



NATIONAL CAPITAL COMMISSION COMMISSION DE LA CAPITALE NATIONALE

Summary of the
Corporate Plan
2018–2019 to 2022–2023

Canada

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National Capital Commission

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MESSAGE FROM THE CHAIR AND CHIEF EXECUTIVE OFFICER

As the chief planner and steward of Canada's Capital, the National Capital Commission (NCC) is constantly striving to build a Capital that reflects our most deeply held values while honouring our nation's history and expressing our aspirations for the future.

This is a pivotal year in the history of the NCC—quite literally. The intense focus on preparations for the celebration of Canada's sesquicentennial is behind us. From the Confederation Pavilions to the National Holocaust Monument, from the Plan for Canada's Capital to numerous projects carried out in partnership with the Indigenous peoples in Canada, the legacies of the NCC's activities marking 2017 will benefit the Capital and Canadians for many, many years to come. We now look forward to new challenges and opportunities.

As we move ahead, the Plan for Canada's Capital will serve as the over-arching blueprint for the Capital of the next half-century, and its goals and milestones are woven throughout the five-year plan outlined in this document. Under its auspices, the NCC will advance a series of substantial initiatives—all important, and some truly transformational—including the implementation of the Capital Illumination Plan; a dramatic renewal of Nepean Point; the ambitious development of riverside parks on both banks of the Ottawa River; the development of Victoria Island into a place of special significance to the Indigenous peoples in Canada and our shared vision of reconciliation; and the redevelopment of LeBreton Flats and the islands of the Ottawa River, the most extensive and ambitious such project in the Capital's history.

Equally important, with regard to the stewardship of the Capital, will be an increased emphasis on sustainability and resilience that will be articulated in a Sustainable Development Strategy that is currently being drafted. This strategy will underscore the NCC's leadership role in the region as we work with our partners to create a greener Capital and meet environmental challenges such as climate change, extreme weather and invasive species.

The next five years will also see a new focus on the protection and preservation of the NCC's assets. Recent years have demanded difficult financial choices, including the decision to defer maintenance with regard to several NCC assets and properties. However, with an additional \$55 million earmarked for this purpose in the 2018 federal budget, the work to restore these assets has already begun. The NCC will continue to seek further funding in the years to come, with the intent to restore all its assets to good condition.

We will also develop asset-management plans, and plans to rehabilitate and maintain the official residences in the Capital, ensuring that they meet the needs of the residents with regard to their private lives as well as their official roles.

Building a great Capital is the work of many hands, and the NCC will continue to pursue its goals in concert with a great number of partners—governments and the private sector; national and educational institutions; community groups, and cultural and heritage organizations; members of the public; and, in the spirit of reconciliation, the Indigenous peoples in the Capital region.

The Plan for Canada's Capital is the most collaborative planning document in the Capital's history, the product of engagement with 20,000 Canadians from coast to coast to coast, and this spirit of inclusivity will continue to permeate all of the NCC's endeavours. As planners, stewards, and creative partners, we will work together to create a Capital that is a source of enduring pride and inspiration for all Canadians, now and for generations to come.



Marc Seaman
Chair



Dr. Mark Kristmanson
Chief Executive Officer



CORPORATE PROFILE

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 by the *National Capital Act*, is “to prepare plans for and assist in the development, conservation and improvement of the National Capital Region¹ 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 direction² 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 assets³ (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.

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

Guiding principles identify the behaviours that the NCC will follow in delivering on its priorities and mandate. In all of its activities and operations, the NCC's goal is to demonstrate excellence and stand as an exemplary federal Crown corporation and steward of lands and assets.

ORGANIZATIONAL EXCELLENCE

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

CLARITY

Set and communicate clear priorities for the building of Canada's Capital.

OPENNESS AND TRANSPARENCY

Ensure the openness, transparency and integrity of our activities, and continually engage the public and stakeholders.

COLLABORATION

Recognize that reconciliation with the Indigenous peoples of Canada and collaboration with the public and all stakeholders are essential to our success.

PRIDE

Take pride in building an inclusive Capital Region that embodies Canadian values and traditions.

1. Refer to Appendix A (page 39) for a map of the National Capital Region and the NCC's lands.
2. Refer to Figure 1 on page 6 for the NCC's planning framework.
3. Refer to Figure 2 on page 7 for an overview of the NCC's assets.

Core Responsibilities

With a mandate reaching back over a century, the NCC has been serving as both the Capital Region's primary long-term planner and the principal steward of federal lands to build a dynamic, inspiring and sustainable capital. In accordance with the requirements of the new Treasury Board of Canada Secretariat (TBS) Policy on Results, which came into effect in 2016, in addition to internal services, two core responsibilities were derived from the NCC's mandate and previous program alignment architecture. These reflect the NCC's 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, 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 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 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; reporting to Parliament and Canadians; and information technology (IT) and geomatics services.

Figure 1: The NCC's Planning Framework

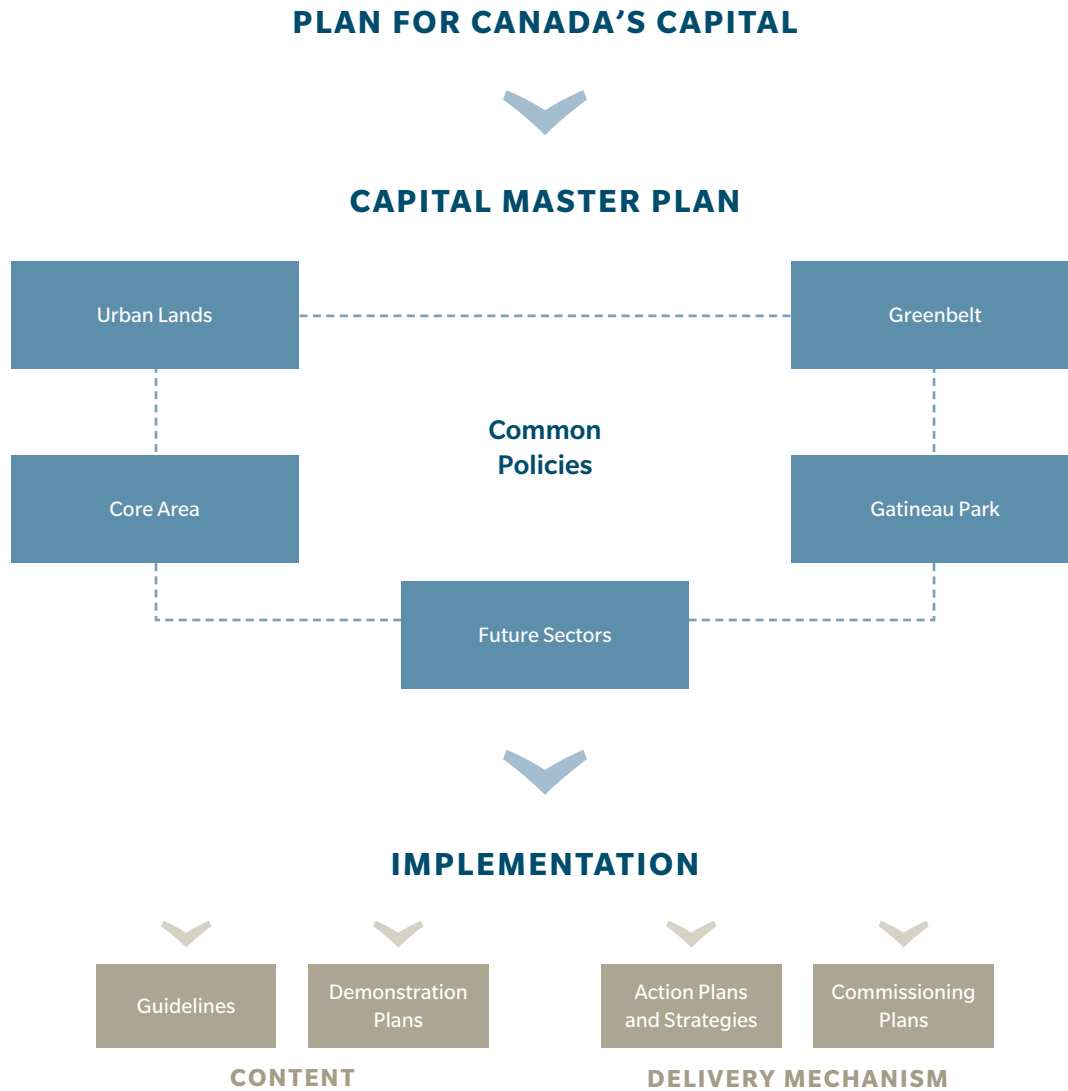
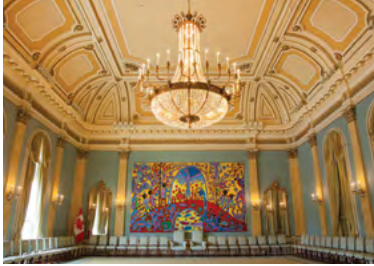


Figure 2: Overview of the NCC's Assets



6 official residences



1,700 properties,
1,000 buildings



145 bridges



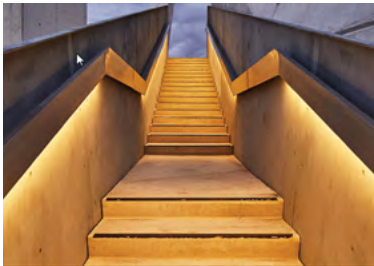
23 urban parks



100+ km of parkways and roads



75 km of waterfront,
50 lakes



194 monuments, public art,
interpretive panels and plaques



300 km of pathways



600+ different structures
(e.g. retaining walls, lookout
platforms, dams and so on)



39,600 ha of forested lands and
2,500 ha of wetlands



5,600 ha of farmlands



2,800 various other assets
(electrical, mechanical, water
and drainage systems)

Approximate replacement value (built assets): \$1.7 billion

Governance

COMPOSITION, ROLES AND RESPONSIBILITIES OF THE BOARD OF DIRECTORS

The NCC's national 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 chairperson, 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 seven members are from across Canada, with one seat currently vacant. 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. As of 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 an ex-officio, non-voting 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 ex-officio, non-voting 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 excluded from 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.

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.

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 the 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.

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 according to Government of Canada directives. 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 are not entitled to receive remuneration.

COMMITTEES

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

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.

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.

Advisory Committees

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.

Special Committees

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 that are chosen reflect Canada's heritage, artistic traditions and historical associations, or complement the architectural style of a particular residence.

REPORTING TO PARLIAMENT AND CANADIANS

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 and Multiculturalism, who is designated as the minister for the purposes of the *National Capital Act*.

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 corporation's financial position and operating results, changes in net financial assets and cash flow, and if the transactions that have come to the auditor's notice in the course of the examination are carried out according to Part X of the *Financial Administration Act* and regulations, the *National Capital Act*, and the by-laws of the corporation.

The NCC was subject to a special examination by the OAG in 2016–2017. For more details, see the section entitled "Operating Context."

OMBUDSMAN

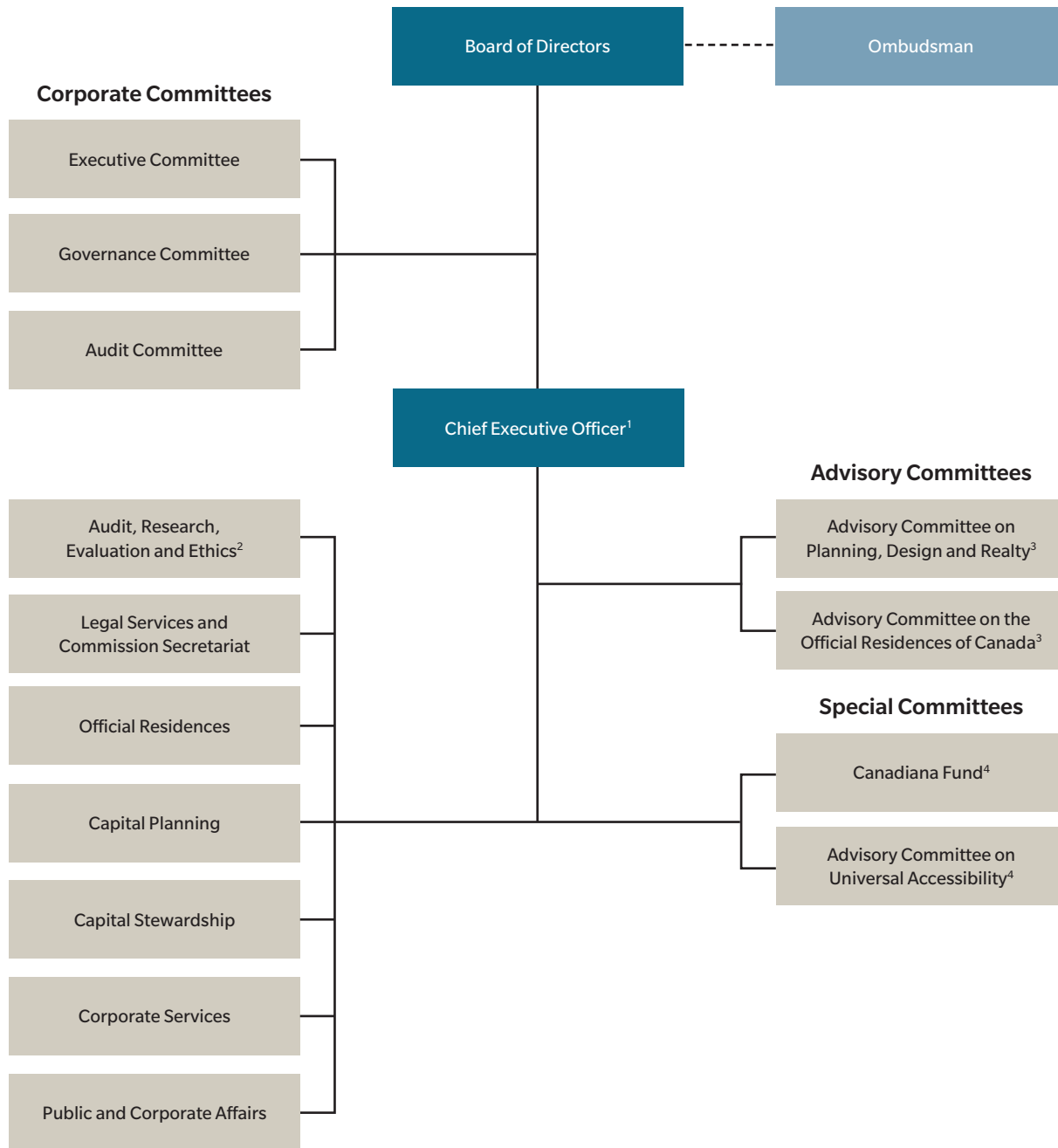
Appointed by the board of directors, the NCC ombudsman serves as an independent and confidential resource for the public to solve complaints when all other internal avenues of redress are exhausted. When appropriate, the ombudsman will intervene or investigate with a view to settling a complaint in a 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 STRUCTURE⁴

The organizational structure of the NCC illustrates the relationships between the board of directors and the executive management team, 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. Each executive director is responsible for ensuring that the corporation's key sectors of activity are implemented and well managed.

4. Refer to Figure 3 on page 12 for a diagram of the NCC's organizational structure.

Figure 3: The NCC's Organizational Structure



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.



OPERATING CONTEXT

Analysis of the Environment

Every year, with its performance against commitments in mind, the NCC begins its planning process with an analysis of the environment in which it operates. Priorities are shaped in light of changes, challenges and opportunities that emerge. The following outlines the most significant trends affecting the NCC over the five-year planning period.

Government Priorities

In delivering its mandate, the NCC must ensure alignment with government priorities. The federal government's area of focus is set out in the prime minister's mandate letters to ministers, the Speech from the Throne and the ministerial letters of expectations sent to Crown corporations. The following outlines the priorities to which the NCC will contribute over the planning period.

RELATIONSHIP WITH INDIGENOUS PEOPLES

The NCC has worked with the Algonquin Nation in a spirit of friendship and collaboration for many years, and, since 2015, has expanded 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 a strong relationship and 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, 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 to 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 a 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, as experienced with the flooding in 2017 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.

Special Examination by the Office of the Auditor General of Canada

The NCC underwent a special examination in 2016–2017. The OAG tabled its report in Parliament on November 21, 2017. Overall, the OAG found that the corporation has good corporate management practices for governance, strategic planning, performance measurement and reporting. However, the OAG identified weaknesses in the NCC's risk management practices, specifically noting that the corporation's management and board of directors do not receive comprehensive risk information for decision making.

In addition, the OAG noted that, over the past few years, the board and management have identified and taken steps to mitigate risks for which resources would not be sufficient to restore or maintain assets, as well as those for which the corporation might be unable to safeguard its assets or meet its mandate in the future. The OAG found, however, that the board and management did not clearly describe the strategic risk in the annual corporate plan to adequately inform the government of this issue.

The NCC's management response, as well as its action plan to address the OAG's two recommendations, can be found on the House of Commons web page.¹

Financial Outlook

This section provides key highlights of the detailed information contained in the Financial Tables.

In 2018–2019, operating appropriations are expected to reach \$68.1 million, while revenues from leasing, easements and other sources are expected to reach \$36 million.

The NCC's 2018–2019 to 2022–2023 Financial Plan proposes to utilize \$12.3 million in operating reserves, in addition to increased revenues to balance its operating budgets over the five-year planning period. These funds will be used to deliver key projects and offset pressures in the following manner: \$5.6 million over five years to offset inflationary pressures on goods and services and payment in lieu of taxes; \$4.2 million to address the status and importance of Canada's official residences in the NCC's portfolio; \$2.4 million for the implementation and management of planning initiatives; \$2 million to secure the NCC's revenue base by extending its leasing portfolio maintenance program; \$1 million for the implementation of a mobility strategy and other technological innovations; \$0.7 million to address health and safety issues related to the impact of invasive species; and \$0.6 million to strengthen relations with the community, Indigenous peoples and all orders of government.

In response to increasing financial pressures, the NCC adopted several measures and strategies to contain or reduce its costs, and continues to closely monitor its financial situation. Nonetheless, the challenge remains to balance ongoing operational requirements while parliamentary appropriations remain fixed. At the end of the planning period, the NCC will retain sufficient working capital to cover net short-term liabilities.

1. http://www.ourcommons.ca/Content/Committee/421/PACP/WebDoc/WD8148750/Action_Plans/SER-NationalCapitalCommission-e.pdf

The NCC will return to balanced budgets by limiting its capital investments to funded levels, while exploring opportunities for increased revenues and parliamentary appropriations.

Revenues earned from property rentals are expected to increase by \$3.2 million or 17 percent over the next five years, to \$22.1 million annually. The increase is attributable to general rent increases, as well as new sources of revenues from lease renewals, continued phased implementation of paid parking on NCC property and new land leases. Easement and licence revenue projections are expected to increase by \$2 million over the next five years to \$2 million per year, primarily due to City of Ottawa projects.

As announced in Budget 2018, the NCC will receive additional appropriations of \$55 million over two years to undertake work to improve assets requiring critical repairs and maintenance to ensure that they are in good condition (*see Appendix C*). In 2018–2019, capital appropriations are projected at \$40.3 million with a total of \$216 million expected to be invested over the five-year planning period. This includes new assets and major capital repairs to extend the life of existing deteriorating assets. Funding will come from \$167 million in parliamentary appropriations, \$15 million from the Acquisition and Disposal Fund, as well as by drawing down the \$15 million remaining in designated funds earmarked for capital expenditures, and \$19 million from other sources such as contributions from partners.

Integrated Risk Management

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

On an ongoing basis, the corporation identifies opportunities to enhance its risk management framework and leverage more comprehensive risk information for decision making, in order to take appropriate actions to implement necessary mitigation strategies and to maintain resilience.

For the 2018–2019 to 2022–2023 planning period, three major corporate risk categories were identified: 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 and to effectively deliver its activities and manage its assets. To mitigate the financial capacity risk, which relates to the deficiency in asset maintenance identified in the OAG's Special Examination Report—2017, the NCC completed its asset and funding review. This included the development of a long-term recapitalization plan, aimed at restoring and maintaining the condition of its assets. In 2017, the NCC worked with other government entities to secure additional funding for asset restoration and maintenance. These efforts led to the Budget 2018 investment of \$55 million over two years to revitalize NCC assets. In addition, the NCC has focused on optimizing business processes and developing human resource strategies to attract, manage and retain a talented workforce. The NCC continues to engage internally in a manner that encourages collaboration and integration among branches, with the goal of leveraging opportunities to improve efficiencies.

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 2017–2018, the NCC continued to implement its Integrated Communication Plan, which includes a proactive approach to engaging partners and to better communicating policies and processes related to NCC regulatory roles. The NCC was also involved in highly visible projects in the National Capital Region, such as the Mackenzie Avenue cycling lanes, the City of Ottawa's light rail transit (LRT) system, the redevelopment of LeBreton Flats, and efforts to promote tourism in and around Gatineau Park.

SAFETY AND SECURITY

Safety and security risks relate to the deterioration of conditions of the NCC's assets due to deferred maintenance and renewal activities, which could cause health and safety issues. This area of concern was also discussed in the OAG's Special Examination Report—2017. Risk response measures over the course of 2017–2018 included a detailed asset-by-asset analysis to determine the level of resources required to maintain safe, sustainable and resilient infrastructure. This analysis has provided the foundation for work that must be undertaken on NCC assets in need of critical repairs, using the funds announced in Budget 2018. 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.



STRATEGIC DIRECTIONS, PRIORITIES, AND KEY OUTCOMES AND OUTPUTS

2018–2019 Performance Objectives

The table below lists some of the NCC's key performance indicators from the performance measurement framework for 2018–2019. These performance objectives are included in five categories: real property leasing, project management, federal approvals, engagement and outreach, and employment equity. Performance against these objectives, along with other measures in the corporate performance measurement framework, will be assessed in the NCC's quarterly performance reports and its 2018–2019 annual report.

INDICATOR	2018–2019 PERFORMANCE MEASURES	
Real Property Leasing <ul style="list-style-type: none"> Residential Commercial Agricultural 	Vacancy Rate Target <ul style="list-style-type: none"> 4% 4% 4% 	Revenue Target* <ul style="list-style-type: none"> \$3.5 million \$17.5 million \$1.7 million <p>* Including realty tax recoveries.</p>
Project Management <ul style="list-style-type: none"> Projects on time Projects within scope Projects on budget 	Project Status* <ul style="list-style-type: none"> % of planned projects delivered on time % of planned projects completed within scope % of projects completed on budget <p>* Measures were tracked in 2017–2018 to establish a baseline for future-year targets.</p>	
Federal Approvals <ul style="list-style-type: none"> Level 1 Level 2 Level 3 	Approval Service Level Agreement Target <ul style="list-style-type: none"> 75% of service level agreement timing met 75% of service level agreement timing met 75% of service level agreement timing met 	
Engagement and Outreach <ul style="list-style-type: none"> Social media engagement Social media followership NCC public engagement activities <ul style="list-style-type: none"> Number of online consultations Number of public consultations Number of stakeholder/community meetings Number of Urbanism Lab events 	Level of Engagement Target <ul style="list-style-type: none"> 20% year-over-year increase in total social media engagement 15% year-over-year increase in total social media followership 	
Employment Equity <ul style="list-style-type: none"> Women Aboriginal persons Persons with disabilities Members of a visible minority 	Federal Government Guidance <ul style="list-style-type: none"> 48% 2% 4% 22% 	NCC Objectives <ul style="list-style-type: none"> 50% 2% 4% 12%* <p>* Target 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.</p>

As part of the renewal of its environmental strategy, the NCC will also evaluate opportunities for integrated measurements in relation to sustainable development, climate change and the environment.

Strategic Directions and Priorities for the 2018–2019 to 2022–2023 Planning Period

The NCC’s mission is to ensure that Canada’s Capital Region is a source of pride for Canadians. With a mandate reaching back over a century, the NCC is responsible for preparing plans for and assisting in the development, conservation and improvement of federal lands in Canada’s Capital Region.

For the 2018–2019 to 2022–2023 planning period, three strategic directions will guide the NCC in delivering its agenda over the next five years.

- Strengthen relations with the community, Indigenous peoples and all orders of government to foster an inclusive and meaningful National Capital Region.
- Conserve and celebrate natural assets, cultural landscapes and built heritage under the NCC’s stewardship to ensure a picturesque and natural capital.
- Plan, develop and improve the NCC’s assets such that they contribute to a thriving, connected and sustainable capital that inspires Canadians.

To realize these strategic directions, the NCC will concentrate its efforts on five priorities over the planning period. These priorities represent the continuation of many important efforts undertaken by the NCC over the past few years to inspire excellence, and build the Capital Region as a source of pride for all Canadians.

The NCC’s five priorities for the planning period are the following.

1. Address the condition of NCC infrastructure and assets, including the official residences, to ensure that they meet the expectations and needs of Canadians.
2. Facilitate the redevelopment of LeBreton Flats and the islands in becoming signature destinations of national significance.
3. Offer public access and new connections for Canadians to discover the shorelines and waterways.
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.
5. Be a value-added partner to create lasting legacies that serve as sources of pride for Canadians.

To be successful in moving forward with its agenda and goals over the next five years, the NCC will require the collaboration and contribution of all those who have a stake in the Capital Region. To this end, the NCC will work with partners in an open and transparent, inclusive, and innovative way to achieve common goals.

Key Expected Outcomes and Outputs for the 2018–2019 to 2022–2023 Planning Period

The following sections summarize the initiatives that the NCC will deliver over the planning period for each of its five priorities. The NCC will publish year-end performance data against its commitments in the 2018–2019 annual report.

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

Medium-term

NCC asset conditions are improved for safety and resilience.

Long-term

NCC assets are in appropriate condition, and meet the expectations and needs of Canadians.

The NCC’s stewardship responsibilities extend to a large and diverse portfolio that includes parkways, pathways, properties and buildings, bridges, commemorations, and interpretive panels.

The investment that would be required to properly maintain the NCC’s extensive asset base has substantially exceeded the NCC’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 its Special Examination Report—2017, the OAG found a significant deficiency in the NCC’s asset maintenance, and noted that more than one quarter of these assets were in fair, poor or critical condition. The OAG also noted a shortfall in the resources required to restore and maintain the assets, which would put the NCC at risk of not meeting its mandate. Furthermore, the OAG noted that, should the NCC’s assets continue to deteriorate, the assets could present health and safety issues.

In Budget 2018, the Government announced an investment of \$55 million over two years (2018–2019 to 2019–2020) in support of critical repair and maintenance work on the NCC’s portfolio of fixed 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 (*see Appendix C*).

Furthermore, the NCC will undertake the development of medium- and long-term plans with the goal of restoring and maintaining assets to ensure that they are in appropriate condition. Going forward, the NCC will take into consideration the long-term ongoing maintenance needs of additional assets and infrastructure included in its portfolio.

As part of its financial sustainability strategy, the NCC continues to work with the government to seek solutions to restore the condition of assets to an appropriate level, on a priority basis, to maintain the safety and resilience of its infrastructure and assets for years to come.

As the steward of the six official residences in Canada's Capital Region, the NCC is responsible for managing some of the region's most historic properties, which also serve as the homes of Canada's political leaders and accommodations for dignitaries visiting from other countries. The NCC will continue to provide ongoing leadership for projects to maintain, rehabilitate and improve these important institutions.

Over the planning period, the NCC expects to achieve the following results under this priority.

KEY EXPECTED OUTPUTS

ASSET CONDITION AND FUNDING REVIEW

Short-Term (1–2 years)

- Undertake work on assets in need of critical repairs, and revitalize and restore them to good condition in accordance with Budget 2018.

Medium-Term (3–5 years)

- On a priority basis, develop long-term asset management plans.

Long-Term (5+ years)

- Implement the long-term asset management plans to progressively improve the assets and ensure that they are in appropriate condition.

FINANCIAL SUSTAINABILITY STRATEGY

Short-Term (1–2 years)

- Develop action plans for revenue generation, including the identification of lands for disposal and leasing.

Medium-Term (3–5 years)

- Implement action plans for revenue generation on an ongoing basis.

Long-Term (5+ years)

- Reinvest revenues in asset maintenance and upkeep to ensure that assets remain safe and resilient.

Priority 2: Facilitate the redevelopment of LeBreton Flats and the islands in becoming signature destinations of national significance.

Expected Outcomes

Medium-term

Improved linkages, accessibility, wayfinding and public access to LeBreton Flats and the islands.

Long-term

An enhanced experience through a vibrant and distinctive Capital district at LeBreton Flats and on the islands.

LeBreton Flats and the surrounding Chaudières, Albert and Victoria islands occupy one of the most beautiful waterfront sites in Canada's Capital Region, and remain one of the region's few largely undeveloped urban areas. To realize the potential of the area as a vibrant destination in Canada's Capital Region, the NCC will continue to advance its priority to facilitate and support the transformation and redevelopment of LeBreton Flats and the islands.

In moving forward with its plans for the long-term redevelopment of LeBreton Flats, the NCC will continue negotiations with the preferred proponent, with the goal of reaching a master development agreement governing the future development. The NCC will also continue to engage with Algonquin leaders and the City of Ottawa in this process.

To improve connectivity and enhance the public experience of the Ottawa River shorelines and islands, the NCC will continue to move forward with its phased projects to create linkages, improve accessibility and provide wayfinding and interpretation at the Bronson Pulp Mill ruins and Richmond Landing. The NCC will also ensure public access and pathway connections to allow for seamless connectivity to LeBreton Flats and other points of interest.

As part of its broader and longer-term strategy to engage Indigenous peoples, the NCC will continue its dialogue, and proceed with formal consultations on projects being undertaken at LeBreton Flats and the surrounding area. This will include advancing the work of the Victoria Island Steering Committee with the Algonquin First Nation. In particular, the NCC will endeavour to advance a long-term vision and complete a master plan, site plan and decontamination strategy for Victoria Island, to be developed in partnership with the Algonquin First Nation.

Over the planning period, the NCC expects to achieve the following results under this priority.

KEY EXPECTED OUTPUTS

REDEVELOPMENT OF LEBRETON FLATS AND THE ISLANDS SITES

Short-Term (1–2 years)

- Continue negotiations and seek to finalize a master development agreement governing the future development.
- Engage with Algonquin leaders and the City of Ottawa.

Medium-Term (3–5 years)

- Pending an agreement for future development, seek federal approval.

Long-Term (5+ years)

- Provide seamless connectivity to LeBreton Flats, the shores and the islands.

IMPROVEMENTS TO THE BRONSON PULP MILL RUINS AND RICHMOND LANDING

Short-Term (1–2 years)

- Continue improvements at the Bronson Pulp Mill ruins and Richmond Landing, until planned completion.

INDIGENOUS PLACEMAKING ON VICTORIA ISLAND

Short-Term (1–2 years)

- Advance the *Kabeshinân Minitig* Plan, a master plan for Victoria Island, in partnership with the Algonquin First Nation.

Medium-Term (3–5 years)

- Complete the *Kabeshinân Minitig* Plan in partnership with the Algonquin First Nation.

Long-Term (5+ years)

- Complete a place of special significance for Indigenous peoples on Victoria Island.

Priority 3: Offer public access and new connections for Canadians to discover the shorelines and waterways.

Expected Outcomes

Medium-term

Enhanced connectivity, ecological management, safety and security along the shorelines and pathways.

Long-term

Seamless connectivity and access to shorelines and waterways in the Capital Region.

The shorelines and waterways of the Ottawa, Gatineau and Rideau rivers represent some of the Capital Region's greatest natural features, along with the historic Rideau Canal that winds through the centre of the Capital. The NCC will continue its efforts to offer public access and new connections for Canadians to discover the shorelines and waterways of the Capital Region and promote a vibrant river culture celebrating the distinctive features these have to offer.

In keeping with its vision for the Capital's shorelines, the NCC will finalize and begin to implement plans for the Ottawa River waterfront. This will include the Ottawa River South Shore Riverfront Park Plan and the Ottawa River North Shore Parklands Plan. Through the realization of these plans, the NCC will enhance animation opportunities, celebrate cultural heritage attributes, and complete environmental rehabilitation for these natural features of the Capital Region.

To contribute to safeguarding healthy river ecosystems, the NCC will continue its collaboration with partners to promote the ecological sustainability of regional waterways. Part of these efforts includes participating in the development of the Ottawa River Watershed Council for stakeholders to discuss common challenges concerning the ecological management of the waterway. In addition, the NCC will seek to establish an advisory committee with partners to guide the implementation of the Ottawa River North Shore Parklands Plan.

The NCC will also move forward with plans for the rehabilitation of Nepean Point based on a winning proposal to revitalize the site and integrate with existing plans for the shorelines.

Over the planning period, the NCC expects to achieve the following results under this priority.

KEY EXPECTED OUTPUTS

SHORELINE INFRASTRUCTURE, ACTIVATION POINTS AND WATERWAYS

Short-Term (1–2 years)

- Seek approval from the Board of Directors for the Ottawa River South Shore Riverfront Park Plan.
- Submit plans to the Board of Directors for approval of the Ottawa River North Shore Parklands Plan.
- Continue to implement plans for commercial activation points along the shorelines of the Capital Region, as nodes for animation and activity.
- Contribute to discussions with stakeholders on common challenges concerning the ecological management of the waterway.

Medium-Term (3–5 years)

- Complete consultations to facilitate the development of improved links between the north and south portions of Jacques-Cartier Park.
- Seek partnerships for the implementation of the plans for the Ottawa River South Shore Riverfront Park and the Ottawa River North Shore Parklands Plan.
- Increase animation and activity along the shorelines and waterways of the Capital Region.

Long-Term (5+ years)

- Maintain accessible, animated and sustainable shorelines and waterways for the public.

NEPEAN POINT REVITALIZATION

Short-Term (1–2 years)

- Develop a vision and plan to revitalize Nepean Point, based on the winning proposal.

Medium-Term (3–5 years)

- Initiate the green demolition of Nepean Point to allow the site to be construction-ready.

Long-Term (5+ years)

- Begin improvements toward the planned completion.

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

Medium-term

Innovative planning tools are implemented.

Long-term

NCC plans support the long-term direction for a lively, distinctive and sustainable Capital Region.

The NCC is responsible for setting the long-term planning direction for federal lands in the Capital Region. To ensure that its planning tools are modern, innovative and able to support its vision for the continued evolution of the Capital Region, one of the NCC's priorities is to modernize its planning framework.

Central to the NCC's modernization efforts will be the implementation of the 2017–2067 Plan for Canada's Capital. This plan provides the vision for the evolution of federal elements in the region, and presents 17 milestone projects to be implemented over the next 50 years. The Plan for Canada's Capital also serves as the foundation for all other components of the NCC's planning framework.

The NCC will also advance the renewal of other key plans for the Capital Region. As part of the review of the Gatineau Park Master Plan, the NCC will pursue public consultations on the plan's future directions and objectives, which started in 2017–2018. The feedback received as part of these consultations will shape the final content of this next master plan.

In addition, the NCC will move forward with the development of the next iteration of its corporate environmental strategy. Following public and stakeholder consultations in 2017–2018, the NCC has adopted the Federal Sustainable Development Strategy as the new vision going forward. This federal strategy will serve as an overarching element to be included in other master plans, and will help shape tangible objectives and lasting impacts to contribute to building a greener Capital Region.

Other work to support the modernization of the planning framework will focus on developing clear and concise policies, simplifying processes to be more efficient and timely, and fostering a better understanding of requirements among proponents seeking federal approvals. This will include the development of design guidelines for proponents and a new views protection policy. Also, through its responsibility for granting federal land use, design and transaction approvals, the NCC will provide support to major projects being undertaken in the Capital Region, such as the rehabilitation of the Parliamentary Precinct and the City of Ottawa's western extension of the LRT project.

Over the planning period, the NCC expects to achieve the following results under this priority.

KEY EXPECTED OUTPUTS

GATINEAU PARK MASTER PLAN

Short-Term (1–2 years)

- Conduct public, Indigenous and stakeholder consultations on the future directions for the Gatineau Park Master Plan.
- Complete the draft Gatineau Park Master Plan.
- Continue acquisitions of private properties in Gatineau Park.

Medium-Term (3–5 years)

- Engage municipalities regarding zoning and design guidelines.
- Seek the board of directors' approval for the Gatineau Park Master Plan.

Long-Term (5+ years)

- Incorporate the Gatineau Park Master Plan into operational plans.

SUSTAINABLE DEVELOPMENT STRATEGY

Short-Term (1–2 years)

- Seek the board of directors' approval on the Sustainable Development Strategy.

Medium-Term (3–5 years)

- Initiate the implementation of the Sustainable Development Strategy.

Long-Term (5+ years)

- Integrate the principles of the Sustainable Development Strategy into NCC master plans and operations.

SUPPORTING POLICIES FOR THE PLANNING FRAMEWORK

Short-Term (1–2 years)

- Initiate consultations with stakeholders on the update to the Parkways Policy.
- Complete the NILM review.

Medium-Term (3–5 years)

- Submit the NILM review and Parkways Policy for the board of directors' approval.

Long-Term (5+ years)

- 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).
- Initiate the renewal of the Capital core sector plan.

FEDERAL LAND USE, DESIGN AND TRANSACTION APPROVAL PROCESS

Short-Term (1–2 years)

- Review and streamline federal land use, design and transaction approval policies and processes.
- Continue to advance design guidelines.

Medium-Term (3–5 years)

- Foster better understanding of requirements among proponents seeking federal approvals through more efficient and timely processes and concise policies.

Long-Term (5+ years)

- 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.

CAPITAL ILLUMINATION PLAN

Short-Term (1–2 years)

- Advance the implementation of priority projects with partners.

Medium-Term (3–5 years)

- Implement projects with partners on an ongoing basis.

Long-Term (5+ years)

- Maintain compelling and cohesive illumination and lighting for the core of the Capital.

Priority 5: Be a value-added partner to create lasting legacies that serve as sources of pride for Canadians.

Expected Outcomes

Medium-term

Canadians, Indigenous peoples, stakeholders and partners are engaged in terms of objectives for the Capital Region.

Long-term

Strong relationships, strategic partnerships and collaboration are fostered in support of common goals for the Capital Region that serve as a source of pride for Canadians.

As a value-added partner, the NCC continually seeks to build strong relationships, foster strategic partnerships, collaborate and consult with a diverse range of citizens, partners and stakeholders in support of Canada's Capital Region. The NCC will advance consultations and outreach on key projects.

The NCC will continue its efforts in supporting the government and other partners to advance national commemorative projects in the Capital Region that honour key historic contributions and experiences of people in Canada and around the world.

The NCC will continue its regular dialogue with the Algonquin First Nation and other Indigenous peoples. With significant real estate developments being undertaken or proposed in the Capital Region, the NCC has been working closely with Algonquin First Nation chiefs and communities; it is imperative that the NCC continue to expand and deepen this conversation. The NCC will work toward maintaining its good working relationship in the spirit of reconciliation, in which all parties can learn from each other and truly collaborate to achieve shared benefit.

As part of its ongoing collaboration with the cities of Ottawa and Gatineau, and other municipalities in the Capital Region, the NCC will further strengthen its relationship with the municipalities by clarifying roles and responsibilities with common regional objectives in mind. It will also explore relationships with public transportation entities to reduce environmental impacts on the Capital's green spaces.

The NCC will continue with its Urbanism Lab program, where leaders, experts and the public come together to discuss and exchange ideas about various ongoing and emerging topics related to the Capital (including Indigenous placemaking, public science, youth engagement, regional environmental sustainability and regional transportation).

Over the planning period, the NCC expects to achieve the following results under this priority.

KEY EXPECTED OUTPUTS

ENGAGEMENT WITH INDIGENOUS PEOPLES

Short-Term (1–2 years)

- Engage with Indigenous leaders through the Victoria Island Steering Committee.

Medium-Term (3–5 years)

- Work with the Algonquin First Nation on outreach and engagement with other Indigenous peoples.

Long-Term (5+ years)

- Advance the creation of a place of special significance for Indigenous peoples in the Capital Region.

PARTNER AND STAKEHOLDER RELATIONSHIPS

Short-Term (1–2 years)

- Advance consultations and outreach on key projects, including with federal, provincial and municipal partners, and other stakeholders.
- Explore the establishment of relationships with public transportation entities to reduce environmental impacts on the Capital's green spaces.
- Continue to implement events as part of the Urbanism Lab program to increase collaboration.

Medium-Term (3–5 years)

- Increase stakeholder satisfaction as demonstrated through surveys.
- Continue to develop relationship charters with municipalities in the Capital Region.

Long-Term (5+ years)

- Strengthen collaborative relationships with all partners and stakeholders.
- Become a thought leader for excellence in urban design.

NATIONAL COMMEMORATIVE PROJECTS

Short-Term (1–2 years)

- Provide support to the government and other partners on monuments, memorials and works of public art in the Capital Region.

Medium-Term (3–5 years)

- Establish a plan and policy for the governance and maintenance of commemorations and works of public art.

Long-Term (5+ years)

- Establish partnership funding strategies.



FINANCIAL TABLES

OPERATING BUDGET
FOR THE YEARS ENDING MARCH 31, 2017 TO 2019

(IN THOUSANDS OF DOLLARS)

FUNDING	2018-2019 Budget	2017-2018 Budget	2017-2018 Forecast	2017-2018 Variance	2016-2017 Budget	2016-2017 Actual	2016-2017 Variance
Operating appropriations	68,117	67,591	65,354	(2,237)	67,806	68,467	661
Revenues	36,043	35,163	43,300	8,137	38,025	37,862	(163)
Funding from the Acquisition and Disposal Fund	879	886	429	(457)	754	312	(442)
	105,039	103,640	109,083	5,443	106,585	106,641	56
EXPENDITURES							
Long-Term Planning	5,794	5,372	5,014	357	3,053	3,884	(831)
Stewardship and Protection ¹	74,316	75,328	76,898	(1,570)	79,111	70,901	8,210
Internal Services	33,421	33,520	33,641	(121)	31,825	35,554	(3,729)
	113,530	114,220	115,553	(1,333)	113,989	110,339	3,650
EXCESS OF EXPENDITURES OVER FUNDING	(8,491)	(10,580)	(6,470)	4,110	(7,404)	(3,698)	3,706
CARRY-OVER AT BEGINNING OF YEAR	25,469	29,711	32,972	3,261	36,036	39,120	3,084
Realignment between capital and operating carry-over	(381)	1,783	(1,033)	(2,816)	(1,550)	(2,450)	(900)
CARRY-OVER AT END OF YEAR	16,597	20,914	25,469	4,555	27,082	32,972	5,890

1. Reflects the program, not the organizational structure.

CAPITAL BUDGET
FOR THE YEARS ENDING MARCH 31, 2017 TO 2019

(IN THOUSANDS OF DOLLARS)

FUNDING	2018-2019 Budget	2017-2018 Budget	2017-2018 Forecast	2017-2018 Variance	2016-2017 Budget	2016-2017 Actual	2016-2017 Variance
Capital appropriations	40,312	24,305	23,500	(805)	22,399	22,789	390
Funding from the Acquisition and Disposal Fund	3,000	3,000	3,000	0	12,000	8,375	(3,625)
	43,312	27,305	26,500	(805)	34,399	31,164	(3,235)
EXPENDITURES							
Stewardship and Protection							
Roads and bridges	7,842	3,366	1,884	1,482	3,695	2,158	1,537
Historical properties	13,801	3,640	15,515	(11,875)	14,370	13,706	664
Rental properties	4,712	3,039	3,726	(687)	3,350	3,014	336
Development properties	4,568	463	597	(134)	1,996	956	1,040
Green assets	12,340	6,380	5,036	1,344	4,035	3,877	158
Other	6,490	7,195	3,168	4,027	6,228	3,476	2,752
	49,753	24,083	29,926	(5,843)	33,674	27,187	6,487
Real property acquisitions	3,000	3,000	3,000	0	12,000	8,375	3,625
	52,753	27,083	32,926	(5,843)	45,674	35,562	10,112
ALL PROGRAMS							
Equipment	1,115	775	1,362	(587)	2,480	2,003	477
TOTAL CAPITAL EXPENDITURES	53,868	27,858	34,288	(6,430)	48,154	37,565	10,589
EXCESS OF EXPENDITURES OVER FUNDING	(10,556)	(553)	(7,788)	(7,235)	(13,755)	(6,401)	7,354
CARRY-OVER AT BEGINNING OF YEAR	15,128	8,284	21,883	13,599	20,407	25,834	5,427
Realignment between capital and operating carry-over	381	(1,783)	1,033	2,816	1,550	2,450	900
CARRY-OVER AT END OF YEAR	4,953	5,948	15,128	9,180	8,202	21,883	13,681

STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2017 TO 2023

(IN THOUSANDS OF DOLLARS)

FINANCIAL ASSETS	2016-2017 Actual	2017-2018 Forecast	2018-2019 Budget	2019-2020 Projection	2020-2021 Projection	2021-2022 Projection	2022-2023 Projection
Cash and cash equivalents	82,541	65,151	41,243	48,488	40,408	35,305	30,154
Restricted cash and cash equivalents – light rail transit	63,105	64,072	65,040	0	0	0	0
Accounts receivable							
Federal government departments and agencies	5,837	4,361	4,361	4,361	4,361	4,361	4,361
Others	5,265	3,934	3,934	3,934	3,934	3,934	3,934
Investments	19,114	19,161	19,193	18,458	19,458	20,458	21,458
	175,862	156,679	133,771	75,241	68,161	64,058	59,907
LIABILITIES							
Accounts payable and accrued liabilities							
Federal government departments and agencies	1,879	1,952	1,952	1,952	1,952	1,952	1,952
Others	19,908	20,684	20,684	20,684	20,684	20,684	20,684
Light rail transit	59,583	59,663	59,744	0	0	0	0
Provision for environmental cleanup	50,831	50,139	41,360	35,152	34,652	34,652	34,652
Deferred revenue	16,355	13,600	13,131	12,662	12,193	11,741	11,289
Employee future benefits	8,921	8,763	8,635	8,517	8,408	8,308	8,216
Other liabilities	7,358	8,639	9,920	10,703	10,255	9,807	9,359
	164,835	163,440	155,426	89,670	88,144	87,144	86,152
NET FINANCIAL ASSETS (LIABILITIES)	11,027	(6,761)	(21,655)	(14,429)	(19,983)	(23,086)	(26,245)
NON-FINANCIAL ASSETS							
Tangible capital assets	627,107	642,601	670,881	711,184	718,200	728,168	743,025
Prepaid expenses	2,522	2,503	2,503	2,503	2,503	2,503	2,503
Other non-financial assets	1,394	1,217	1,040	863	686	509	332
	631,023	646,321	674,424	714,550	721,389	731,180	745,860
ACCUMULATED SURPLUS	642,050	639,560	652,769	700,121	701,406	708,094	719,615

STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS
FOR THE YEARS ENDING MARCH 31, 2017 TO 2023

(IN THOUSANDS OF DOLLARS)

REVENUES	2016-2017 Actual	2017-2018 Forecast	2018-2019 Budget	2019-2020 Projection	2020-2021 Projection	2021-2022 Projection	2022-2023 Projection
Rental operations and easements	22,499	23,504	24,075	24,587	25,300	26,410	26,846
Interest	1,742	1,723	1,312	1,398	1,210	1,130	1,034
Headquarters sublease	1,724	2,277	2,277	1,729	0	0	0
User access fees	3,095	2,788	3,531	3,515	3,545	3,575	3,613
Recoveries	6,478	9,462	3,390	1,593	1,593	1,593	1,359
Other revenues	3,208	3,838	1,815	2,118	2,598	6,625	11,645
Net gain on disposal of tangible capital assets	0	0	0	7,711	0	0	0
	38,746	43,592	36,400	42,651	34,246	39,333	44,497
EXPENSES							
Long-Term Planning	4,138	5,014	5,794	5,984	5,768	5,262	4,889
Stewardship and Protection	92,348	93,525	89,612	86,744	83,483	83,707	84,433
Internal Services	39,572	36,397	36,214	34,543	30,587	30,553	30,533
	136,058	134,936	131,620	127,271	119,838	119,522	119,854
DEFICIT BEFORE FUNDING FROM THE GOVERNMENT OF CANADA	(97,312)	(91,344)	(95,220)	(84,620)	(85,592)	(80,189)	(75,357)
FUNDING FROM THE GOVERNMENT OF CANADA							
Parliamentary appropriations for operating expenditures	68,467	65,354	68,117	72,536	64,497	64,497	64,497
Parliamentary appropriations for tangible capital assets	22,789	23,500	40,312	59,436	22,380	22,380	22,380
	91,256	88,854	108,429	131,972	86,877	86,877	86,877
SURPLUS (DEFICIT) FOR THE YEAR	(6,056)	(2,490)	13,209	47,352	1,285	6,688	11,520
ACCUMULATED SURPLUS AT BEGINNING OF YEAR	648,106	642,050	639,560	652,769	700,121	701,406	708,094
ACCUMULATED SURPLUS AT END OF YEAR	642,050	639,560	652,769	700,121	701,406	708,094	719,615

STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
FOR THE YEARS ENDING MARCH 31, 2017 TO 2023

(IN THOUSANDS OF DOLLARS)

	2016-2017 Actual	2017-2018 Forecast	2018-2019 Budget	2019-2020 Projection	2020-2021 Projection	2021-2022 Projection	2022-2023 Projection
SURPLUS (DEFICIT) FOR THE YEAR	(6,056)	(2,490)	13,209	47,352	1,285	6,688	11,520
Acquisition and improvement of tangible capital assets	(38,015)	(33,975)	(47,217)	(63,378)	(27,975)	(31,133)	(36,316)
Amortization of tangible capital assets	18,076	18,481	18,937	19,771	20,959	21,165	21,459
Net loss (gain) on disposal of tangible capital assets	1,003	0	0	(7,711)	0	0	0
Proceeds from disposal of tangible capital assets	0	0	0	11,015	0	0	0
Writedowns of tangible capital assets	83	0	0	0	0	0	0
	(18,853)	(15,494)	(28,280)	(40,303)	(7,016)	(9,968)	(14,857)
Change in prepaid expenses	(50)	19	0	0	0	0	0
Change in other non-financial assets	956	177	177	177	177	177	177
	906	196	177	177	177	177	177
INCREASE (DECREASE) IN NET FINANCIAL ASSETS	(24,003)	(17,788)	(14,894)	7,226	(5,554)	(3,103)	(3,160)
NET FINANCIAL ASSETS (LIABILITIES) AT BEGINNING OF YEAR	35,030	11,027	(6,761)	(21,655)	(14,429)	(19,983)	(23,086)
NET FINANCIAL ASSETS (LIABILITIES) AT END OF YEAR	11,027	(6,761)	(21,655)	(14,429)	(19,983)	(23,086)	(26,245)

STATEMENT OF CASH FLOWS
FOR THE YEARS ENDING MARCH 31, 2017 TO 2023

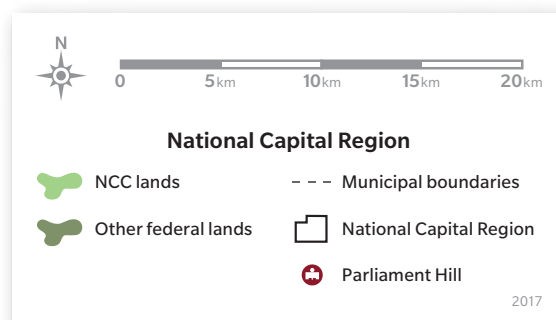
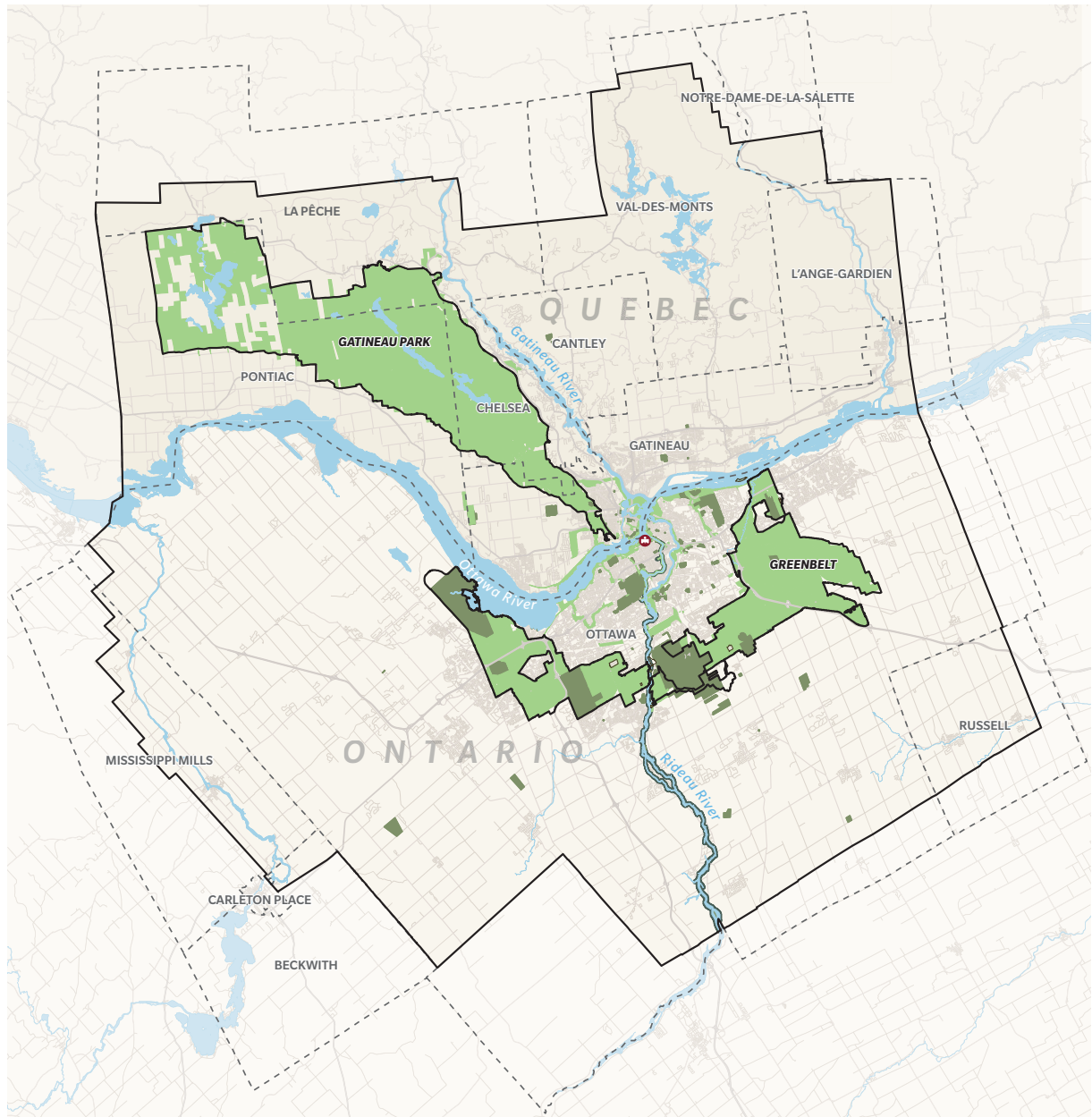
(IN THOUSANDS OF DOLLARS)

	2016–2017 Actual	2017–2018 Forecast	2018–2019 Budget	2019–2020 Projection	2020–2021 Projection	2021–2022 Projection	2022–2023 Projection
Cash flows provided (used) by operating activities	4,337	(5,588)	(9,352)	(2,743)	(988)	4,647	9,781
Cash flows used by capital activities	(14,013)	(10,788)	(13,556)	(55,787)	(6,092)	(8,750)	(13,933)
Cash flows provided (used) by investing activities	209	(47)	(32)	735	(1,000)	(1,000)	(1,000)
DECREASE IN CASH AND CASH EQUIVALENTS	(9,467)	(16,423)	(22,940)	(57,795)	(8,080)	(5,103)	(5,152)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	155,113	145,646	129,223	106,283	48,488	40,408	35,305
CASH AND CASH EQUIVALENTS AT END OF YEAR	145,646	129,223	106,283	48,488	40,408	35,305	30,154



APPENDICES

APPENDIX A: MAP OF THE NATIONAL CAPITAL REGION AND THE NCC'S LANDS



APPENDIX B: MULTI-YEAR CAPITAL PROGRAM
FOR THE YEARS ENDING MARCH 31, 2018 TO 2020

	(IN THOUSANDS OF DOLLARS)					
	2017-2018		2018-2019		2019-2020	
	Forecast		Budget		Projection	
ROADS AND BRIDGES						
Confederation Boulevard program	679		1,030		1,750	
Culvert rehabilitation, Gatineau Park	241		150		150	
Hog's Back swing bridge reconstruction	0		1,114		6,312	
Philippe Lake Parkway rehabilitation	0		0		3,995	
O'Brien Willson access road rehabilitation	0		0		1,323	
Sir John A. Macdonald Parkway, LeBreton exit bridge reconstruction	0		1,560		8,845	
Portage Bridge rehabilitation	190		2,665		6,307	
Rehabilitation, other roads and bridges	774		1,323		200	
	1,884	5%	7,842	15%	28,882	43%
HISTORICAL PROPERTIES						
Property rehabilitation, O'Brien House	3,518		1,000		0	
Official Residences program	7,494		7,755		6,567	
Property rehabilitation, Sussex Drive	3,956		650		1,722	
Property rehabilitation, 25 George Street	0		2,323		0	
Property rehabilitation, 504 Sir George-Étienne Cartier Parkway	0		1,470		5,956	
Rehabilitation, other historical properties	547		603		600	
	15,515	45%	13,801	26%	14,845	22%
RENTAL PROPERTIES						
Rehabilitation program, rental properties	918		2,440		1,250	
Property rehabilitation, 30 Metcalfe Street and 100 Sparks Street	0		1,000		0	
50 Sussex Drive rehabilitation	1,460		1,272		0	
Redevelopment, 7 Clarence Street	1,348		0		0	
	3,726	11%	4,712	9%	1,250	2%
DEVELOPMENT PROPERTIES						
LeBreton Flats redevelopment	597	2%	4,568	8%	3,000	5%
GREEN ASSETS						
Nepean Point rehabilitation	0		520		2,250	
Rideau Canal railing replacement	489		800		0	
Site development, Bronson Pulp Mill ruins	283		1,698		900	
Site development, Richmond Landing	994		2,216		3,016	
South Shore Riverfront Park development	761		1,258		1,056	
Gatineau Park rehabilitation program	464		650		50	
Pathway and trail rehabilitation program	1,075		2,639		582	
Other green asset projects and programs	970		2,559		1,285	
	5,036	15%	12,340	22%	9,139	14%
OTHER						
Other projects and programs	3,168	9%	6,490	12%	5,393	8%
REAL PROPERTY ACQUISITIONS	3,000	9%	3,000	6%	3,000	5%
ALL PROGRAMS – EQUIPMENT	1,362	4%	1,115	2%	985	1%
	34,288	100%	53,868	100%	66,494	100%

APPENDIX C: 2018–2019 TO 2019–2020 IMPLEMENTATION PLAN FOR REVITALIZING NCC ASSETS

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 has developed an implementation plan based on a holistic approach, so that maintenance requirements are addressed across the Capital Region. This plan will enable the corporation to begin addressing the maintenance requirements for assets in need of critical repairs in the following categories.

PATHWAYS, SHORELINES AND INFRASTRUCTURE

- Restoration of pathways, shorelines and infrastructure damaged by severe flooding in 2017, including the Voyageurs, Lac-des-Fées and De l’Île pathways, Victoria Island’s eroded shoreline and the Champlain Bridge parking lot.

BRIDGES – VEHICULAR

- Extensive work on two motor vehicle bridges in critical condition (Sir John A. Macdonald Parkway’s LeBreton exit bridge and Hog’s Back swing bridge), and one in fair condition (Portage Bridge).

BUILDINGS

- Major work required on important revenue-generating commercial properties in critical condition, including 504 Sir George-Étienne Cartier Parkway, 25 George Street and 541 Sussex Drive.

ROADS, PARKWAYS AND WALLS

- Priority roadwork on select roads and parkways in critical and poor condition, including the O’Brien Willson access road and Philippe Lake campground roadway.

OPERATIONAL FUNDS

- Operational funds have been allocated for life cycle interventions on the collection of commemorations and public art, removal and replacement of green assets affected by the emerald ash borer, and site remediation.

APPENDIX D: IMPLEMENTATION OF THE DIRECTIVE ON TRAVEL, HOSPITALITY, CONFERENCE AND EVENT EXPENDITURES

On July 16, 2015, certain Crown corporations, including the NCC, were directed by the Governor-in-Council to align their policies, guidelines and practices with TBS policies, directives and related instruments pertaining to travel, hospitality, conference and event expenditures in a manner that is consistent with their legal obligations. All aspects of the TBS directive have been adopted by the NCC, as required.

The following table outlines the NCC's total annual expenditures for travel, hospitality, and training and conference fees, as well as projections to the end of the five-year planning period.

Annual Expenditures for Travel, Hospitality and Conference Fees (in dollars)

	2016–2017 Actual	2017–2018 Forecast*	2018–2019 Budget**
TRAVEL	281,165	232,651	234,978
HOSPITALITY	76,135	89,467	83,291
TRAINING AND CONFERENCES	452,250	426,859	431,127

* The benchmark is based on an average of these expenditures over the previous three fiscal years.

** Assumes 1 percent inflation over the planning period.

