

NO: **R019**

COUNCIL DATE: **February 10, 2020**

REGULAR COUNCIL

TO: **Mayor & Council**

DATE: **February 6, 2020**

FROM: **General Manager, Finance**

FILE: **0540-01**

SUBJECT: **Innovative Revenue Generation Task Force Terms of Reference**

RECOMMENDATION

The Finance Department recommends that Council:

1. Receive this report for information; and
2. Receive the attached Terms of Reference to support the Innovative Revenue Generation Task Force as attached in Appendix "I" for a term ending December 31, 2020.

INTENT

The purpose of this report is to provide information on the Terms of Reference ("TOR") for the newly created Innovative Revenue Generation Task Force ("IRG") as attached as Appendix "I" of this report.

BACKGROUND

At Council on January 13, 2020 the Mayor announced the establishment of the Innovative Revenue Generation Task Force, of which the Mayor will be Chair and Councillor Patton and Councillor Guerra members, the IRG Task Force will have a term of one year.

DISCUSSION

The mandate of the IRG Task Force will be to explore new and innovative revenue streams that can assist in funding the City's annual operations without additional burden to our City taxpayers in the form of greater than budgeted property taxation increases.

The IRG Task Force will perform a review to work towards understanding, in greater detail, the current financial environment of the City, with emphasis on the various key revenue streams that formulate our general operating fund and what component is comprised of taxation-based revenue. Furthermore, the IRG Task Force will also review legislative barriers that severely limit the ability of Canadian Cities to autonomously generate revenues, in particular, revenue streams that are not based on property taxation. The IRG Task Force will research and explore cities within the Metro Vancouver Region, across the country, and most importantly globally in order to seek examples of successful non-traditional revenue streams for local governments.

SUSTAINABILITY CONSIDERATIONS

The work of the Innovative Revenue Generation Task Force supports the objectives of the City's Sustainability Charter 2.0. In particular, this work relates to Sustainability Charter 2.0 theme of Economic Prosperity and Livelihoods. Specifically, the IRG Task Force supports the following Desired Outcomes ("DO") and Strategic Direction ("SD"):

- Economy – DO4: Surrey's economy is diversified with a mix of service, industrial, agricultural and innovation-based businesses;
- Economy – DO8: Economic activities recognize the importance of, and have minimal impact on the natural environment;
- Economy – DO9: Surrey's economy is able to adapt and thrive in response to external forces, such as the changing climate;
- Economy – DO12: The City is a destination for visitors, which generates tourism revenue; and
- Economy – SD9: Expand the sharing economy opportunities in Surrey.

CONCLUSION

It is important for the City to explore new and innovative revenue streams that can support the delivery of high-quality services to our residents, while not putting undue pressure on our taxpayers. The Innovative Revenue Generation Task Force will research non-traditional revenue streams regionally, nationally, and internationally with a view to recommending potential mechanisms for further investigation and also to possibly advocate change at the Provincial and Federal levels of government such to provide the City with more autonomy in generating revenues and ultimately delivering high quality and world class services to our residents.

Kam Grewal, CPA, CMA
General Manager, Finance

Appendix "I" Terms of Reference Innovative Revenue Generation Task Force

CITY OF SURREY

INNOVATIVE REVENUE GENERATION TASK FORCE

TERMS OF REFERENCE

1. MANDATE

The mandate of the Innovative Revenue Generation Task Force (“IRG”) will be to explore new and innovative opportunities for generating revenue for the City that are not property taxation based. The IRG Task Force will research cities locally, nationally and globally to determine which non-taxation mechanisms for revenue generation have been successfully implemented to support the delivery of City services.

2. FUNCTIONS

The IRG Task Force is established to:

- (a) Understand the current financial environment in relation to proportionate revenue streams for the general operating fund;
- (b) Explore local, national and international Cities that have successfully generated revenue that is not property taxation based and determine if similar revenue streams may be implemented in Surrey and, if not, understand why they are not feasible;
- (c) Possibly identify and approach subject matter experts on financing municipalities whose work and/or testimony would be beneficial to the work of the IRG Task Force and;
- (d) Consider options and recommendations for potential new innovative revenues to support City services for Council consideration.

3. MEMBERSHIP

- (a) The IRG Task Force is a Mayor’s Task Force appointed by the Mayor for a period of one-year, commencing January 13, 2020; and ending December 31, 2020.
- (b) The Mayor will Chair the IRG Task Force and will appoint two (2) Council members.

4. **STAFF ASSISTANCE**

Staff assistance will be provided to the IRG Task Force, as necessary, by the following departments:

- General Manager, Finance;
- City Manager; and
- Other staff as required.

5. **MEETINGS**

- (a) Meetings will be held based on an agreed upon schedule, and/or at the call of the Chair;
- (b) A quorum for a meeting of the Committee shall be two (2) members of the IRG Task Force;
- (c) IRG Task Force meetings will be conducted in public unless the meeting may or must be closed to the public, pursuant to *Community Charter* requirements; and
- (d) Minutes of the meetings of the IRG Task Force shall be recorded by the Legislative Services Department.
- (e) A report will be provided to Council upon completion of the term of the IRG Task Force.