

# ***Investment, Innovation and Business Committee Minutes***

2E - Community Room A  
City Hall  
13450 - 104 Avenue  
Surrey, B.C.  
**TUESDAY, NOVEMBER 14, 2023**  
Time: 6:00 p.m.

---

**Present:**

Councillor Bains, Chair  
A. Parker  
D. Barbour  
E. Michielsen  
J. Curry  
P. Poulain  
P. Smailes  
R. Khanna

**Absent:**

Mayor Locke,  
Vice Chair  
A. Huberman  
R. Helsley

**Staff Present:**

S. Wu, Manager, Economic Development  
S. Simpson, Chief Information Officer, Corporate Services  
C. Chiu, Business Relationship Specialist, Investment and Intergovt. Relations  
S. Lee, Administrative Assistant

---

**A. ADOPTIONS****1. Adoption of the Agenda**

It was

Moved by E. Michielsen

Seconded by J. Curry

That the agenda of the Investment, Innovation  
and Business Committee meeting of November 14, 2023, be adopted.

Carried

**2. Adoption of the Minutes – September 6, 2023**

It was

Moved by E. Michielsen

Seconded D. Barbour

That the minutes of the Investment, Innovation  
and Business Committee meeting held on September 6, 2023, be adopted.

Carried

**B. DELEGATIONS****1. Peter Smailes, Vice President Administration, Kwantlen Polytechnic University**

The delegation provided an update on Kwantlen Polytechnic University (KPU) in Surrey.  
The following information was highlighted:

- Established in 1981, KPU is the fourth-largest university in British Columbia with a budget exceeding \$250 million. It is Canada's only polytechnic university with five campuses across Metro Vancouver – three in Surrey, one in Richmond, and one in Langley. KPU provides a diverse range of educational offerings, including bachelor's degrees, associate degrees, diplomas, certificates, and citations across more than 140 programs. The university serves a student population of almost 20,000, with 5,000 international students from over 80 countries attending annually. Class sizes are capped at a maximum of 35 students.

- KPU has over 70 researchers actively engaged in sponsored research projects, contributing to academic advancements. The institution offers unique credentials to meet the evolving needs of regional and global employment markets, providing opportunities for students to transition from certificates and diplomas to bachelor's degrees. KPU's trades programs, such as Carpentry and Plumbing, play a vital role in supporting the region, as apprentices contribute to their learning through a combination of in-class education and work-based training hours.
- Applied research is a fundamental aspect of KPU's polytechnic culture, embodying the integration of thought and action while fostering community engagement and social innovation. This approach enables students and faculty to apply theoretical knowledge and skills in real-world scenarios, establishing collaborative partnerships with local communities, industry players, and government entities. Some examples discussed were work-integrated learning and student engagement projects, such as collaborations with Teledyne Photometrics on physics for modern technology. The university also undertakes projects on food sustainability in the face of disease pressures, agricultural initiatives like late blight prediction and bioproduct development through the Institute for Sustainable Horticulture, and genomics training at the Applied Genomics Centre for agricultural innovation and sustainability. Other notable endeavors include the Institute for Sustainable Food Systems, which generates knowledge to address challenges and opportunities in the food system.
- The Surrey campus plans include the design phase for a 62-seat daycare and an application for provincial funding for a 250-bed student residence. According to KPU Communities Trust, Surrey campus has the potential to develop six buildings on-site, totaling 66,000 square meters. This development may involve prepaid leases for market housing, market rental housing, below-market rental housing, and other amenities supporting the university and the community. The conceptual framework for the Surrey campus aims to be a bold showcase of KPU's identity, with emphasis on the campus gateway on 72 Avenue. It envisions a network of open spaces and pedestrian routes, enhancing existing open spaces with new landscape treatment and uses, and providing opportunities for enhanced amenity spaces.
- The Cloverdale Tech campus, situated adjacent to the New Surrey Hospital in Cloverdale, has the potential to develop seven buildings with a total gross floor area ranging from 117,500 to 176,400 square meters. According to KPU Communities Trust, the campus has the capacity to develop four buildings on-site with a total gross floor area of 69,000 square meters. The presence of the new hospital is expected to have a significant impact on the real estate market dynamics around the campus, leading to increased demand for adjacent office and retail spaces. The conceptual framework for the Cloverdale Tech campus envisions the entire area as an active workspace. It aims to create showcase spaces, foster a leading-edge innovation environment, encourage partnerships with industry, provide outdoor spaces for recreation and gathering, and align with the development of the new hospital.

In response to questions from the Committee, the delegation provided the following information:

- Most of KPU students live at home and are from Surrey, Langley, Richmond, and Vancouver.
- KPU partnerships are more with BC universities than other polytechnic universities.
- KPU is always looking for partnerships with industry partners, especially in the agriculture, business, and design field.
- In case of tech campus, a lot of students drive vehicles because they are already working. KPU would like to see an improvement on transit to the Cloverdale campus when the new Cloverdale hospital is built.
- The students from South Surrey select the campus based on the programs they are interested in and not due to the locations. The new bus rapid transit will help in attracting more students from South Surrey to the main campus.
- The university uses co-op programs to address challenges in hiring by attracting individuals during or towards the end of their degree programs. This strategy aims to retain skilled employees, especially in areas like IT where hiring is particularly challenging. The external companies are not tapping into this talent pool earlier due to a potential disconnect between the university and companies in facilitating these early connections.

**2. Ed Michielsen, Vice President, Business Banking and Leasing, Prospera Credit Union**

The delegation provided a presentation on workforce attraction and retention in the South Fraser from Prospera Credit Union perspective. The following information was highlighted:

- Prospera, established 83 years ago as a BC-based credit union, is currently the 4th largest member-owned cooperative in BC and the 10th largest in Canada. Through multiple mergers over the decades, Prospera has grown to serve 120,000 members, including around 12,500 businesses. With 26 branch locations and 740 employees, its head office is located in Surrey. Prospera's primary services encompass personal banking, wealth management, business banking, equipment leasing, and auto leasing. The brand promise centers on providing knowledge and advice, emphasizing speed and flexibility, commitment to people and community, and delivering personalized experiences.
- When establishing guiding principles around flexible work, the focus was on attracting and retaining talent. The considerations extended beyond traditional financial services roles like wealth and business banking to encompass diverse teams such as marketing, finance, and a substantial technology team, emphasizing cybersecurity and regulatory compliance.

- Another principle involves supporting a healthy work-life integration, addressing challenges employees face, including commuting difficulties when partners live in different communities. The adaptation to technology, facilities, and the overall employee experience, particularly the successful integration of Microsoft Teams, became crucial aspects of the organizational approach. Prospera followed ADKAR model to support all key stakeholders with the change in how they work.
- The key considerations with flexible work were modeling flexibility and promoting healthy work-life integration and cultivating trusting relationships. An activity-based approach was adopted, with a focus on ensuring consideration for all stakeholders. The challenge was to integrate physical files and software while maintaining privacy, protecting client information, and adhering to regulatory requirements. Creating effective team dynamics in a remote or hybrid work environment was a key consideration. The shift also prompted a re-evaluation of how job interviews and client meetings were conducted, aiming for a more personalized approach. Face-to-face interactions were still maintained for many job interviews, and client meetings were often conducted at the members' locations, with exceptions for certain retail interactions. The adaptation aimed to balance technological integration with a personalized touch in various work aspects.
- The delegation discussed the perceived impacts and benefits of flexible work for various stakeholders. The community benefitted from environmental impact, infrastructure impact, safety associated with reduced commuting, and improved organizational viability and sustainability. The employees benefitted from work-life balance, lower costs via reduced commuting, lower risks, increased capacity, flexible work schedules, improved technologies, and more career opportunities. The members benefitted from facing roles still generally within a branch nearby and improved access or availability, ability to leverage technology for a virtual meeting when desired, business and wealth members served or supported where and when member desires, lower employee turnover, and improved viability and investment opportunities as owners of the credit union. The company benefitted from reduced office costs or footprint, lower employee turnover, larger pool for talent attraction, and being employer of choice with the differentiator of not mandating back to work policy.
- The potential and perceived negative impacts associated with flexible work for the community include reduced Surrey City Centre economic activity and reduced demand for office space there. For the employees, the impacts include less frequent in-person connections which impact relationship building, fewer large scale in-person employee events, and perceived inequity between head office and member facing roles as they relate to Work Life Balance. And for the company, the impacts include less relationship or trust building, less in-person team connections, celebration and collaboration, perceived inequity between head office and member facing roles as they relate to work life balance, and potential performance issues as related to remote work.

In response to questions from the Committee, the delegation provided the following information:

- In Prospera, individuals in leadership roles generally keep their cameras on during meetings. In smaller Teams meetings, there is encouragement for all members to turn on their cameras and participate actively, but it is not mandatory.
- The hot desking arrangement is not a significant incentive for employees to come in five days a week.
- When the decision was made to implement the current working model two years ago, some employees were unable to successfully operate in that environment, leading to the departure of some individuals. This departure could be attributed to performance-related issues or challenges adapting to the new work environment.
- Of the 740 employees, 270 are residents, 270 are hybrid, and 100 are remote. The change in the work environment, particularly the shift to remote work, posed challenges for some individuals. Distractions at home and the need for self-discipline affected performance for some employees. The organization implemented a hybrid model to allow flexibility, but not everyone thrived in this setting. Some individuals opted for a fully in-person model due to distractions at home or personal preferences, leading to a diverse approach to work arrangements.
- For new individuals starting a role at Prospera, there is a transitional period where they initially work in a resident capacity for the first six months, providing a structured and supported environment as they integrate into their new position. After the initial period, individuals are given a hybrid option, allowing for a flexible work arrangement. The mentoring process is emphasized, and there is a deliberate and scheduled approach to mentor interactions and coaching sessions. This structure is designed to provide necessary support and guidance. To prevent individuals from feeling overwhelmed or embarrassed, there is an effort to have more than one mentor available. The increased availability of talent has been facilitated by the adoption of remote work options across the country.
- The current remote work setup at Prospera is considered permanent. Reversing the remote work policy at this point might be perceived as taking away a benefit that employees have grown accustomed to. Despite potential modifications, the notion of a complete return to in-office work is unlikely, especially considering the trends set by other organizations who have already called their teams back to office. This creates additional challenges for those who transitioned from those organizations to Prospera in the past year.

- A couple of years ago, Prospera, like many other organizations, struggled to find talent, and offering a hybrid or remote work setup became a necessity to attract candidates. With the current job market dynamics and more positions being filled, there may be a shift in the leverage employers have in terms of work arrangements and location preferences. While there may be a desire to have employees located in Surrey, especially in roles like technology, insisting on a specific location might not be as feasible due to the competitive nature of the job market. The value proposition for employees is multifaceted, including factors such as base pay, variable pay, benefits, development opportunities, organizational culture, and reward and recognition. While location preference can be a differentiator, it may not be the primary factor in the decision-making process. The competitive landscape requires organizations to consider a holistic approach to attract and retain talent, focusing on a combination of factors that align with employees' preferences and priorities.
- There has been a shift in banking from transactional interactions, such as direct deposits and utility bill payments, to more advisory conversations. The trend towards advisory services is expected to continue, providing better experiences for clients seeking advice. This shift also increases access and availability to advisors. Over-the-counter transactions have seen a decline over the past three years, with a significant drop between March and June of 2020. Although the pace of decline has slowed, the trend toward automation has continued. The expectation is for branches to have a smaller footprint, focusing on advisory services rather than transactional activities.
- The financial sector is facing the challenge of evolving with an aging population, especially considering the technology literacy of older demographics. Some major banks have made technological changes that may have caused discomfort among older individuals, but there are differences in approach based on the organization's mandate. Prospera has a unique mandate that goes beyond just profit-making. It caters to an older demographic, with an average age of 59. The challenge is balancing the needs of the older demographic, for whom technology may be confusing or beyond their capacity, and the younger demographic, who prioritize the latest technology even if they appreciate the organization's brand and social purpose. Meeting the demands of both demographics is crucial for the organization's success, as the younger generation expects cutting-edge technology while the older generation values the brand and social purpose.
- The leasing business, now called Prospera Auto Leasing, was formerly known as W S Leasing and operates separately from the main banking operations. They provide services to clients in need of vehicle leases. While the number of car dealerships is 1,600, the overall leasing business has around 6,000 clients, who are the customers of those dealerships, and they are not considered traditional members of Prospera.

- Prospera has a premises team responsible for managing office space, including subletting spare space. The challenge arises from long-term lease obligations, where landlords may demand a better tenant or require subsidization due to the surplus of office space in the market. The team is tasked with finding solutions to either secure a more suitable tenant or negotiate terms that address the changing landscape of office space demand. Their approach includes a flexible office booking system, allowing employees to book office space as needed for safety reasons and to track usage. Parking also requires booking, and this process is influenced by tax considerations related to taxable benefits.
- Prospera has noticed a drop in productivity among some employees in the resident and hybrid models, particularly those who struggled to adapt to the remote work environment. Productivity is measured both quantitatively and qualitatively, considering factors such as work output and commitment. The hybrid model has led to increased productivity for some employees who find flexibility in their work hours and have adapted to the remote environment. Tools are available to monitor online and offline status to assess and address any potential productivity issues.
- To differentiate themselves and maintain a strong culture in a remote and hybrid work model, Prospera has implemented several strategies such as mandatory team meetings, engaging teams in collaborative and celebratory activities during in-person meetings, scheduled in-office days, cross-team collaboration, and recognizing the potential risks and outcomes associated with the hybrid model and finding a balance that ensures collaboration while accommodating individual needs for remote work. These strategies aim to replicate the collaborative and cultural aspects of in-person work even in a dispersed work environment.

## **C. STAFF PRESENTATION**

### **1. Manager, Economic Development, City of Surrey**

Staff provided a presentation on economic strategy engagement update and next steps. The following information was highlighted:

- The City is undergoing the process of updating its economic strategy, and they recently finished consultations with key business and government stakeholders. The presentation discusses the evolution of Surrey's economic strategy based on feedback and consultations. The vision for Surrey shifted from merely becoming a regional commerce to becoming the most modern and livable city in Canada recognized as a regional nexus for commerce and a national centre for innovation. The economic strategy, initially with seven pillars, was condensed to four interrelated ones: Investment Readiness and Attraction; Employment Lands Optimization; Future Economy and Innovation, Talent and Workforce Development; and Local Business Vibrancy and Distinct and Competitive Communities.

- In the first pillar, focusing on investment readiness and attraction, the consensus was that investment readiness is linked to livability. Key points included the significance of foreign direct investment, the need for infrastructure investment (power, transportation, and healthcare), and the importance of branding and marketing to attract businesses, creating a positive feedback loop. In the second pillar, centered on employment lands optimization, feedback emphasized the necessity for more employment space in Surrey. Additionally, recommendations included innovative land use, streamlined permitting processes with increased transparency, and recognition that while tech and professional services are crucial, traditional manufacturing and trades opportunities remain essential economic drivers for Surrey.
- In the third pillar, focused on future economy and innovation, talent, and workforce development, the feedback highlighted the critical importance of retaining the local workforce in Surrey, given the city's role as the region's workforce hub. Recommendations included the City playing a significant role in building partnerships by leveraging existing relationships with various organizations, businesses, and institutions. It was also advised to purposefully innovate, using innovation to address local challenges, and to actively promote Surrey's innovation both nationally and internationally, recognizing the need to enhance the city's profile beyond the lower mainland. In the fourth pillar, which concentrated on local business vibrancy and the development of distinct and competitive communities, feedback highlighted the diverse needs of each town center in terms of livability. The unique characteristics of Surrey's different town centers were emphasized, suggesting that the diverse business base in the city could open opportunities for collaborative selling and buying within supply chains. Additionally, the City was encouraged to facilitate connections between people and businesses and provide access to resources and services, such as chambers of commerce and business improvement associations.
- The desired outcome of the strategy is to build the most modern and livable city in Canada by growth in the City's foreign direct investments (FDI), growth in the number of new jobs created, reflecting economic growth in the City, efficient land use and high occupancy in industrial zones, optimal use of available employment lands, retaining local talent and attracting new skills, a diverse and expanding business landscape, and distinct and competitive local communities.

In response to questions from the Committee, staff provided the following information:

- FDI is crucial for economic development with potential advantages such as leveraging the Canadian dollar and attracting investments for infrastructure and industries. FDI for sectors like hotels, convention centers, arts, and culture are significant as it contributes to job creation and enhances the overall livability of a region.



- There is a difference in risk tolerance between Canadian companies and their American or European counterparts. To encourage more significant domestic investments, there is a need for a cultural shift. It is important to create a vibrant and attractive community to retain skilled workers and foster business growth in the long term.
- The presented feedback is not the finalized strategy, but rather top-line insights gathered. The actual strategy will be more data-driven and will delve into specifics such as the city's status as a border city, engagement with universities, and programming details. The use of the term "foreign direct investment" aligns with federal and provincial definitions, emphasizing their efforts to conform to established terminology in economic development. The City's multifaceted approach covers data marketing, investment outreach, and support for local businesses. When dealing with FDI, the focus is on investment attraction, particularly for projects exceeding \$50 million. For investments below this threshold, alternative mechanisms of support are considered. The primary focus seems to be on attracting transformational investments into the City. However, there is an open question about whether this exclusive focus is the best approach or if there should be a broader, more strategic perspective. It suggests a need for careful consideration on whether to diversify the approach, strategically focusing on a few key areas or activities in addition to attracting transformational investments. This decision may hinge on evaluating the potential benefits, risks, and long-term impacts of a more targeted strategy versus a more diversified one. It's an essential aspect of the ongoing strategic planning process to ensure the city's development aligns with its overarching goals and community needs.
- When evaluating the competitiveness of a city like Surrey, it is not only important to understand the local dynamics and strengths but also to recognize the broader context of national and international competition. Cities are competing for attention and investment on a global stage. Investors and businesses have choices on where to establish themselves, and they often compare different cities based on various factors such as infrastructure, regulatory environment, workforce availability, quality of life, and economic incentives. In Surrey's case, being aware that it competes with cities like Calgary, Toronto, Montreal, and others helps in shaping strategies to stand out and offer unique advantages. Efforts to enhance competitiveness might include targeted investments in infrastructure, fostering a skilled workforce, creating business-friendly policies, and promoting the overall livability of the city. By understanding and addressing the factors that make Surrey attractive or less competitive compared to other major cities, economic development initiatives can be more effectively tailored to meet the needs and expectations of potential investors.

The Committee noted the following comments:

- The insights on utilizing light industrial spaces for creating unique communities and fostering economic drivers are valuable. The idea of blending residential and light industrial areas, such as artist cooperatives, is an innovative approach to community development. It aligns with the evolving trends and challenges in land use and economic development. The consideration of reimagining spaces like Fleetwood on Fraser Highway for light industrial purposes, and combining them with residential elements, reflects a forward-thinking perspective. Such mixed-use developments can not only contribute to job creation but also enhance the livability of communities. The flexibility to adapt to changing landscapes and explore creative solutions is indeed crucial. It's encouraging to see a dynamic approach that responds to evolving needs and opportunities within the community. The engagement in the dialogue and consideration of diverse economic and residential models are essential for fostering a vibrant and sustainable community.
- The points about the significant role of universities in driving innovation and the potential for Surrey to capitalize on its university sector are well-founded. The synergy between universities and economic development is crucial, not only in terms of generating innovative ideas and research but also in nurturing the talent that contributes to a thriving economy. Considering the future of industrial land use and exploring strategies that go beyond traditional approaches, such as densification, is a forward-thinking perspective. Anticipating and planning for a time when industrial land may become scarce can help Surrey stay ahead of the curve and remain adaptable to changing economic landscapes. Furthermore, the emphasis on embracing new industries based on Surrey's current assets, such as Clean Tech, Tech, and MedTech, aligns with the broader trend of sustainability and technology-driven economic sectors. Recognizing these strengths and strategically positioning Surrey to attract and support businesses in these domains can indeed contribute to the city's economic growth and competitiveness.
- The importance of integrating post-secondary institutions and agriculture into the city's economic development strategy was emphasized. There is concern about unused agricultural space, its unique value, and the need to address it in the strategy. Community safety, categorized under livability, is highlighted as a critical point to avoid challenges faced by other cities. Affordable housing and green spaces are deemed crucial for livability and economic growth, with a plea to elevate these topics beyond mere bullet points in the strategy. Surrey's identity as the "City of Trees" and its status as a border city was emphasized, prompting a call to leverage the relationship with southern neighbors for tourism and investment.

- The insights about the potential of local assets and the need to effectively communicate them in development proposals are crucial. Often, developers may not be fully aware of the unique features and opportunities within a community, and it is valuable to highlight these aspects during the planning and proposal stages to significantly enhance development proposals. Leveraging existing assets, including transportation infrastructure, shopping destinations, and educational institutions, is integral to creating sustainable and well-integrated urban spaces. The considerations such as identifying opportunities around underdeveloped areas within town centers, recognizing the importance of venues for community engagement, and fostering hospitality-related initiatives, are all key components of a holistic economic development strategy. Recognizing and promoting these assets not only enhances livability but also contributes to economic growth and community well-being.

#### **D. OTHER BUSINESS**

##### **1. Delegation Request**

- (a) **Adam Torpey, VP of Business Development and Rob Friend, Managing Partner, SixFive Sports and Entertainment**

The Committee proposed inviting this delegation to provide a presentation on a stadium proposal in Surrey to help support Surrey's goal to be a destination in the arts and entertainment industry.

It was

Moved by D. Barbour

Seconded by P. Poulain

That Adam Torpey, VP of Business

Development and Rob Friend, Managing Partner, SixFive Sports and Entertainment be invited as a delegation at a future Investment, Innovation and Business Committee meeting.

Carried

#### **E. NEXT MEETING**

The next meeting of the Investment, Innovation and Business Committee is scheduled for Wednesday, February 7, 2024.

#### **F. ADJOURNMENT**

It was

Moved by E. Michielsen

Seconded by D. Barbour

That the Investment, Innovation and

Business Committee meeting be adjourned.

Carried

The Investment, Innovation and Business Committee adjourned at 7:50 p.m..

---

Jennifer Ficocelli, City Clerk

---

Councillor Bains, Chairperson