



Corporate NO: R032

Report COUNCIL DATE: February 25, 2002

RECOMMENDATION

That the 2001-year end report be received and that the 2002 Economic Development Plan be endorsed.

BACKGROUND

The *Action Plan 2001* which detailed the work program for the Economic Development Office for the year 2001 was endorsed by the Business Development Committee January 25, 2001, and subsequently approved by Council February 5, 2001.

The *Action Plan* detailed proactive initiatives that the EDO would undertake with the continued goal of enhancing the City's tax base, economic vitality and job opportunities. The *Action Plan* identified the importance of partnerships and building relationships with the private sector and collectively working together with other levels of government and educational institutions to achieve success. Support of economic development continues to be a priority within the Corporation and the recent review of the Official Community Plan with its move to integrate Departmental work plans into and in support of economic development will further strengthen Surrey in securing a competitive edge.

Surrey is a competitive 'open for business' community committed to promoting balanced and sustainable growth to enhance the financial health of the community and maintain a high quality of life. While the City actively pursues these goals, factors beyond the realm of the Action Plan will continue to influence our focused actions, both positively and negatively. The Provincial Government is now giving prominence to improving British Columbia's investment climate and enhancing its competitiveness position among global economies. These goals will not happen overnight, and the government is continuing to make strides to improve the Province's competitive edge, while at the same time getting its own fiscal house in order.

General Attraction

Under the General Operations Plan, the Economic Development Office identified a number of other initiatives geared to move forward and secure increased competitiveness through promotional and marketing activities.

An economic development initiative, Invest BC, in partnership with BC Hydro and EDABC (Economic Development Association of BC) lead for the first time in 2001, a collective British Columbian contingent to represent and promote the opportunities available in British Columbia to an international audience of corporate site selectors. Surrey was one of the lead municipalities in this initiative recognizing the need for global marketing and attraction. This Association of global site selectors holds congresses during the year in the spring and the fall in major cities throughout the world (primarily the United States/Canada). Representatives from BC municipalities, lead by EDABC continued the awareness building and branding of British Columbia, established in Seattle, at the October 20-24 meeting of IDRC

held in Dallas, Texas. Two Congresses will be held in 2002 and a delegation from British Columbia will be lead by EDABC to ensure a continued and proactive presence of the Province and its municipalities

E Business Cards- As part of new marketing initiatives, an e-business card was produced and packaged. Copies of the e business card have been distributed throughout the community and are used in promotional activities and investment information packages.

Print Advertising and Promotion- Print advertising was established to promote our location and opportunities in leading business and industry publications such as *Business in Vancouver*, *BC Business* magazine and *Business Facilities*.

Site Selection Inventory- A comprehensive database of site selection information and available properties was maintained in order to provide site selectors with available opportunities for business locations within Surrey. Continued partnerships with the ICI industry and its members, ensures that Surrey maintains its connections and competitive edge.

High Tech Sector- The Economic Development Office promoted the City in a variety of activities such as:

ITEC Seattle May, 2001- This was the second year that the City exhibited in this regional high technology showcase to promote Surrey to the United States' and Canada's high tech community. The EDO partnered with Royal LePage and Bentall at this trade show to promote the Guildford Hi Tech Business Park development.

Fraser Valley Technology Network- As a founding member of the Fraser Valley Technology Network, we have worked with and developed this association with the prime goal of creating awareness in the hi tech sector of activities and businesses currently located in Surrey, and to grow those businesses as well as others that might choose to locate and/or do business with a Surrey based company. During 2001, the Network held four breakfast meetings featuring prominent members of the BC high technology industry as keynote speakers and two social events. As well, an organizational Business Plan was completed and a membership promotional piece and web site were also developed.

ADSL – Surrey partnered with Telus and Lucent Technologies to bring Canada's pilot project of “high velocity” Internet to our city. Ensuring that business and residents have access to the technological infrastructure that advances both quality of life and workplace efficiencies is paramount to sustaining and attracting new businesses.

Surrey Investment Bus Tour-The EDO, in partnership with the Fraser Valley Real Estate Board, toured 100 representatives from both the industrial/commercial real estate sector and the financial sector for a half day tour which highlighted new, ongoing and planned industrial and/or commercial developments in the City.

Retention & Expansion-

Surrey Success Team- The City held round table discussions (June and November) with selected leaders in the business community. These senior executives strategically represent a variety of sectors that include education, manufacturing, hi tech, financial, real estate, utilities and transportation. This type of open forum allows the City to have a clearer understanding of the challenges facing the business community in their respective sectors, while more importantly, forging and strengthening relationships with key stakeholders. Those in attendance recognise that we are all partners in economic development and that we share a common goal of achieving economic success and a competitive edge for Surrey.

Air Canada Championship- The EDO organised the Mayor & Council Invitation brunch, Surrey Business Day and Film Day as a means to recognise those involved in Surrey's success and to continue to build relationships and partnerships within the business community.

Surrey Corporate Showcase- An initiative to promote existing Surrey companies is the Corporate Showcase featured on the City's web site. During 2001, 12 companies representing a variety of businesses were featured to promote the diversity within our business community.

Project Facilitation- The EDO continues to work with all City departments and business agencies to promote and ensure that existing/new businesses looking to locate or expand are assured easy access and an understanding of the process and decision points throughout their development or permit process.

Image/Identity- As part of the 'open for business' branding and image, consistent with the City's vision for economic development, the EDO continues to produce the "*Business Fax News*" as a communiqué to the business community which is sent to 1,500 businesses four times per year. We are also now a regular feature in the Surrey Chamber of Commerce monthly publication *Beat* as another way of reaching out to the business community at large. New advertisements have been created to promote an updated image consistent with our proactive marketing initiatives.

Business Linkages- One of the ultimate long-term advantages our sister and other foreign city relationships provide is the opportunity to forge linkages and opportunities for expansion and export growth of Surrey businesses. During 2001, delegations were received from Zhuhai, China; Ningbo, China; Australia; Dongjak, Korea; and Tianjin, China.

Business Forums- During 2001, two Mayor's Business Breakfast forums were held addressing the Official Community Plan Review and Agriculture as topics of interest to the business community.

Tourism

Visitor's Guide and Map- The 2001 edition of the Visitor's Guide and Map were made available in May 2001 and was part of the Tourism Week presentation to Council. The Guide and Map have been distributed throughout the Lower Mainland, selected BC Ferry routes and Visitor Information Centres along the Washington State I-5 corridor and the Alberta border including the cities of Calgary and Edmonton.

City Tourism Advisory Committee- The EDO provided support to the City Tourism Advisory Committee and assisted in the application and business plan submission for the additional 2% Hotel Tax, in order to achieve sources of revenue for the Surrey Tourism & Convention Association.

Economic Development Activity

Using our database of new business licences issued in 2001, ***Surrey has increased its employment base by nearly 4,200 new jobs in our community last year.*** While this is significant, we will need to more than double this number to achieve a 1-1 ratio of jobs per resident. The task is great but as a corporation we have made strides and put in place policies that encourage the advancement of our goal to double the rate of industrial/commercial growth over this next decade.

Some of the major projects in 2001, for which building permits were issued (over 10,000 square feet) include:

Industrial

Mainland Developments	98,553
Lila's Beverage Warehouse	51,893
Rycol Developments	15,600
Transwestern Express Inc.	58,080

Morgan Creek Maintenance Facility	16,843
Bromar Investments	19,602
Coast Hardware Floors	22,074
J. Meirer	23,200
606185 BC Ltd.	55,824
Coast Wholesale Appliances	61,000
394617 BC Ltd.	129,101
6513 Holdings	53,604
Rite Style Mfg.	10,816
Razor Steel Ltd.	10,270
Advanced Disc Mfg.	39,224
Crombie, Kennedy, Nasmark	10,270

Office/Business Park

V1500 Holdings Inc.	83,362
S. Schurch	70,270
TechBC	532,132
Radha Soami Society	59,238
Rainar Enterprise Ltd.	25,144
G.S. Johal	14,891

Commercial

Real Canadian Superstore	324,325
Kwantlen Square Developments	35,020
13737 Ventures Ltd.	30,920
W4M081 Ventures Inc.	20,885
Sandman Hotel	106,969
Hampton Inn	62,071
Popular Group Inv.	35,533
Spring Lake Adventures	22,210
Family Golf Properties Inc.	23,760
Surrey Arts Centre	20,691
Surrey Golf Course	11,520
YMCA	66,111

2002 Economic Development Office Plan

Attached is the 2002 Economic Development Plan for perusal and review. It's important to make the distinction between this promotional and facilitation plan and the various significant policies that support economic development and establish the longer term economic development *strategy*. The strategy – in its entirety – consists of:

1. **Official Community Plan**
2. **Policy on Pre-servicing**
3. **Character City Policy**

4. Economic Development Plan

The Economic Development Plan will continue to deliver many of the services identified in earlier economic plans as well as *new initiatives*, including

- Globe 2002 – exhibiting for the first time at the 7th Biennial Trade Fair & Conference to be held this year at the Vancouver Trade & Convention Centre. This annual technology and environmental event attracts more than 2000 international representatives from over 70 countries. Surrey is part of the Province of BC Investment Team and will be given rotating presentation times over the 3 day program.
- Re-construction of our web site with property-expanded profiles of available lands for sale/lease and a site, that will contain Industry Canada's site selection data, recommended for international investment comparison.
- Feature pull-outs in the Vancouver Sun/Province (spring) and the Globe & Mail (fall)
- Assistance and consultation to Central City in the approval process for a Business Improvement Area
- Visitation Outreach initiative with identified sectors to create an “Expansion” or “Relocation” database
- Development of a new Economic Development Profile for Surrey – this promotional brochure was last done in 1999 and needs updating, both in terms of site selection information and in terms of promotion through corporate testimonials.

CONCLUSION:

The 2001 activity report provides a brief overview of a very busy year. The 2002 Economic Development Plan will continue to build on many of the initiatives developed in 2001 together with new initiatives identified herein. The 2002 Plan is attached for your perusal and endorsement.

Linda Hepner
Manager Economic Development Office

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