>(3,136)</b>
<b>Deficit before funding from the Government of Canada</b>	<b>(88,009)</b>	<b>(95,220)</b>	<b>(88,156)</b>	<b>7,064</b>	<b>(94,067)</b>	<b>(83,780)</b>	<b>10,287</b>
<b>Funding from the Government of Canada</b>							
Parliamentary appropriations for operating expenditures	73,810	68,117	72,014	3,897	67,591	66,130	(1,461)
Parliamentary appropriations for tangible capital assets	62,453	40,312	37,295	(3,017)	24,305	23,500	(805)
	<b>136,263</b>	<b>108,429</b>	<b>109,309</b>	<b>880</b>	<b>91,896</b>	<b>89,630</b>	<b>(2,266)</b>
<b>Surplus (deficit) for the year</b>	<b>48,254</b>	<b>13,209</b>	<b>21,153</b>	<b>7,944</b>	<b>(2,171)</b>	<b>5,850</b>	<b>8,021</b>
<b>Accumulated surplus at beginning of the year</b>	<b>669,053</b>		<b>647,900</b>			<b>642,050</b>	
<b>Accumulated surplus at end of the year</b>	<b>717,307</b>		<b>669,053</b>			<b>647,900</b>	

## *Revenue Generation, Cost Containment and Asset Life Cycle Management*

The investment that would be required to properly maintain the NCC's extensive asset base has substantially exceeded the corporation's parliamentary appropriations and budget allocations for several years. To deal with funding shortfalls, the NCC implements strategies on an ongoing basis to generate revenues and contain costs. While these efforts have been effective, the NCC has also had to defer maintenance on certain assets in order to prioritize other work, primarily to address health and safety issues.

In 2016 and 2017, the NCC completed a detailed analysis of the condition of its assets and infrastructure, and the results of this study have informed and continue to inform the development of medium- and long-term portfolio strategies and asset management plans. In Budget 2018, the Government approved an investment of \$55 million over two years (2018–2019 to 2019–2020) in support of critical revitalization work on the NCC's portfolio of tangible capital assets. This funding allocation will enable the corporation to begin addressing the maintenance requirements of priority assets, thereby ensuring that these specific assets do not cause health and safety concerns.

In the short term, by implementing the investment announced in Budget 2018 for revitalizing NCC assets, the corporation is undertaking work to improve assets that require critical revitalization to ensure that they are in good condition. To ensure that the condition of NCC infrastructure and assets meet the expectations and needs of Canadians, the NCC will continue to work with the government to address its long-term financial needs and to seek solutions to the financial pressures resulting, in part, from various Government of Canada initiatives implemented over the past number of years.

Concurrently, as part of its Financial Sustainability Strategy, the NCC will continue to implement strategies to generate additional revenues and contain costs. The NCC will also continue to undertake priority-setting and process-streamlining exercises, and leverage appropriate partnership opportunities.

## *Statement of Financial Position Summary*

Financial assets totalled \$195.9 million as at March 31, 2019, an increase of \$30.6 million or 19 percent from \$165.3 million as at March 31, 2018, attributable primarily to light rail transit restricted cash on-hand, and timing differences between receipt of parliamentary appropriations and disbursements due to delays in the delivery of other projects.

Liabilities totalled \$196.1 million as at March 31, 2019, an increase of \$33.3 million or 20 percent from \$162.8 million as at March 31, 2018, attributable to a \$15.5 million increase in the provision for future environmental cleanup, primarily for Victoria Island and Hurdman West, a \$13.8 million increase for the light rail transit liability, and an increase of \$2.8 million in other liabilities due in part to the establishment of a fund for future capital improvements to the NCC's headquarters.

Non-financial assets totalled \$669.2 million as at March 31, 2019, an increase of \$23.8 million or 4 percent from \$645.4 million as at March 31, 2018, reflecting mostly increases in tangible capital assets net of amortization, as well as in the provision for future environmental cleanup of Victoria Island and a revision to the Hurdman West cleanup cost estimates, which will result in an increase in the land value, acquisitions including Gatineau Park properties, improvements of assets such as the 50 Sussex Drive redevelopment project, as well as the rehabilitation of other leased properties on Sussex Drive.

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# FINANCIAL STATEMENTS

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for the year ended March 31, 2019

## Statement of Management Responsibility

The accompanying financial statements of the National Capital Commission (NCC) are the responsibility of management and have been approved by the Board of Directors. These financial statements have been prepared by management in accordance with Canadian public sector accounting standards established by the Public Sector Accounting Board and, where appropriate, include amounts that have been estimated according to management's best judgment. Financial information presented elsewhere in the annual report is consistent with that shown in the financial statements.

Management has developed and maintains books of accounts, financial and management controls and information systems that are designed to provide reasonable assurance that the NCC's assets are safeguarded and controlled, that resources are managed economically and efficiently in the attainment of the NCC's objectives, and that transactions are in accordance with Part X of the *Financial Administration Act* and regulations, the *National Capital Act*, the by-laws of the NCC, and the directive issued pursuant to Section 89 of the *Financial Administration Act*. Internal audits are conducted regularly to assess the performance of information systems and management controls and practices.

The NCC's external auditor, the Auditor General of Canada, audits the financial statements, and reports to the minister of Canadian Heritage.

The members of the NCC's board of directors carry out their responsibilities in regards to the financial statements principally through the Audit Committee, which consists of members of the board of directors only. This committee meets periodically with management, as well as with the internal and external auditors, to discuss the results of audits conducted to determine the effectiveness of internal accounting controls and to review and discuss financial reporting matters. The external and internal auditors have full access to the Audit Committee, with or without the presence of management.



**Tobi Nussbaum**  
Chief Executive Officer



**Michel Houle, CPA, CMA**  
Executive Director, Corporate Services  
and Chief Financial Officer

Ottawa, Canada  
June 20, 2019



## INDEPENDENT AUDITOR'S REPORT

To the Minister of Canadian Heritage

### Report on the Audit of the Financial Statements

#### *Opinion*

We have audited the financial statements of the National Capital Commission, which comprise the statement of financial position as at 31 March 2019, and the statement of operations and accumulated surplus, statement of change in net financial assets (net debt) and statement of cash flows 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 National Capital Commission as at 31 March 2019, and the results of its operations, changes in its net financial assets, 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 National Capital Commission 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 Information*

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a

material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### *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 National Capital Commission'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 National Capital Commission or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the National Capital Commission'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 National Capital Commission'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 National Capital Commission'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 National Capital Commission 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the National Capital Commission to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

## **Report on Compliance with Specified Authorities**

### *Opinion*

In conjunction with the audit of the financial statements, we have audited transactions of the National Capital Commission coming to our notice for compliance with specified authorities. The specified authorities against which compliance was audited are Part X of the *Financial Administration Act* and regulations, the *National Capital Act*, the by-laws of the National Capital Commission, and the directive issued pursuant to section 89 of the *Financial Administration Act*.

In our opinion, the transactions of the National Capital Commission that came to our notice during the audit of the financial statements have complied, in all material respects, with the specified authorities referred to above. Further, as required by the *Financial Administration Act*, we report that, in our opinion, the accounting principles in Canadian public sector accounting standards have been applied on a basis consistent with that of the preceding year.



*Responsibilities of Management for Compliance with Specified Authorities*

Management is responsible for the National Capital Commission's compliance with the specified authorities named above, and for such internal control as management determines is necessary to enable the National Capital Commission to comply with the specified authorities.

*Auditor's Responsibilities for the Audit of Compliance with Specified Authorities*

Our audit responsibilities include planning and performing procedures to provide an audit opinion and reporting on whether the transactions coming to our notice during the audit of the financial statements are in compliance with the specified authorities referred to above.



Etienne Matte, CPA, CA  
Principal  
for the Interim Auditor General of Canada

Ottawa, Canada  
20 June 2019

## Statement of Financial Position

As at March 31 (in thousands of dollars)	2019	2018
<b>Financial Assets</b>		
Cash and cash equivalents (Note 3)	75,336	55,941
Restricted cash and cash equivalents (Note 4)	79,907	63,975
Accounts receivable	11,301	11,242
Investments (Note 3)	29,357	34,136
	<b>195,901</b>	<b>165,294</b>
<b>Liabilities</b>		
Accounts payable and accrued liabilities	18,633	19,831
Light rail transit (Note 4)	73,437	59,608
Provision for environmental cleanup (Note 5)	65,354	49,884
Deferred revenue (Note 6)	18,610	16,251
Employee future benefits (Note 7)	9,598	9,596
Other liabilities (Note 8)	10,463	7,639
	<b>196,095</b>	<b>162,809</b>
<b>Net Financial Assets (Net Debt)</b>	<b>(194)</b>	<b>2,485</b>
<b>Non-Financial Assets</b>		
Tangible capital assets (Note 9)	660,564	640,575
Prepaid expenses	3,494	3,623
Other non-financial assets (Note 10)	5,189	1,217
	<b>669,247</b>	<b>645,415</b>
<b>Accumulated Surplus</b>	<b>669,053</b>	<b>647,900</b>

Contractual rights, contractual obligations and contingent liabilities (Notes 13, 14 and 15)

The notes are an integral part of the financial statements.

Approved by the Board of Directors



**Marc Seaman**

Chair, Board of Directors



**Tanya Gracie**

Chair, Audit Committee

**NATIONAL CAPITAL COMMISSION**

## Statement of Operations and Accumulated Surplus

For the year ended March 31 (in thousands of dollars)	2019 Budget	2019 Actual	2018 Actual
	(Note 2)		
<b>Revenues</b>			
Rental operations and easements	24,075	<b>24,508</b>	25,478
Recoveries	3,390	<b>4,034</b>	10,002
User access fees	3,531	<b>3,614</b>	3,028
Interest	1,312	<b>2,875</b>	1,917
Headquarters sublease	2,277	<b>2,164</b>	2,278
Gain on disposal of tangible capital assets	–	<b>933</b>	2,907
Monetary sponsorship	–	<b>157</b>	297
Other revenues	1,815	<b>8,132</b>	2,951
	<b>36,400</b>	<b>46,417</b>	<b>48,858</b>
<b>Expenses (Notes 1 and 11)</b>			
Long-term planning	5,794	<b>4,243</b>	4,285
Stewardship and protection	89,612	<b>95,111</b>	94,378
Internal services	36,214	<b>35,219</b>	33,975
	<b>131,620</b>	<b>134,573</b>	<b>132,638</b>
<b>Deficit before funding from the Government of Canada</b>	<b>(95,220)</b>	<b>(88,156)</b>	<b>(83,780)</b>
<b>Funding from the Government of Canada</b>			
Parliamentary appropriations for operating expenditures (Note 12)	68,117	<b>72,014</b>	66,130
Parliamentary appropriations for tangible capital assets (Note 12)	40,312	<b>37,295</b>	23,500
	<b>108,429</b>	<b>109,309</b>	<b>89,630</b>
<b>Surplus for the year</b>	<b>13,209</b>	<b>21,153</b>	<b>5,850</b>
<b>Accumulated surplus at beginning of the year</b>	<b>639,560</b>	<b>647,900</b>	<b>642,050</b>
<b>Accumulated surplus at end of the year</b>	<b>652,769</b>	<b>669,053</b>	<b>647,900</b>

The notes are an integral part of the financial statements.

## Statement of Change in Net Financial Assets (Net Debt)

For the year ended March 31 (in thousands of dollars)	2019 Budget	2019 Actual	2018 Actual
	(Note 2)		
<b>Surplus for the year</b>	<b>13,209</b>	<b>21,153</b>	<b>5,850</b>
Acquisition and improvements of tangible capital assets (Note 9)	(47,217)	(46,399)	(35,337)
Amortization of tangible capital assets (Note 9)	18,937	19,364	18,635
Gain on disposal of tangible capital assets	–	(933)	(2,907)
Loss on disposal of tangible capital assets	–	1,085	1,021
Realized loss from sale-leaseback transaction	–	(183)	1,006
Proceeds from disposal of tangible capital assets	–	5,643	3,827
Writedowns of tangible capital assets	–	1,434	287
	<b>(28,280)</b>	<b>(19,989)</b>	<b>(13,468)</b>
Change in prepaid expenses	–	129	(1,101)
Change in other non-financial assets	177	(3,972)	177
	<b>177</b>	<b>(3,843)</b>	<b>(924)</b>
<b>Decrease in net financial assets</b>	<b>(14,894)</b>	<b>(2,679)</b>	<b>(8,542)</b>
<b>Net financial assets at beginning of the year</b>	<b>(6,761)</b>	<b>2,485</b>	<b>11,027</b>
<b>Net financial assets (net debt) at end of the year</b>	<b>(21,655)</b>	<b>(194)</b>	<b>2,485</b>

The notes are an integral part of the financial statements.

## NATIONAL CAPITAL COMMISSION

# Statement of Cash Flows

For the year ended March 31 (in thousands of dollars)	2019	2018
<b>Operating Activities</b>		
Cash receipts from parliamentary appropriations for operating expenditures	71,932	65,850
Cash receipts from rental operations and easements	23,458	21,761
Cash receipts from other operations	16,021	18,788
Cash paid to suppliers	(63,749)	(66,223)
Cash paid to employees	(47,915)	(42,732)
Interest received	3,006	2,123
Disbursements related to the management and remediation of sites	(558)	(1,214)
<b>Cash flows provided (used) by operating activities</b>	<b>2,195</b>	<b>(1,647)</b>
<b>Capital Activities</b>		
Cash receipts from parliamentary appropriations for tangible capital assets	37,295	23,890
Acquisition and improvements of tangible capital assets	(24,937)	(33,288)
Proceeds from disposal of tangible capital assets	980	9
Disbursements for environmental cleanup	(562)	(226)
<b>Cash flows provided (used) by capital activities</b>	<b>12,776</b>	<b>(9,615)</b>
<b>Investing Activities</b>		
Cash receipts for the light rail transit project	14,388	870
Cash receipts for Chambers Building Fund	1,544	–
Disbursements for investments purchased	(11,298)	(16,575)
Cash receipts from investments sold	15,722	1,237
<b>Cash flows provided (used) by investing activities</b>	<b>20,356</b>	<b>(14,468)</b>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>35,327</b>	<b>(25,730)</b>
<b>Cash and cash equivalents at beginning of the year</b>	<b>119,916</b>	<b>145,646</b>
<b>Cash and cash equivalents at end of the year</b>	<b>155,243</b>	<b>119,916</b>
<b>Represented by:</b>		
<b>Cash and cash equivalents</b>	<b>75,336</b>	<b>55,941</b>
<b>Restricted cash and cash equivalents</b>	<b>79,907</b>	<b>63,975</b>
	<b>155,243</b>	<b>119,916</b>

The notes are an integral part of the financial statements.

## 1. Authority and Objectives

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The National Capital Commission (NCC) was established in 1959 by the *National Capital Act* (1958) as an agent Crown corporation without share capital, named in Part I of Schedule III of the *Financial Administration Act*, and is not subject to the requirements of the *Income Tax Act*. The objects and purposes of the NCC, as stated in the amended *National Capital Act* (2013) are to prepare plans for and assist in the development, conservation and improvement of the National Capital Region in order that the nature and character of the seat of the Government of Canada may be in accordance with its national significance.

The NCC is also responsible for the management and maintenance of the tangible capital assets of the official residences located in the National Capital Region. The corporation created the Canadiana Fund to encourage Canadians to participate in the enhancement of the state areas of the official residences through public donations of furnishings, paintings and works of art, or the funds to purchase them. Pieces are selected to reflect Canada's heritage, artistic traditions and historical associations, or to complement the architectural style of a particular residence.

In July 2015, the corporation was issued a directive (P.C. 2015-1106) pursuant to Section 89 of the *Financial Administration Act* to align its travel, hospitality, conference and event expenditure policies, guidelines and practices with Treasury Board policies, directives and related instruments on travel, hospitality, conference and event expenditures in a manner consistent with its legal obligations, and to report on the implementation of this directive in the next corporate plan. The NCC met the requirements of the directive in 2015–2016.

### Program Definitions and Objectives

The NCC delivers its mandate through its program alignment architecture (PAA), which consists of a strategic outcome and three programs (including Internal services). The PAA is the list of programs upon which the NCC bases its reporting to Parliament and Canadians. The following are the objectives for each program.

#### **Long-term Planning**

The NCC ensures that federal lands and assets meet the needs of government and Canadians, and reflect and respect the significance, natural environment and heritage of the National Capital. The NCC develops long-term plans, conducts the identification of the National Interest Land Mass (NILM), and manages federal land use, design and transaction approvals. With partners in the region, the NCC also conducts interprovincial transportation planning, and facilitates transportation projects.

#### **Stewardship and Protection**

The NCC manages, maintains, protects, develops and rehabilitates federal lands and assets in the National Capital Region. The NCC also ensures that Canadians have safe, appropriate and sustainable access to experience these federal lands and assets. Through its stewardship activities with the official residences, the NCC ensures accommodations for Canada's official leaders are appropriate and serve as inspiring settings for state events and ceremonies.

### **Internal Services**

To fulfill its ongoing planning and stewardship responsibilities, the NCC also has a series of organization-wide internal services that support the delivery of its activities, and management of resources. These functions support the NCC's management of financial and human resources; governance structures, including the board of directors and committees; public affairs, communications and marketing; legal services; reporting to Parliament and Canadians; and information technology (IT) and geomatics services.

## **2. Significant Accounting Policies**

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### **A. Basis of Accounting**

These financial statements have been prepared in accordance with the Canadian public sector accounting standards (PSAS) established by the Public Sector Accounting Board (PSAB), and reflect the policies below.

Financial assets and non-financial assets, as well as liabilities are reported on the Statement of Financial Position. Non-financial assets are normally utilized to provide future services, and are expensed through amortization or upon utilization. Non-financial assets are not included in the determination of net financial assets, but are added to the net financial assets in determining the accumulated surplus.

Intangibles assets are not recognized in the financial statements.

#### **Measurement Uncertainty**

The preparation of financial statements in accordance with PSAS requires management to make estimates and assumptions that affect the reported values of financial assets, liabilities and non-financial assets at the date of the financial statements, and the reported amounts of revenue and expenses for the reporting period. Estimated useful lives of tangible capital assets, provision for environmental cleanup, employee future benefits, writedowns of tangible capital assets and the recognition of contingent liabilities are the most significant items for which estimates are used. Actual results could differ materially from those management's best estimates.

#### **Budget Figures**

The 2018–2019 budget figures, as presented in the *2018–2019 to 2022–2023 Corporate Plan*, are included, as appropriate, in the Statement of Operations and Accumulated Surplus and the Statement of Change in Net Financial Assets (Net Debt).

### **B. Cash and Cash Equivalents and Restricted Cash and Cash Equivalents**

Cash and cash equivalents include cash and highly liquid investments. These investments purchased three months or less from maturity, are recorded at cost.

Restricted cash and cash equivalents are subject to external restrictions that specify the purpose for which they are to be used.

## Notes to the Financial Statements

For the year ended March 31, 2019 (in thousands of dollars, unless otherwise specified)

### C. Investments

Investments include short-term portfolio investments with a term to maturity of 365 days or less, as well as long-term portfolio investments maturing in greater than 365 days. Short-term investments are comprised of money market instruments, such as bankers' acceptances, guaranteed investment certificates and bearer deposit notes, whereas long-term investments include bonds issued by the Government of Canada, as well as provincial and municipal governments. Investments are recorded at amortized cost using the effective interest rate method. Transaction costs are added to the carrying value of investments at initial recognition. At each date of the financial statements, the NCC assesses investments to determine if there is any objective evidence of impairment. Where one exists and is deemed to be due to factors other than a temporary decline, the impairment loss would be reported in the Statement of Operations and Accumulated Surplus.

### D. Assets Held for Sale

The NCC recognizes an asset held for sale when all of the following criteria are met prior to the date of the financial statements:

- i. the sale of the asset is approved;
- ii. the asset is in a condition to be sold;
- iii. the asset is publicly seen to be for sale;
- iv. there is an active market for the asset;
- v. there is a plan in place for selling the asset; and
- vi. it is reasonably anticipated that the sale to a purchaser external to the NCC reporting entity will be completed within one year of the financial statement date.

The asset held for sale is measured at the lower of its carrying amount or fair value, less cost to sell.

### E. Provision for Environmental Cleanup

The NCC recognizes a provision for environmental cleanup and an expense for the costs associated with the remediation of contaminated sites when all of the following conditions are prevalent: an environmental standard exists; the level of contamination has been determined to exceed the environmental standard; the NCC is directly responsible or accepts responsibility; it is expected that future economic benefits will be given up; and a reasonable estimate of the amount can be made at that time. However, where the criteria for recognizing a liability are met and the contamination occurred prior to the NCC's acquisition of the land, the costs associated with the cleanup necessary to prepare the land for its intended use form an integral part of the capital costs, and are capitalized to "Land" (Note 9). When ongoing operation, maintenance and monitoring are an integral part of the remediation strategy for a contaminated site, the estimate of the liability would include the costs for such activities.

The NCC expects that future economic benefits will be given up when there is a risk to public safety and security, planned development or disposal of the land, or where public documents and Treasury Board decisions indicate that the NCC has a responsibility to the public that leaves it little or no discretion in relieving itself of the obligation. In the event that it is not possible to determine if a future economic benefit will be given up, but an amount can be reasonably estimated, a contingent liability will be disclosed in the Notes to the Financial Statements.



The costs related to the management and remediation of sites may vary depending on the land use as determined during the urban planning process and the development of the Plan for Canada's Capital. These costs are adjusted annually to reflect the time value of money, new obligations with respect to environmental evaluations, changes in management estimates and actual costs incurred.

## F. Employee Future Benefits

### i. Pension Benefits

Substantially all employees of the NCC are covered by the Public Service Pension Plan (the "Plan"), a defined benefit plan established through legislation and sponsored by the Government of Canada. Contributions are required by both the employees and the NCC to cover current service cost. In accordance with current legislation, the NCC has no legal or constructive obligation to pay further contributions with respect to any past service or funding deficiencies of the Plan. Consequently, contributions are recognized as an expense in the year when employees have rendered service, representing the total of NCC's pension obligation for the year.

### ii. Other Benefit Plans

Severance benefits, workers' compensation benefits, maternity or parental leave benefits, and sick leave benefits represent the obligations of the NCC that require settlement by future payments.

**Severance Benefits:** In February 2013, a new collective agreement was signed, resulting in the elimination of the accumulation of severance benefits. Consistent with this collective agreement, all indeterminate employees were entitled to severance payments equal to one week's pay for each complete year of continuous employment and, in cases of a partial year of continuous employment, one week's pay multiplied by the number of days of continuous employment divided by 365, to a maximum of 30 weeks. All term employees were entitled to a severance payment equal to one week's pay for each complete year of continuous employment, to a maximum of 30 weeks. Employees affected by these changes had the option of collecting, during the 2013–2014 fiscal year, the full or partial amount of the severance benefit accrued up to the collective agreement signing date, or of collecting, at the time of termination of employment at the NCC, the full or remaining amount of the accumulated weeks of severance. As at March 31, 2019, the NCC recorded a liability for employees who delayed the payment of their severance benefit until the time of termination. Management uses the employee's salary in effect at March 31, 2019, to calculate the value of the remaining obligation.

**Workers' Compensation Benefits:** Workers' compensation benefits represent an obligation that requires settlement by future payment. The NCC is subject to the *Government Employees Compensation Act* and, is therefore not mandatorily covered under any provincial workers' compensation act. As a self-insured employer, the NCC is accountable for the obligations assumed since its establishment. The NCC's obligations, for workers' compensation benefits and post-employment benefits for employees in receipt of long-term disability benefits, are based on known disability and survivor pension awards and other potential awards resulting from accidents occurring up to the measurement date. The obligation is determined using management's best estimates and actuarial data obtained from the Workplace Safety and Insurance Board of Ontario.

## Notes to the Financial Statements

For the year ended March 31, 2019 (in thousands of dollars, unless otherwise specified)

**Maternity or Parental Leave Benefits:** Maternity or parental leave benefits represent an obligation that results in settlement during the next fiscal year. The benefits are event-driven, and are paid during an employee's absence on maternity or parental leave.

**Sick Leave Benefits:** Most employees of the NCC are entitled to accumulating sick leave benefits as provided for under their conditions of employment. The NCC recognizes a liability and an expense for the cost of future sick leave benefits in the period in which employees render services that qualify for benefits. The obligation related to sick leave benefits earned by employees is actuarially determined using the projected benefit method, prorated on service and management's best estimate of discount rate, employee demographics, and sick leave usage of active employees. Actuarial gains (losses) are amortized on a systematic basis over the remaining active service life of employees covered by these sick leave benefits.

## G. Deferred Rent Inducement

The NCC currently leases its headquarters office space. Moving expenses and major leasehold improvements incurred by the lessor under the original lease to accommodate NCC needs, have been recorded as deferred rent inducement as at the effective date of the lease, and are amortized over the term of the lease, which will end on December 15, 2019.

On June 1, 2016, the NCC signed an extension of the existing lease for a term of 25 years. This resulted in a new deferred rent inducement to allow the NCC to redevelop its space in accordance with its current and future operational requirements. This incentive was recorded on the effective date of the renegotiated lease and will be amortized from the end of the original lease over the new term of the lease.

The NCC also recorded an amount in the deferred rent inducement which represents the difference between the rate paid under the original lease and the new rate paid under the renegotiated lease. This amount will be deferred until the end of the original lease and will be amortized until April 30, 2041. The amortization of the rent inducement is recorded under the "Goods and services" expense in Note 11.

## H. Tangible Capital Assets

Tangible capital assets are recorded at cost. When conditions indicate that a tangible capital asset no longer contributes to the NCC's ability to provide goods and services, or that the value of future economic benefits associated with the tangible capital asset is less than its net book value, the cost of the tangible capital asset is reduced to reflect the decline in the asset's value. The net write-down is shown as an expense in the Statement of Operations and Accumulated Surplus.

Improvements that extend the useful life of buildings, infrastructure and equipment are capitalized and amortized according to their respective asset class. Land improvements and other development costs are capitalized once they meet the definition of an asset and there are expected future economic benefits associated with those costs. Construction in progress represents assets that are not yet available for use, and therefore are not subject to amortization.

Antiques and works of art of the NCC are not recorded as tangible capital assets in the financial statements, but as an expense when they are acquired or donated, as disclosed in Note 11. Antiques and works of art consist primarily of monuments, paintings, furniture and sculptures.

## Notes to the Financial Statements

For the year ended March 31, 2019 (in thousands of dollars, unless otherwise specified)

The cost of tangible capital assets in use is amortized on a straight line basis over the estimated useful life, as follows.

<b>Tangible Capital Assets</b>	
Parkways, bridges and roadways	25 to 45 years
Historical properties	20 to 40 years
Rental properties	20 to 40 years
Parks	20 to 40 years
Administrative and service buildings	20 to 40 years
Recreational properties	20 to 40 years
Development properties	20 years
Leasehold improvements	The lesser of the term of the lease or the estimated useful life
Office equipment, machinery and equipment	5 to 10 years
Computers and software	3 to 7 years
Vehicles	5 years

## I. Inter-entity Transactions

In the normal course of business, the NCC regularly enters into transactions with public sector entities that are part of the government's reporting entity. The NCC performs various types of transactions, such as exchanges of assets, goods or services that are either:

- 1) recognized at the exchange amount when they are undertaken on similar terms and conditions to those adopted if the entities were dealing at arm's length, or
- 2) either at the carrying amount, or
- 3) either at the carrying amount if the NCC is the provider and at the carrying amount or fair value if the NCC is the recipient where the assets or liabilities are transferred for nominal or no consideration.

Finally, the NCC may receive services related to unallocated costs from other government entities. These services are not recognized in the NCC's Statement of Operations and Accumulated Surplus.

## J. Non-monetary Transactions

In the normal course of business, the NCC regularly signs non-monetary agreements. The NCC carries out exchanges of non-monetary assets, goods or services for other non-monetary assets, goods or services with little or no monetary consideration involved. It also carries out or receives non-monetary non-reciprocal transfers, which are transfers of non-monetary assets, goods or services without consideration. When a non-monetary transaction has a commercial substance for the NCC, the transaction is recorded at the fair value of the asset, good or service given up, unless the fair value of the asset, good or service received is more reliable. If the transaction lacks commercial substance, it is recorded at the carrying amount of the asset, good or service given up. Gains or losses resulting from non-monetary, non-reciprocal transfers are recognized in the Statement of Operations and Accumulated Surplus.

## Notes to the Financial Statements

For the year ended March 31, 2019 (in thousands of dollars, unless otherwise specified)

A non-monetary transaction is deemed to have commercial substance for the NCC when its future cash flows are expected to be impacted significantly as a result of the transaction. It is significant when the configuration of the future cash flows resulting from the asset, good or service received differs significantly from the configuration of the cash flows anticipated from the asset, good or service given up. It is also significant when the NCC's specific value of the asset, the good or service received differs from the NCC's specific value of the asset, good or service given up, and the difference is significant relative to the fair value of the assets, goods or services exchanged.

## K. Revenue Recognition

Revenues result primarily from rental operations and easements, gains on disposal of tangible capital assets, interest, monetary sponsorship, headquarters sublease, user access fees, recoveries and other revenues (e.g. contributions for various projects, federal land use approval, concession revenues, contributions and revenues resulting from non-related party donations not subject to externally imposed stipulations).

The NCC enters into agreements with third parties, generally public sector entities that are included in the government reporting entity, through which the NCC accounts for exchange value recoveries for projects for which it is responsible. These projects represent, among other things, construction or improvements of tangible capital assets for which either the third party or the NCC will have control.

The NCC records its income when the transactions or the facts from which they arise take place. Usually, revenue is recognized when there is clear evidence that an agreement has occurred, services have been rendered or products have been delivered, the amount is established and determinable and collection is reasonably assured. The NCC also recognizes deferred revenue when it is collected in advance.

## L. Parliamentary Appropriations

The NCC obtains an important part of its funding through parliamentary appropriations for operating expenditures and tangible capital asset acquisition or betterment. These parliamentary appropriations are free of any stipulations limiting their use, and are recognized as funding from the Government of Canada in the Statement of Operations and Accumulated Surplus, up to the authorized amount, where the eligibility criteria have been met.

## M. Contingent Liabilities

Contingent liabilities are potential liabilities which may become actual liabilities when one or more future events occur or fail to occur. To the extent that the future event is likely to occur or fail to occur, and a reasonable estimate of the obligation can be made by the NCC, an estimated liability is accrued and an expense recorded. If the likelihood is not determinable or an amount cannot be reasonably estimated, the contingency is disclosed in Note 15.

## N. Financial Instruments

The NCC identifies, assesses and manages financial risks in order to minimize their impact on the NCC's results and financial position. The NCC manages its financial risks in accordance with specific criteria, as disclosed in Note 16, and does not engage in speculative transactions or use derivative financial instruments.

## Notes to the Financial Statements

For the year ended March 31, 2019 (in thousands of dollars, unless otherwise specified)

Financial assets and financial liabilities are measured at cost, except investments which are measured at amortized cost. Financial assets consist of cash and cash equivalents, restricted cash and cash equivalents, accounts receivable, and investments. Financial liabilities consist of accounts payable and accrued liabilities, light rail transit, and unsettled expropriation of property.

### 3. Cash and Cash Equivalents and Investments

The NCC's policy is to invest excess cash in guaranteed investment certificates, bankers' acceptances, guaranteed notes, term deposits, and securities of the Government of Canada, provincial or municipal governments. These types of investments are purchased from a member of the Canadian Payments Association and are redeemable on short notice.

#### A. Cash and Cash Equivalents

As at March 31, 2019, cash and cash equivalents include \$75.3 million (\$55.9 million in 2018) in cash, invested at a weighted average interest rate of 2.1 percent (1.5 percent in 2018).

#### B. Investments

As at March 31, 2019, the short-term investment portfolio includes guaranteed investment certificates totalling \$10.0 million (\$15.0 million in 2018) at a weighted average effective interest rate of 2.9 percent and a term of 12 months (2.3 percent in 2018).

As at March 31, 2019, the long-term investment portfolio includes bonds of provincial governments, totalling \$19.4 million (\$19.1 million in 2018) invested at a weighted average interest rate of 3.7 percent (3.7 percent in 2018).

	2019		2018	
	Amortized Cost	Quoted Market Value	Amortized Cost	Quoted Market Value
Provincial governments	19,357	19,812	19,136	19,631
Guaranteed investment certificate	10,000	10,000	15,000	15,000
	29,357	29,812	34,136	34,631

## Notes to the Financial Statements

For the year ended March 31, 2019 (in thousands of dollars, unless otherwise specified)

### C. Designated Funds

As at March 31, 2019, cash and cash equivalents included \$41.1 million (\$33.3 million in 2018) in designated funds whose use is designated or limited for the sole purpose for which they have been segregated. The following funds are segregated.

	2019	2018
Official residences	2,710	1,078
Revitalization of Sparks Street in Ottawa	205	205
Redevelopment of LeBreton Flats	6,111	6,673
The Revitalization of NCC assets (Budget 2018)	6,212	–
Federal Contaminated Sites Action Plan (FCSAP)	2,403	1,485
Redevelopment of industrial lands on the north shore of the Ottawa River	2,672	2,618
Acquisition of real property <sup>1</sup>	20,745	21,280
	<b>41,058</b>	<b>33,339</b>

1. These funds are used to acquire and dispose of real properties. During the period, proceeds on disposal and interest revenues amounted to \$1.3 million (\$4.2 million in 2018), with associated expenditures totalling \$1.8 million (\$8.4 million in 2018).

### 4. Restricted cash and cash equivalents

	Amount received	Amount returned	Interest	2019 Total	2018 Total
LRT Stage 1 – Security deposit	49,026	–	4,278	53,304	52,230
LRT Stage 1 – Performance deposit	24,500	(13,475)	962	11,987	11,745
LRT Stage 2 – Confederation line deposit	13,028	–	44	13,072	–
<b>LRT Total</b>	<b>86,554</b>	<b>(13,475)</b>	<b>5,284</b>	<b>78,363</b>	<b>63,975</b>
Chambers Building Fund	1,543	–	1	1,544	–
<b>Total</b>	<b>88,097</b>	<b>(13,475)</b>	<b>5,285</b>	<b>79,907</b>	<b>63,975</b>

#### A. Light Rail Transit (LRT)

The City of Ottawa (the City) has undertaken a significant project to convert the existing bus rapid transit system to a light rail transit system. This system will affect several NCC properties, which are subject to change until such time as the actual land requirements are finalized.

The above table includes amounts that have been either received or returned, as well as the net interest earned to date. During the year, net interest of \$1.4 million (\$0.8 million in 2018) has been recorded and included in the Financial Assets under “Restricted cash and cash equivalents” and under the “Light rail transit” liability as at March 31, 2019. The accumulated interest recorded as at March 31, 2019, was \$5.3 million (\$3.9 million in 2018).

## Notes to the Financial Statements

For the year ended March 31, 2019 (in thousands of dollars, unless otherwise specified)

As at March 31, 2019, the NCC recognized revenues totalling \$0.6 million (\$0.8 million in 2018), as it continues to provide the City access to the light rail transit properties under Stage 1 of the LRT project for a defined period of time, which is now expected to terminate in 2019-2020.

The Light rail transit liability, which represents Stage 1 and 2 of the LRT project, totals \$73.4 million (\$59.6 million in 2018).

### Stage 1 of the LRT project

The NCC and the City signed a memorandum of understanding (MOU) on October 9, 2012, by which the NCC granted the City a temporary construction easement over the affected NCC properties in order to provide access. Further to this, the NCC and the City entered into a transfer agreement, on June 30, 2015, outlining the rights and obligations for each party regarding property rights in perpetuity, necessary to the completion of the project by December 31, 2019.

As per the MOU, the City delivered to the NCC a security deposit of \$49.0 million on January 30, 2013, which is held in a separate interest-bearing account, and represents the estimated market value of all NCC properties required by the City, subject to further adjustment. The NCC also received a performance deposit of \$24.5 million in support of the City's obligations, which is also held in a separate interest-bearing account. All of these amounts and accumulated interest are segregated in the Statement of Financial Position, reflective of the external restrictions imposed.

The transfer agreement between the NCC and the City entered into on June 30, 2015, confirmed the final market value for each land site required by the City in terms of the properties required for the light rail transit system. The properties in the areas of Hurdman, Tremblay Road and downtown (Tunnel Chambers and Shaw Centre) will be negotiated at fair market value, whereas the properties in the LeBreton Flats area will be transacted at nominal value.

On January 17, 2017, some lands were transferred to the City in accordance with article 14.1.3 of the transfer agreement, following the execution by the City of the agreed works required for the said transfer of the lands. These lands that are part of LeBreton Flats were therefore transferred at nominal value, and a loss of \$0.5 million, equal to its book value, was recorded in 2016-17.

The total book value of the lands affected by this project total \$1.7 million, as at March 31, 2019 (\$1.7 million in 2018). According to the transfer agreement signed on June 30, 2015, when the NCC reviews and accepts the "as-built drawings" a significant gain will be recognized. The finalized drawings are to be delivered by the City to the NCC by June 30, 2019.

As of March 31, 2019, the NCC has returned to the City a total of \$13.5 million of the performance deposit plus accrued interest, as certain requirements of the MOU have been met.

### Stage 2 of the LRT project

On May 10, 2016, the NCC and the City signed an agreement in principle, whereby a light rail transit western extension will be constructed on the western side of the city, largely on NCC-owned land and, more specifically, in the corridor of the Sir John A. Macdonald Parkway. This agreement outlines the future project and improvements to the lands along the parkway that will be carried out during and after the construction of the western extension of the light rail transit project. This project has a total value of \$30.0 million which is financed by the City with \$1.6 million received to date (\$1.3 million in 2018).

## Notes to the Financial Statements

For the year ended March 31, 2019 (in thousands of dollars, unless otherwise specified)

In addition, Stage 2 of the LRT project also includes 2 other extensions. The NCC and the City entered into two new transfer agreements, on June 22, 2018, the Confederation line (western and eastern extensions) and the Trillium line (southern extension). These agreements are mainly composed of 99 year easement, temporary construction easement and real property rights transfer necessary to the completion of the project by June 30, 2025. On January 17, 2019, the City made a deposit of \$13.8 million to the NCC which represents the estimated market value confirmed in the transfer agreements, of which \$13.0 million is held in escrow in a separate interest-bearing account.

## B. Chambers Building Fund

As set out in the ground lease with Allied, the tenant must remit an annual amount to the NCC strictly for the purpose to fund future capital improvements for 40 Elgin Street. The funding requirement began October 31, 2018 and will continue annually until the end of the lease in 2056. These funds are being administered by the NCC. A related liability is disclosed in Note 8.

## 5. Provision for Environmental Cleanup

As part of the Environmental Management Framework, the NCC developed a risk-based approach for the management of contaminated sites. This approach is a proactive management tool to ensure that the necessary steps are taken to identify, assess, classify and prioritize contaminated sites, and thus ensure public safety and security. To classify the sites in order of priority, all 1,596 sites owned by the NCC were the object of preliminary environmental assessments which involved researching the historical use of the land and its current use and, for those sites posing the greatest risk, an initial or detailed assessment was performed to confirm the degree of contamination.

As at March 31, 2019, the following table presents the classification of sites owned by the NCC.

	2019	2018
<b>Contaminated sites exceeding the environmental standard</b>		
Sites included in the liability or contingent liability	51	40
Other contaminated sites	201	198
<b>Total contaminated sites exceeding the environmental standard</b>	<b>252</b>	<b>238</b>
Sites lacking environmental information for classification	205	206
Sites not exceeding the environmental standard	1,139	1,135
<b>Total sites owned by the NCC</b>	<b>1,596</b>	<b>1,579</b>

The NCC has identified 252 sites that contain levels of contaminants above acceptable environmental standards. The NCC land portfolio was contaminated primarily by former commercial and industrial operations. Multiple sources of contamination are associated with the former industrial and commercial sites, with the principal contaminants being metals, polycyclic aromatic hydrocarbons (PAHs), petroleum hydrocarbons, volatiles (e.g. methane) and organic compounds (e.g. trichloroethene). A liability of \$65.4 million (\$49.9 million in 2018) has been recognized for the contaminated sites where it is likely that future economic benefits will be given up. This liability represents management's best estimate of the funds required to complete the environmental cleanup, and is based on information available as at the date of the financial statements. Of the liability, \$46.5 million (\$31.3 million in 2018) has been capitalized to the cost of the land.



## Notes to the Financial Statements

For the year ended March 31, 2019 (in thousands of dollars, unless otherwise specified)

Further, the NCC estimates the unrecorded contingent liabilities at \$496.0 million (\$487.2 million in 2018), also included in Note 15. This amount is based on remediation activities where an environmental assessment was sufficient to calculate a reasonable estimate for the liability. However, it is impossible to determine if future economic benefits will actually be given up.

The 201 remaining sites have levels of contaminants above the environmental standard. Further, these sites have been assessed by management as low corporate priority for the following reasons: they pose no public health or safety issues, they are not slated for development or disposal, and it is unlikely that the NCC will give up future economic benefits; they are secured sites or the NCC does not have sufficient information to assess a liability. Secured sites are those where the necessary studies, remediation and other risk management actions have been taken, consistent with the designated use of the site.

The valuation of the liability is based on the estimated value of the remediation activities required. This figure is indexed for the time value of money, every year, using the Bank of Canada rate. The indexation rate used in 2019 is 1.8 percent (2.3 percent in 2018).

In line with the NCC's Environmental Management Framework, 205 sites are not a priority, as they do not pose a public health or safety risk. These sites, therefore, have not been the subject of an environmental assessment to establish if the suspected contaminants are present and exceeding environmental standards, or the contamination has not yet been determined. Aside from the preliminary assessment regarding the historical use, no further evaluation has been performed.

The preliminary environmental assessments found 1,139 sites were either not contaminated or found to be within the environmental standards.

## 6. Deferred Revenues

Deferred revenues are composed of the following.

	2019	2018
Deferred rental revenues	7,121	7,262
Deferred easement and license of occupation revenues	5,863	5,676
Other deferred revenues	5,626	3,313
	<b>18,610</b>	<b>16,251</b>

The deferred rental revenue is primarily the present value of the minimum future lease payments that the NCC has collected under three different land lease agreements. The present value for the current agreements was determined using discount rates of 4.27 percent, 6.01 percent and 6.5 percent. This deferred rental revenue will be recognized as income over the term of the lease agreements, which have different termination dates extending to 2068. During the year, \$0.4 million (\$0.4 million in 2018) of deferred rental revenue was recognized as income.

## Notes to the Financial Statements

For the year ended March 31, 2019 (in thousands of dollars, unless otherwise specified)

# 7. Employee Future Benefits

## A. Pension Benefits

Substantially all of the employees of the NCC are covered by the Public Service Pension Plan (the “Plan”), a defined benefit plan established through legislation and sponsored by the Government of Canada. Contributions are required by both the employees and the NCC. The President of the Treasury Board of Canada sets the required employer contributions, based on a multiple of the employee’s required contribution. The required employer contribution rate for 2018 and 2019 was dependent on the employee plan contribution start dates. For plan participation prior to 2013, the NCC’s contribution rate effective at year-end was 1.01 times (1.01 in 2018) the employee contribution. For plan participation beginning on January 1, 2013, or later, the NCC’s contribution rate effective at year-end was 1.00 times (1.00 in 2018) the employee’s contribution. NCC and employee contributions to the Plan for the year were as follows.

	2019	2018
NCC’s contributions	4,277	3,697
Employee contributions	4,570	3,627

The Government of Canada holds a statutory obligation for the payment of benefits relating to the Plan. Pension benefits generally accrue up to a maximum period of 35 years, at an annual rate of 2 percent per year of pensionable service, times the average of the best five consecutive years of earnings. The benefits are coordinated with Canada Pension Plan and Quebec Pension Plan benefits, and are indexed to inflation.

## B. Other Benefit Plans

As at the Statement of Financial Position date, information relating to NCC benefit plans other than the pension plan is as follows.

	Sick leave benefits	Severance benefits	Worker’s compensation benefits	Maternity or Parental leave benefits	2019	2018
Accrued benefit obligation at beginning of the year	6,320	1,541	1,604	131	9,596	8,921
Cost for the year	798	85	(126)	(14)	743	1,430
Benefits paid during the year	(283)	(354)	(104)	–	(741)	(755)
Accrued benefit obligation at end of the year	6,835	1,272	1,374	117	9,598	9,596

These other benefit plans are not pre-funded, and thus have no assets, resulting in a plan deficit equal to the accrued benefit obligation. Benefits will be paid from the NCC’s future appropriations and other sources of revenue.

## Notes to the Financial Statements

For the year ended March 31, 2019 (in thousands of dollars, unless otherwise specified)

### Sick Leave Obligation

The NCC has an obligation related to sick leave benefits for its employees. The most recent actuarial valuation for sick leave obligation was completed by an independent actuary as at March 31, 2019. The estimated average remaining service period for employees is 12 years (12 years in 2018).

The key assumptions used in the actuarial valuation of the sick leave obligation include a discount rate of 1.81 percent (2.16 percent in 2018), as well as an economic wage increase rate of 2.0 percent (1.8 percent in 2018). An unamortized actuarial gain of \$1.2 million (\$0.4 million in 2018) is included in the sick leave obligation.

The information on sick leave is as follows.

	2019	2018
Sick leave obligation at beginning of the year	5,949	5,441
Current service cost	726	980
Interest cost on benefit obligation	127	134
Actuarial gain on obligation	(837)	(234)
Sick leave used during the year	(282)	(372)
<b>Sick leave obligation at end of the year</b>	<b>5,683</b>	<b>5,949</b>
Unamortized actuarial gain	1,152	371
<b>Sick leave liability at end of the year</b>	<b>6,835</b>	<b>6,320</b>

## 8. Other Liabilities

Other liabilities are composed of the following.

	2019	2018
Deferred rent inducement <sup>1</sup>	8,724	7,446
Chambers Building Fund <sup>2</sup>	1,544	–
Unsettled expropriation <sup>3</sup>	195	193
	<b>10,463</b>	<b>7,639</b>

1. The deferred rent inducement represents the balance of \$0.1 million (\$0.2 million in 2018) from the headquarters original lease plus the deferred rent inducement for the new lease of \$4.6 million (\$4.6 million in 2018). In addition, \$4.1 million (\$2.6 million in 2018) represents the difference in rates paid on the two leases. See Note 2G for more detail.

2. The amount represents a fund for future capital improvements. See Note 4B for more detail.

3. The unsettled expropriation is payable on demand.

## Notes to the Financial Statements

For the year ended March 31, 2019 (in thousands of dollars, unless otherwise specified)

# 9. Tangible Capital Assets

	Cost			Accumulated Amortization			Net Book Value			
	Opening Balance	Acquisitions <sup>4</sup>	Disposals/ Adjustments <sup>3</sup>	Closing Balance	Opening Balance	Amortization Expense	Disposals/ Adjustments	Closing Balance	March 31, 2019	March 31, 2018
<b>Land<sup>1</sup></b>	310,348	21,881	5,624	326,605	–	–	–	–	326,605	310,348
<b>Buildings and infrastructure<sup>2,3</sup></b>										
Parkways, bridges and roadways	264,742	6,467	123	271,086	169,458	5,421	–	174,879	96,207	95,284
Historical properties	134,964	3,086	515	137,535	67,125	3,044	80	70,089	67,446	67,839
Rental properties	168,640	9,310	823	177,127	90,911	3,489	81	94,319	82,808	77,729
Parks	136,072	1,417	105	137,384	87,969	3,267	20	91,216	46,168	48,103
Administrative and service buildings	29,067	391	–	29,458	17,010	859	–	17,869	11,589	12,057
Recreational properties	31,499	1,004	37	32,466	22,324	623	–	22,947	9,519	9,175
Development properties	22,776	491	–	23,267	11,883	852	–	12,735	10,532	10,893
<b>Leasehold improvements</b>	13,537	1,583	–	15,120	10,154	511	–	10,665	4,455	3,383
<b>Equipment<sup>2</sup></b>										
Office equipment, machinery and equipment	7,513	136	12	7,637	6,195	273	12	6,456	1,181	1,318
Computers and software	10,272	489	–	10,761	6,190	862	–	7,052	3,709	4,082
Vehicles	1,638	144	51	1,731	1,274	163	51	1,386	345	364
	<b>1,131,068</b>	<b>46,399</b>	<b>7,290</b>	<b>1,170,177</b>	<b>490,493</b>	<b>19,364</b>	<b>244</b>	<b>509,613</b>	<b>660,564</b>	<b>640,575</b>

1. The land cost includes \$0.2 million in 2018 of unsettled expropriation.

2. The total cost of buildings and infrastructure and equipment include \$20.9 million in 2018 (\$15.8 million in 2018) of construction in progress. When completed, the cost of these projects will be amortized on the basis of their estimated useful life.

3. The disposals and adjustments include writedowns of \$1.4 million in buildings and infrastructure (\$0.3 million in 2018).

4. The acquisition and improvements of tangible capital assets and the disbursements for environmental cleanup presented in the Statement of Cash Flows exclude an amount of \$4.0 million (\$3.4 million in 2018) in relation to the acquisition and improvements of tangible capital assets that remain unpaid as at March 31, 2019 as well as an amount of \$20.2 million (\$3.6 million in 2018) for non-monetary transactions incurred during the year.

## Notes to the Financial Statements

For the year ended March 31, 2019 (in thousands of dollars, unless otherwise specified)

# 10. Other Non-Financial Assets

As part of a non-monetary transaction carried out during 2001–2002, the NCC transferred properties, and is committed to render services to the former City of Hull. In exchange, the City also transferred properties and is committed until 2022 to maintain parks and roads belonging to the NCC. As of March 31, 2019, the unamortized present value of these maintenance services, discounted at the interest rate of 6.5 percent, amounts to \$0.5 million (\$0.6 million in 2018). This non-financial asset is recognized on a straight line basis, and the expense of \$0.2 million (\$0.2 million in 2018) is included under “Goods and services” in Note 11.

In 2014–2015, the NCC entered into an agreement with the City of Ottawa. The City of Ottawa will transfer specific land to the NCC by December 31, 2019, in accordance with the “Legacy Agreement” convention. This non-financial asset represents \$0.6 million (\$0.6 million in 2018).

In 2018–2019, the NCC entered into an agreement with a third party. In exchange for land transferred by the NCC, the third party has the obligation to provide public green spaces, parks and pathways for a value of \$4.1 million which are expected to be completed by April 2024. The value of the infrastructures to be received is guaranteed via letters of credit held by the NCC. A related contractual right is disclosed in Note 13.

# 11. Expenses by Object

The following provides a summary of expenses by object.

	<b>2019 Budget</b>	<b>2019 Actual</b>	<b>2018 Actual</b>
Goods and services	58,331	<b>57,283</b>	58,645
Salaries and employee benefits	44,642	<b>45,312</b>	44,652
Amortization	18,937	<b>19,364</b>	18,635
Payments in lieu of municipal taxes	9,710	<b>10,095</b>	9,398
Loss on disposal of tangible capital assets	–	<b>1,085</b>	1,021
Writedowns of tangible capital assets	–	<b>1,434</b>	287
	<b>131,620</b>	<b>134,573</b>	<b>132,638</b>

Antiques, works of art and monuments acquired or built by the NCC and those donated to the Canadiana Fund or the NCC are not recorded as tangible capital assets but are recorded as expenses and are included in “Goods and services.” For the year ended March 31, 2019, the value of antiques, works of art and monuments totalled \$0.9 million (\$2.9 million in 2018).

For the year ended March 31, 2019, in-kind goods received by the NCC represented \$0.6 million (\$0.5 million in 2018) of the “Goods and services” expense.

## Notes to the Financial Statements

For the year ended March 31, 2019 (in thousands of dollars, unless otherwise specified)

## 12. Parliamentary Appropriations

	2019	2018
<b>Parliamentary appropriations for operating expenditures</b>		
Amount received during the year	71,156	65,354
Amount receivable at end of the year	1,038	776
Amount deferred to next year	(180)	–
	<b>72,014</b>	<b>66,130</b>
<b>Parliamentary appropriations for tangible capital assets</b>		
Amount received during the year	37,295	23,500
	<b>37,295</b>	<b>23,500</b>
<b>Parliamentary appropriations approved and recorded during the year</b>	<b>109,309</b>	<b>89,630</b>

## 13. Contractual Rights

i. Contractual rights are rights to economic resources arising from contracts or agreements that will give rise to assets and income in the future. Since its inception, the NCC has acquired properties, many of which were deemed to be part of the National Interest Land Mass (NILM). In order to ensure that their development is consistent with the NCC's mandate as steward of the National Capital Region, a number of the properties were added to the NCC's real estate portfolio to provide opportunities for appropriate and sustainable development, including the offering of long-term ground leases.

In some cases, ground leases were granted to permit the lease of the land for a period of time during which tenants could construct infrastructure for their use over the course of the lease term. At the end of the lease term, the infrastructure would be surrendered to the NCC at no cost, in accordance with the agreement, unless the lease is renewed.

Infrastructure built under these ground leases, defined as leasehold interests, is not recorded in the NCC's financial statements. The leasehold interests will be recognized as tangible capital assets once the infrastructure has been surrendered to the NCC at the end of the lease term.

The NCC currently has eight ground leases for which it has a contractual right to future economic benefits. A reliable estimate of the financial impact to the financial statements when these infrastructures are obtained at the end of their respective lease terms cannot yet be made, however it is expected to be material.

## Notes to the Financial Statements

For the year ended March 31, 2019 (in thousands of dollars, unless otherwise specified)

End of Lease Term	Type of building
2049	Hotel facility
2056	Office building with commercial space
2061	Residential condominiums with commercial space
2063	Residential apartments with commercial space
2065	Residential apartments with commercial space
2068	Residential condominiums with commercial space
2069	Office building with commercial space
2075	Residential condominiums with commercial space

ii. The contractual rights of the NCC are mainly from the right to receive rental operations and other revenues. The following table summarizes the NCC's contractual rights for the next five years and thereafter.

	Leases	Others	Total
2019–2020	11,663	6,802	18,465
2020–2021	10,972	19,251	30,223
2021–2022	9,996	787	10,783
2022–2023	8,785	700	9,485
2023–2024	6,875	6,176	13,051
2024 and thereafter	95,559	875	96,434

A. Some commercial leases, having differing termination dates, with the latest ending in 2063, include future revenue clauses based on tenants' operating income. Since these are uncertain, and a reliable value cannot be established, they do not appear in the contractual rights above.

B. In exchange for land transferred by the NCC in 2018–2019, and in addition to the non-financial assets described in note 10, the third party is responsible for the future construction of two additional parks on NCC land. The value of these improvements is not determinable and the timing of construction is yet to be determined as it is tied to the timing of real estate development and is dependent on the NCC's review and approval of the designs which are currently being developed by the third party and are expected to be finalized during 2019-2020.

## 14. Contractual Obligations

i. The NCC has entered into agreements for services that amount to \$84.4 million (\$60.3 million in 2018) and office accommodation leases that amount to \$119.6 million (\$126.3 million in 2018). These agreements, which total \$204.0 million (\$186.6 million in 2018), have differing termination dates, with the latest ending in 2044. The service agreements are contracts related primarily to information technology services and the management and maintenance of the NCC's lands and properties.

## Notes to the Financial Statements

For the year ended March 31, 2019 (in thousands of dollars, unless otherwise specified)

The approximate minimum annual payments under these agreements for the next five years and thereafter are as follows.

	Leases	Services	Total
2019–2020	6,170	29,057	35,227
2020–2021	4,643	15,467	20,110
2021–2022	5,038	14,213	19,251
2022–2023	5,115	7,995	13,110
2023–2024	5,161	6,558	11,719
2024 and thereafter	93,416	11,144	104,560

ii. The NCC has entered into contracts for capital expenditures of approximately \$22.0 million (\$3.8 million in 2018). The timelines for payments under these contracts are not all determined as of March 31, 2019; payments are expected to be made in future fiscal years.

## 15. Contingent Liabilities

### A. Claims

In the normal course of business, and due to the NCC's ownership of lands in the National Capital Region, claims have been made against the NCC for which the outcome is not determinable and for which an amount has not been accrued, totalling an amount of \$6.8 million (\$5.4 million in 2018), excluding interest and other costs. These claims result primarily from alleged personal injuries sustained on NCC lands, which often leads to the NCC's being named as one of several parties in litigation. To mitigate this legal risk, the NCC will file counterclaims, cross-claims and third-party claims, as appropriate. Due to the complex and lengthy legal process, outcomes are often not determinable until the claim is finally settled. Nevertheless, it is the opinion of management that certain of these claims will result in settlements approximating \$1.0 million (\$0.1 million in 2018), which has been recorded as a liability during the year. Future payments resulting from claims where final settlements, if any, are currently unpredictable with any degree of accuracy will be accounted for in the year in which the liability becomes likely.

### B. Contingent Liabilities for Environmental Cleanup

The NCC also has a contingent liability of \$496.0 million (\$487.2 million in 2018) with respect to environmental cleanup, which is presented in more detail in Note 5.



## 16. Financial Instruments

### A. Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The NCC is exposed to credit risk resulting from the possibility that parties may default on their financial obligations, if there is a concentration of transactions carried out with the same party, or if there is a concentration of third-party financial obligations that have similar economic characteristics such that they could be similarly affected by changes in economic conditions. Financial instruments that potentially expose the NCC to credit risk consist of cash and cash equivalents, restricted cash and cash equivalents, accounts receivable, excluding taxes receivables, and investments.

The maximum exposure of the NCC to credit risk at March 31, 2019, is as follows.

	2019	2018
Cash and cash equivalents	75,336	55,941
Restricted cash and cash equivalents	79,907	63,975
Accounts receivable	10,277	9,693
Investments	29,357	34,136
	<b>194,877</b>	<b>163,745</b>

The credit risk associated with cash and cash equivalents and restricted cash and cash equivalents is minimized substantially by ensuring that cash surpluses are invested in high-quality investments. The NCC's policy is to invest cash surpluses with well-established financial institutions in the following types of investments: guaranteed investment certificates, bankers' acceptances, guaranteed notes, term deposits, and securities of federal, provincial and municipal governments. Management believes that the risk of loss is minimal.

The credit risk associated with long-term investments is substantially minimized by ensuring that assets are invested in bonds of federal and provincial governments (Note 3).

The credit risk associated with accounts receivable is minimized, as substantial amounts are from federal, provincial or municipal entities. Furthermore, before entering into lease agreements, the NCC performs a financial review of all new tenants. The NCC records allowances for potential credit losses, and any such losses to date have been within management's expectations.

There has been no change in the level of risk compared with the previous fiscal year, and there has been no change in the practice used for managing credit risk.

Management believes that concentrations of credit risk with respect to accounts receivable are limited due to the credit quality of the parties extended credit, as well a substantial amount are federal, provincial or municipal customers. At March 31, 2019, accounts receivable from federal, provincial or municipal entities comprised 43 percent (52 percent in 2018) of the total amounts due.

## Notes to the Financial Statements

For the year ended March 31, 2019 (in thousands of dollars, unless otherwise specified)

The following table presents an analysis of the age of accounts receivable, net of allowance for doubtful accounts, as at March 31, 2019.

	2019	2018
<b>Accounts receivable net of allowance for doubtful accounts:</b>		
Less than 30 days past billing date	8,082	7,537
30–60 days past billing date	236	1,061
61–90 days past billing date	307	195
Greater than 90 days past billing date	2,884	2,942
	<b>11,509</b>	<b>11,735</b>
Allowance for doubtful accounts	(208)	(493)
	<b>11,301</b>	<b>11,242</b>

The NCC must make estimates in respect of the allowance for doubtful accounts. The type of clients, historical payment trend, economic conditions, reasons for the accounts being past due and line of business from which the receivable arose are all considered in the determination of when to include provisions for past due accounts. These same factors are considered when determining whether to write off amounts against accounts receivable. Amounts subsequently recovered from accounts previously written off are credited to the allowance account in the period of recovery.

The following table presents a summary of the activity related to the NCC's allowance for doubtful accounts.

	2019	2018
<b>Allowance for doubtful accounts</b>		
Balance at beginning of year	493	424
Bad debt expense	280	243
Amounts written off and recoveries	(565)	(174)
<b>Balance at end of year</b>	<b>208</b>	<b>493</b>

The NCC believes that this allowance for doubtful accounts is sufficient to cover the risk of default. There are no other financial assets past due or impaired as at March 31, 2019 (none in 2018).

## B. Liquidity Risk

Liquidity risk is the risk that the NCC will not be able to meet a demand for cash or fund its obligations associated with its financial liabilities as they come due. The NCC finances its operating expenditures, and the acquisitions and improvements of tangible capital assets, through a combination of cash flows from operations, parliamentary appropriations and proceeds from the disposal of surplus tangible capital assets. The NCC meets its liquidity requirements by preparing and monitoring detailed funding and expenditure plans, and holding financial assets that can be readily converted into cash. Finally, management believes that there is no liquidity risk for the light rail transit liability, since the related financial asset is in the form of cash held in a separate bank account.

## Notes to the Financial Statements

For the year ended March 31, 2019 (in thousands of dollars, unless otherwise specified)

There has been no change in the level of risk compared with the previous fiscal year, and there has been no change in the practice used for managing liquidity risk.

The following table presents an analysis of the estimated maturities of the financial liabilities as at March 31, 2019.

	2019	2018
<b>Accounts payable and accrued liabilities</b>		
Less than 90 days	12,211	10,582
90–365 days	6,191	9,249
More than 365 days	231	–
	<b>18,633</b>	<b>19,831</b>
<b>Other liabilities – unsettled expropriation (Note 8)</b>		
More than 365 days	195	193
	<b>18,828</b>	<b>20,024</b>

## C. Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk includes three types of risk: currency risk, interest rate risk and other price risk. The NCC is exposed only to interest rate risk.

Interest rate risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate due to changes in market interest rates.

Here is an overview of the NCC's interest rate exposure as at March 31, 2019.

	2019	2018
<b>Cash and Cash Equivalents and Investments</b>		
Cash and cash equivalents	75,336	55,941
Restricted cash and cash equivalents	79,907	63,975
Investments of 365 days or less	10,000	15,000
Investments more than 365 days	19,357	19,136
	<b>184,600</b>	<b>154,052</b>

## Notes to the Financial Statements

For the year ended March 31, 2019 (in thousands of dollars, unless otherwise specified)

The interest rate exposure of the NCC arises from its interest-bearing financial assets. Cash and cash equivalents earn interest at market rate. Investments include a short-term portfolio investment with a maturity of 365 days or less made with a financial institution that earn interest at a fixed rate. The NCC's objective is to manage its exposure to the interest rate risk of its cash and cash equivalents and short-term investments by maximizing the interest income earned on excess of funds, while maintaining the minimum liquidity necessary to conduct operations on a day-to-day basis. Fluctuations in market interest rate could have an effect on the NCC's interest revenue derived from cash and cash equivalents and short-term investments. If interest rates for the year ended March 31, 2019, had been 50 basis points lower or higher, with all other variables held constant, interest revenue for the same period would have been impacted by \$0.5 million (\$0.4 million in 2018) lower or higher, respectively.

The approach to the "Restricted cash and cash equivalents" is identical to that of the NCC's cash and cash equivalents management. Bearing this in mind, had interest rates for the year ended March 31, 2019, been 50 basis points lower or higher, with all other variables held constant, interest earned and allocated to the restricted cash and cash equivalents for the same period would have been \$0.3 million (\$0.3 million in 2018) lower or higher, respectively.

Investments also include bonds of the provincial governments at a fixed interest rate with a weighted average term to maturity of 2.5 years (3.3 years in 2018). These investments are indirectly affected by fluctuations of fair value, due to fluctuations of the market interest rate.

There has been no change in the level of risk compared with the previous fiscal year, and there has been no change in the practice used for managing market risk.

## 17. Related Party Transactions

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The NCC is related by virtue of ownership to all Government of Canada departments, agencies and Crown corporations, and is financed primarily by the Parliament of Canada. Related parties also include key management personnel and their close family members with the authority and responsibility to plan, direct and control the activities of the NCC. This includes all voting members of the board of directors and the executive management team, as well as their close family members.

In addition to the related party transactions described below, and those disclosed elsewhere in these financial statements, the NCC also enters into transactions with related parties. In the normal course of business, and on normal trade terms applicable to all individuals and enterprises, the NCC incurred expenses totalling \$8.1 million (\$10.0 million in 2018) for utilities, rental of space, tangible capital assets, and services purchased from other government departments and agencies; and earned revenues totalling \$10.7 million (\$12.5 million in 2018) from recoveries, services rendered and rental operations.

## Notes to the Financial Statements

For the year ended March 31, 2019 (in thousands of dollars, unless otherwise specified)

The following balances were outstanding at the end of the year:

	2019	2018
Due from related parties	4,723	5,298
Due to related parties	1,923	1,031
	6,646	6,329

In 2018-2019, Public Services and Procurement Canada (PSPC) transferred to NCC, at nominal value, parcels of lands that were subsequently transferred to a third party. The transaction with PSPC was valued at \$4.3 million, representing the fair value of the assets transferred, and was recognized as other revenues in the Statement of Operations and Accumulated Surplus.

Other parcels of land were also transferred by PSPC to NCC with \$2.1 million in consideration of the environmental condition of the lands which was fully recognized as other revenues. The NCC will retain ownership of these lands which are mainly on the Victoria and Chaudiere islands.

The NCC holds 3 commercial leases with PSPC at a nominal value of \$1, which are detailed as land leases and a commercial building.

During the year, the NCC received audit services from the Office of the Auditor General of Canada and these were unallocated costs. These services, which are non-significant, were not recorded in the NCC's Statements of Operations and Accumulated Surplus.

## 18. Subsequent Event

In April 2019, significant flooding along the Ottawa and Gatineau rivers seriously affected areas in and around the cities of Gatineau and Ottawa. A state of emergency was declared by both cities. Although numerous NCC sites and infrastructure were affected, necessitating closure of a number of pathways and sites, water levels have yet to recede sufficiently to complete the verification of structural integrity and as such, no reliable estimate of potential damages can be made at this time.

## 19. Comparative Figures

Certain comparative figures have been reclassified to conform to the presentation adopted in the current year.

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# APPENDICES

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# Appendix I

## Committees of the Board, Advisory Committees and Special Committees as of March 31, 2019

### Executive Committee

#### Chair

Marc Seaman

#### Members

Tobi Nussbaum

Mireille Apollon

Larry Beasley

Norm Odjick

### Audit Committee

#### Chair

Tanya Gracie

#### Members

Michael Foderick

Carol Loughrey

Norm Odjick

Sara Jane O'Neill

Basil L. Stewart

#### Ex-Officio Members

Marc Seaman

Tobi Nussbaum

### Governance Committee

#### Chair

Lisa M. MacDonald

#### Members

Tanya Gracie

Aditya Jha

Sara Jane O'Neill

Basil L. Stewart

Deborah Morrison

Denis Vaillancourt

#### Ex-Officio Members

Marc Seaman

Tobi Nussbaum

### Advisory Committee on Planning, Design and Realty

#### Chair

Eha Naylor, Toronto, Ont.

#### Vice-Chair

Clément Demers, Montréal, Que.

#### Members

Sarah Bonnemaison, Halifax, N.S.

Scott Burns, Toronto, Ont.

Anne Cormier, Montréal, Que.

Gordon Harris, Vancouver, B.C.

Vivian Manasc, Edmonton, Alta.

Anne McIlroy, Toronto, Ont.

Cecelia Paine, Guelph, Ont.

Julian Smith, Queenston, Ont.

Pamela Sweet, Ottawa, Ont.

#### Ex-Officio Members

Marc Seaman

Tobi Nussbaum

#### Board Observers

Victor Brunette

Larry Beasley

### Advisory Committee on the Official Residences of Canada

#### Chair

Christina Cameron, Montréal, Que.

#### Vice-Chair

Richard Alway, Toronto, Ont.

#### Members

Marta Farevaag, Vancouver, B.C.

Gerry McGeough, Vancouver, B.C.

Bernard Serge Gagné,  
Québec City, Que.

Dorothy Stern, Ottawa, Ont.

Cynthia Street, Halifax, N.S.

#### Ex-Officio Members

Marc Seaman

Tobi Nussbaum

#### Board Observers

Carol Loughrey

Norm Odjick

### Canadiana Fund

#### Chair

Grant Jameson, Ottawa, Ont. (Co-chair)

Cynthia Price Verrault, Montréal, Que.  
(Co-chair)

#### Members

Marion Beyea, Fredericton, N.B.

Anne Fotheringham, Toronto, Ont.

Kathy Hays, Calgary, Alta.

Douglas B. Richardson,  
Saskatoon, Sask.

Deborah Riley, Winnipeg, Man.

Candace Stevenson, Halifax, N.S.

Clyde Wells, St. John's, N.L.

Fei Wong, Vancouver, B.C.

Harvey Slack, Ottawa, Ont.

### Advisory Committee on Universal Accessibility

#### Chair

Gary Lacey, National Capital  
Commission

Anne Ménard, National Capital  
Commission

#### Vice-Chair

Bob Brown, Ottawa, Ont.

#### Members

Barry McMahon, Ottawa, Ont.

Catherine Gardner, Ottawa, Ont.

Collinda Joseph, Ottawa, Ont.

Yoland Charette, National Capital  
Commission

Mona Lamontagne, National Capital  
Commission

Marc Lapierre, National Capital  
Commission (observer)

◀ The Capital Pathway network connects the Capital's parks, gardens, museums and attractions, and is shared by many users for recreation and commuting.

# Appendix II

## Partners and Sponsors

The success of the National Capital Commission's programming and activities depends on the support and contributions of many partners and corporate sponsors. The NCC has benefited from a strong network of collaborators, and would like to take this opportunity to acknowledge and thank the following organizations, which contributed to NCC programming and activities in 2018–2019.

### NCC Partners

Arbraska Lafèche	Cape Farewell	Embassy of the Kingdom of the Netherlands
Action vélo Outaouais	Capital Cruises	Environment and Climate Change Canada
Agence de bassin versant des 7	Captiva Farms	Esprit Rafting
Agriculture and Agri-Food Canada	Carleton Regional Snowmobile Club	Fédération des clubs de motoneigistes du Québec (FCMQ)
Algonquin College	Carleton University	Festival Country de Val-des-Monts
Algonquins of Pikwakanagan	Casino Lac-Leamy Sound of Light	FloraQuebeca
Algonquin to Adirondacks Collaborative	Cégep de l'Outaouais	Forêt Québec
Alpine Club of Canada – Ottawa Section	Centrepointe Theatres (City of Ottawa)	Fresh Air Experience
Alta Vista Animal Hospital	Centre de recherche en enseignement et en foresterie de Sainte-Foy inc.	Friends of Gatineau Park
Animals in War Dedication Committee	Chelsea Nordiq	Friends of Maplelawn Garden
Association des auteurs et auteures de l'Outaouais	Chelsea Pub	Friends of the Mer Bleue
Auberge Old Chelsea B&B	Chelsea Trails	Gatineau Loppet
Avant-Garde Bar & Gift Shop	Child and Youth Friendly Ottawa	Gatineau Valley Historical Society
Bell Media (Astral: Rouge 94.9 FM and Énergie 104.1 FM)	Citizens for Safe Cycling	George Weston Limited
Biodiversity Conservancy International	City of Ottawa	Girl Guides of Canada
Bird Studies Canada	Club alpin du Canada – section Outaouais	Global Centre for Pluralism
Biscotti & cie	Club équestre Ramsayville Equestrian Club	Government of Ontario
Bougie Doozy Candle	Club optimiste de Hammond	Governor General of Canada
ByWard Market BIA	Club Skinouk	Great Canadian Bungee
Café Les Saisons	Commerce Chelsea	Greenbelt Coalition of Canada's Capital Region
Camp Fortune	Commonwealth Games Canada	Greg Christie's ski et vélo
Canada Science and Technology Museum	Communities in Bloom	Groupe Poliquin-Wakefield Group Inc.
Canadensis	Conseil régional de l'environnement et du développement durable de l'Outaouais	Guid'Amies franco-canadiennes
Canadian Building Trades	Coopérative des paramédics de l'Outaouais	Hardwood Ski and Bike
Canadian Capital Cities Organization	Craftsbury Outdoor Center	Haunted Walks of Ottawa
Canadian Fallen Firefighters Foundation	Cross Country Canada	House of Commons
Canadian Food Inspection Agency	Domaine Bellevue	Hydro One Inc.
Canadian Football League	Domaine de l'Ange-Gardien	Hydro Ottawa
Canadian Garden Council	Domaine Saint-Bernard	Indigenous and Northern Affairs Canada
Canadian Heritage	Dovercourt Recreation Centre	Institut des Sciences de la Forêt tempérée
Canadian Museum of Nature	Ducks Unlimited	Just Food
Canadian Parks and Wilderness Society (CPAWS)	Dunn-D's Mini Golf	Kanata Nordic Ski Club
Canadian Red Cross	Eastern Chapter of the Society of Ontario Nut Growers	Khewa
Canadian Ski Marathon	École secondaire Mont-Bleu	Kitigan Zibi Anishinabeg
Canadian Tulip Festival	Éco-Odyssée	Kiwanis Club of Ottawa
Canadian War Museum		KPMG LLP
Canadian Wildlife Federation		



La Cigale	Ontario Trails Council	Société de transport de l'Outaouais
La Confiserie Wakefield	Orchid Specialist Group (North America Regional Group)	Société des établissements de plein air du Québec
La Gourmandise	Orienteering Ottawa	Sommet Edelweiss
LaRocca XC Mountain Bike School	Orléans Nordic Ski Club	South Nation Conservation Authority
La Vallée des Rosiers	Orr family	Sparks Street BIA
Laurier House	Ottawa Citizen	Special Events Advisory Team (SEAT)
Leave No Trace Canada	Ottawa Film Office	Strutt Foundation
LeDroit	Ottawa–Gatineau Geoheritage Project	Supreme Court of Canada
Les Fougères	Ottawa International Airport	T&CO
Library and Archives Canada	Ottawa Mountain Bike Association	Telefilm Canada
Library of Parliament	Ottawa Public Health	The Algonquin Way Cultural Centre
Loisir sport Outaouais	Ottawa Skateboard Association	The Royal Canadian Geographical Society
Macoun Field Club	Ottawa Tourism	Tonique Restaurant
Mamma Teresa Ristorante	Ottawa Valley Kite Club	Tourisme Outaouais
MEC (Mountain Equipment Co-operative)	Ottawa Volunteer Patrol	Trailhead Paddle Shack
Meyogalune	Ottawa Volunteer Search and Rescue	Trans Canada Trail Foundation
Ministère de l'Énergie et des Ressources naturelles du Québec	Outaouais Birding Club	Transcollines
Ministère des forêts, de la Faune et des Parcs du Québec	Oxygène	Tribute to Liberty
Ministère du Développement durable, de l'Environnement et de la Lutte contre les changements climatiques du Québec	Para Transpo	Université de Montréal
Ministère des Transports du Québec	Parks Canada	Université du Québec en Outaouais
Mississippi Valley Conservation Authority	Pat Café Pat	University of Ottawa
Montréal Biodôme	PhysioSport Chelsea	University of Toronto
Mont Cascades Water Park	Pizza de Luigi	Vélo-Services
Mont-Sainte-Anne	Pontiac Equestrian Association	Vignoble du Domaine Pontiac Village
Mosaïcultures Internationales de Montréal	Premiers Soins Medtrakevac	Ville de Gatineau
MRC des Collines-de-l'Outaouais	Public Services and Procurement Canada	Veterans Affairs Canada
Municipality of Chelsea	Queen's University	Volleyball Canada
Municipality of La Pêche	Rafting Momentum	Vraie Nature Yoga + Énergie
Municipality of Pontiac	Rebec & Kroes	Wakefield–La Pêche Chamber
Mt. Van Hovenberg	Regina Street Alternative School	Wakefield Trails
Nakkertok Nordic	Relais plein air du parc de la Gatineau	XC Chelsea Masters
National Arts Centre	Réseau d'étude et de surveillance des écosystèmes forestiers québécois	
National Capital District of Cross Country Ontario	Réseau Sépaq	<b>NCC Sponsors</b>
National Gallery of Canada	Responsible Dog Owners of Canada	Access Storage
Natural Fitness Lab	Rideau Trail Association	Aquahaulics
Natural Resources Canada	Rideau Valley Conservation Authority	Bushtukah
Nature Conservancy of Canada	Rogers Media (Y101.1 FM and 105.3 KISS FM)	Canal Ritz
Nordik Spa-Nature	Rotary Club of Ottawa	CEECAM Corporation
OC Transpo	Royal Canadian Mounted Police	Cityscape
Office of the Secretary to the Governor General	Senate of Canada	Cubeit
Ontario Ministry of Natural Resources and Forestry	Service Action Communautaire Outaouais Inc.	Dalmen Windows and Doors
Ontario Ministry of Transportation	Service Canada	MEC
	Services récréatifs DEMSIS inc.	NOKIA
	Shepherds of Good Hope Foundation	Ontario Lottery and Gaming Corporation (OLG)
	Sheraton Ottawa Hotel	PepsiCo Canada
	Ski de fond Mont-Tremblant	Professional Institute of the Public Service of Canada (PIPSC)

# Appendix III

## Employees of the National Capital Commission

The National Capital Commission would like to thank all its employees for their commitment, dedication and hard work in making 2018–2019 a successful year.

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Andayo-Michalowski, Irene	Bouchard, Yannick	Corriveau, Maurice	Enright, Colin-James
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**[www.ncc-ccn.gc.ca](http://www.ncc-ccn.gc.ca)**

202–40 Elgin Street, Ottawa, Canada K1P 1C7

Email: [info@ncc-ccn.ca](mailto:info@ncc-ccn.ca) • Fax: 613-239-5063  
Telephone: 613-239-5000 • Toll-free: 1-800-465-1867  
TTY: 613-239-5090 • Toll-free TTY: 1-866-661-3530

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National Capital Commission  
Annual Report 2018–2019  
Catalogue number: W91E-PDF





