

**Present:**

Mayor McCallum – Chair  
Councillor Guerra  
Councillor Patton

**Regrets:**

Councillor Nagra

**Staff Present:**

D. Jones, General Manager, Investment &  
Intergovernmental Relations  
K. Grewal, General Manager, Finance  
S. Simpson, Director, IT  
S. Wu, Manager, Economic Development  
L. Anderson, Legislative Services

**Guests:**

J. Gosal, Surrey Board of Trade

**A. ADOPTION OF MINUTES**

It was

Moved by Councillor Guerra

Seconded by Councillor Patton

That the minutes of the Investment &  
Innovation Impact Committee meeting of December 14, 2020, be adopted.

Carried

**B. DELEGATIONS****C. OUTSTANDING BUSINESS****D. NEW BUSINESS****1. Updated Terms of Reference**

It was

Moved by Councillor Guerra

Seconded by Mayor McCallum

That the Terms of Reference, as presented to  
the Committee, be adopted.

Carried

**2. Investment & Innovation Impact Committee Annual Report Overview**

Donna Jones, General Manager, Investment & Intergovernmental Relations, Stephen Wu, Manager, Economic Development, and Sean Simpson, Director, Information Technology, provided an overview of the final draft of the Investment & Innovation Impact Committee Annual Report.

A brief PowerPoint presentation was given, outlining the work that was directed by and flowed through the Committee in 2020, primarily generated through the Economic Development and IT Departments. The following was highlighted:

- This first report provides an impressive overview of the 2020 accomplishments and the reactions taken to the pandemic for business

recovery, while simultaneously building the economy, remaining competitive and preparing for future opportunities.

- Widespread distribution of the finalized report will follow receipt by Council at the February 8, 2021 meeting.
- Eight core actions were taken to work with businesses, prepare the City for the future opportunities and building out of information technology:
  1. Buy Local - Encouraging local residents and our South of the Fraser neighbours to Shop Local, Shop Surrey:
    - Launched the SurreyStoreToDoor.ca Program; first in BC to launch a buy local program within days of the Provincial Health Order. Over 400 companies now listed on the platform; continuing to work with them.
    - Collaborated with local and multi-national online food delivery enterprises to prioritize and expedite local eateries joining their platforms.
    - Promoted local businesses and sectors through Surrey's social media and digital assets.
  2. Economic Opportunities - Unblocking emerging economic opportunities from the COVID-19 pandemic for the local economy:
    - Established the award-winning Surrey Makes PPE program to support local production of PPE. The only jurisdiction to launch the success of a retooling campaign without the use of federal funding. To date, there has been \$12M in Surrey PPE sales.
    - Developed a post COVID-19 market opportunity study.
    - Partnered with BC Infrastructure Benefits to provide employment opportunities to Surrey residents.
    - Initiated weekly emergency eNewsletter communications with local businesses during first wave of COVID-19.
  3. Building Capacity - Identifying and providing capacity building opportunities for local businesses:
    - Developed a COVID-19 business resource website (27,700 pageviews).
    - Delivered business model innovation workshops to local small businesses.
    - Facilitated industry roundtables to support idea sharing and business growth.
  4. Investment Attraction:
    - Continuing to seek out and attract new investments from domestic and international investors, despite the pandemic, e.g. N95 mask production was a net new investment and Amazon also set up their new distribution centre.
    - Exploring investment attraction opportunities within the Cascadia Innovation Corridor.
    - Supporting the establishment of the Metro Vancouver Regional Prosperity Service.

5. Data Framework - Continuing to invest in data analytics to support business growth in Surrey:
    - Developing a comprehensive economic data framework and database to support advanced investment decision making.
  6. Business Engagement - Providing essential services to local and regional businesses and liaising with the local business associations:
    - Performed business engagement through the City's (virtual) SparkBIZ business visitation program (420+ business visitations).
    - Liaised and responded to public inquiries around business and economic development.
  7. Broadband Access - Increasing broadband access across the city and exploring emerging technologies:
    - Expanded dark fibre connectivity and lease/exchange excess capacity to enable improved high-speed broadband services to citizens and businesses. Opportunity and also a challenge because of the geography - expensive just to dig; look for opportunities to strategically put in City owned conduit; e.g. new Skytrain installation of City owned conduit could provide, connect to and swap with other telephone providers.
    - Advanced smart transportation - it will not be long before cars are talking to streetlights, all that will require high speed bandwidth.
    - Researched emerging technologies.
  8. Municipal Digital Services - Enhancing municipal digital services:
    - Expanded the City's online service capabilities to enhance service to citizens and businesses.
    - Expanded and upgraded the City's internal digital infrastructure to support business continuity.
    - Created a digital centralized hub of COVID-19 information to keep the public informed.
- Overall, 2020 was challenging and was also a transformational year to really drive business investment and technology with substantial growth online. Additionally, 2020 saw a record number of conversations and visit interactions with businesses, building on relationships and gaining their trust, in addition to securing and welcoming seven new high impact businesses to Surrey.

It was

Moved by Councillor Guerra  
Seconded by Councillor Patton  
That the Investment & Innovation Impact

Committee Annual Report, be received.

Carried

### 3. Drone Technology Update

Sean Simpson, Director, Information Technology, provided a presentation on drone technology, as previously requested by the Committee.

A brief PowerPoint presentation, summarizing the evolution of drone technology around the world, existing use cases in Surrey and future opportunities, was given. The following was noted:

- During the COVID-19 crisis, drones have been used to deliver medication and test samples in remote locations in Ghana, Rwanda, Chile, and Scotland.
- In Charlotte, NC, drones are delivering PPE and medical supplies to frontline teams. The deliveries are entirely contactless and the first emergency drone logistics operation to help hospitals respond to the pandemic. It is also the longest-range drone delivery service that has been approved in the US.
- Some of the top industries and sectors using drones for commercial purposes:
  - In Nevada and Dubai, drones are being used to do post-crash assessments on roads more quickly to document and clear crash scenes.
  - Drones support firefighting operations by providing an overhead view of the scene of the fire, giving firefighters real time information on how a fire is unfolding, and also identify smoldering hot spots not invisible to the naked eye by using a thermal camera attached to a drone.
  - In the UK and China, police forces are using drones to track suspects and to gather evidence.
  - The Emirate of Dubai has become the first city to introduce drone taxis, setting a milestone in urban transportation around the world. Designed to carry a passenger and luggage. These kinds of taxis are expected to be operational in Dubai by 2022. The drone is battery powered to fly over half an hour and at speeds up to 100 km/hr, operated by a control room on the ground. Las Vegas and Singapore have also announced to have drone taxis for public use by 2030.

Other industries using drones include agriculture, conservation, insurance and mining.

- The City's Marketing Department conducts weekly drone flights to support and promote many City initiatives including large item pickup, park cleanups, and park themes such as the 'get out and enjoy the city' campaigns, run during the COVID pandemic.
- In terms of tourism, the focus has primarily been on sport tourism for competitive events (e.g. Softball City), which has dropped off considerably due to COVID. Future expansion is anticipated to include other events such as Vaisakhi parades.
- One of the logistical reasons for the City's expanded use of drones was the softening of the rule regarding drone weight restrictions, with smaller drones not requiring flight permits as long as the no-fly zones are avoided.

- With yearly dyke inspections legislated, the City retained the services of a local company to record the Fraser River Dyke in the Bridgeview area during the 2018 Freshet. Approximately 6 Km of dyke was recorded, with the City's Marketing section's help with editing the videos and adding description bubbles for the street names and Dyke stop log locations and chainage, resulting in a more detailed inspection compared to traditional inspections.
- Similarly, a drone pilot program was conducted in 2019 to inspect river dykes and flood boxes. Inspections were more detailed compared to traditional inspections, but due to requirements for GIS integration of the inspection data, the processing costs were higher than expected and, moving forward, a more efficient solution is needed.
- With respect to construction, in 2019 drone technology was piloted to capture preconstruction/pre-existing site conditions prior to excavation and construction activities, documenting site conditions for any perceived property damage. A 1080p HD drone camera was used, but the detail was not clear enough to record cracks in driveways, which is compounded by Federal regulations that require how low a drone can fly from the ground in populated areas. Today's drones are now outfitted with 4K cameras that will provide enough detail for this type of work. The cost compared to just taking high resolution photos with a phone while on site needs to be considered. In some construction situations drones make a lot of sense (bridges and very large overhead construction sites).
- In 2020, one of Engineering's strategic initiatives was to utilize drone technology with high-definition video and GPS tracking to rapidly conduct Dyke and Flood Box Inspections. The goal was to reduce inspection costs and provide more detailed inspections and documentation. An external vendor was hired to fly 30 km of the Serpentine River Dyke. A new software package was utilized to integrate photo images (instead of video) with GIS, making it much easier and efficient compared to a video-based approach. Images were captured every 15m at an altitude of 15m and the software was used to record and geotag defects that were identified. The overall cost was 60% less than video capture and an effective way of leveraging drones.
- Future opportunities for drone technology include expanding asset inspection (likely augment dyke inspection with a drone every second year) and explore how drones can assist with public safety (fire, police, etc.) and marketing/tourism expansion. Marketing is keen to meet the increased demand on their capabilities and have already a prequalified list of certifications.
- There are considerations as the City expands this program, including the cost (it's not the cost of the drone, but the cost of processing the information that is expensive), training/certification, zoning for land-use, take-off and landing locations, privacy and public perceptions and safety and noise emission.

The Committee expressed their appreciation for the informative presentation and a brief discussion ensued noting many different uses for drones. It was suggested an analysis of every City department would help identify additional areas that could benefit from the City's expansion in the use of this technology (e.g. traffic, illegal dumping, etc.).

#### 4. Innovative Revenue Generation Recap

Kam Grewal, General Manager, Finance, provided a PowerPoint presentation and high level review/recap of the research and consideration undertaken by the Innovative Revenue Generation Taskforce in 2020. The following was highlighted:

- Current Taxation Review - Legislative Impacts on Revenue Generation for Local Governments:
  - Limited tools available as per the Province (Property Tax main tool).
  - Community Charter and *Local Government Act* has significant restrictions for Local Governments.
  - Must present a balanced budget – cannot put forward a budget with a deficit or surplus.
  - Investments very controlled.
  - Revenue generation ability by Local Government remain unchanged (very limited) in light of changing economic environment.
- Research - Hong Kong's Public Transit System:
  - Mass Transit Railway (MTR) Corporation (government entity)–world leading transit system that operates 159 stations covering 220KM, carrying over 5M passengers daily.
  - MTR makes more profit from property developments than it does from traditional rail operations, with fares kept low but covering 150%+ of system operating costs.
  - MTR is as much as property development company as a transit company- revenues over \$5B annually.
  - Very significant differences to Surrey:
    - Most significant is that Hong Kong owns all land in the City and MTR provides land rights for free for development projects.
    - Hong Kong is a closed system-no suburbs, very low commuting levels.
    - Land valuations are highest in the world.
    - Urban Density is the highest in the world, population is 7.5M.
    - MTR enjoys far greater flexibility, no unions, legal restrictions.
- For the City of Surrey, need to look at what is available to positively impact the skytrain corridor.
- Global Analysis of Local Government Revenues:
  - Extensive research into Local Government revenue sources. How does Surrey compare, not only locally, but across the country and globally. Looked at over 35 different cities of similar size, in Western Europe, Central Europe, Eastern Europe, Africa, Asia, Middle East, South America, Australia, New Zealand and North America.

- Challenges with research and scalability included:
  - Amount, quality and consistency of public data available.
  - Significant legislative and government differences amongst regions.
  - Senior Government Transfers to Local Cities varied drastically.
  - Almost every City in Canada had similar revenues and constraints, controlled and dictated by the Province.
- Innovative Revenue Ideas:
  - Every General Manager and their senior managers undertook a brainstorming exercise to come up with new and innovative ideas to generate revenue, decrease costs or provide efficiencies in current processes.
  - Over 45 ideas were put forward to the Task Force and presented at a high level. From the 45 ideas, the Task Force requested staff conduct a detailed analysis on the following:
    - Optimization of the Cloverdale Fairgrounds - jewel asset, close to 70 acres, multiple transit corridors.
    - Potential for Surrey Cannabis - opportunities in terms of what the City could support, looking at retail vs. distribution.
    - ALR regulations and oversight - are there opportunities for the City to play a role? Important to understand the role of the City vs. the Province.
    - YouTube opportunities at City Hall – investment vs. revenue did not make sense.
    - South Surrey Indoor Pool options - opportunity for 3<sup>rd</sup> party leasing?
- Five potential ideas to research and take forward to the Investment & Innovation Impact Committee in 2021 for consideration:
  1. Fraser Highway SkyTrain corridor-optimize. Balance needs and maximize.
  2. Cloverdale Fairgrounds-opportunities. How to leverage the lands? Currently entered into a leasing agreement with Warner Brothers for minimum 5 years; the beginning of how the City uses that asset. Need to give attention to what is optimal utilization long term.
  3. Shared Services (Fire, Policing, Jails, Bylaws etc.). Review opportunities for dispatch from other cities, expand and leverage, and offer neighbouring communities, e.g. currently housing jails for Delta, could expand to provide services to other local cities.
  4. Gravel/Soil disposition (Langley site). Reach out to Engineering to see if there are opportunities to use for a feasible asset.
  5. Explore 'NCP Concierge' concept. Leverage a clear need to accelerate to generate new revenue. The quicker development can be done, the corporate tax base will be there; collecting more, with housing available right away. This is an opportunity that needs attention.

The Committee expressed their appreciation for the presentation, acknowledging the need to find new ways to generate revenue, stating that property tax alone is not a sufficient way to fund a fast-growing city. The five recommended ideas for revenue generation were supported.

A brief discussion ensued with respect to the identity for Cloverdale, noting the nostalgic ambiance of the rodeo, its small town feel and authentic and special main street, which should be leveraged.

The Chair noted a report, rating countries based on finances and economic status in the world, with a focus on development. It was reported that Scandinavian countries, Australia and New Zealand were at the top of the list, with Canada significantly lower. It was suggested those countries may have something in common, and that a preliminary review by staff may identify some potential ideas for Surrey to gain global recognition.

It was  
Moved by Councillor Guerra  
Seconded by Councillor Patton  
That the Investment & Innovation Impact  
Committee encourage staff to continue to explore the five key areas identified in the presentation for possible implementation.  
Carried

It was  
Moved by Councillor Guerra  
Seconded by Councillor Patton  
That the Investment & Innovation Impact  
Committee request that staff undertake a review of countries with the highest rated economies in the world, to identify common factors.  
Carried

## 5. Economic Development Update

Stephen Wu, Manager, Economic Development, provided a brief presentation and update on economic development activity, in terms of economic recovery and support since the last meeting of the Committee.

Comments were as follows:

- Surrey Makes PPE continues to grow, reaching more than \$12M in sales. With Eternity Medical now in receipt of their CSA certification, a significant increase in the overall sales total is anticipated.
- In December, the Province contacted staff to gain insight into how the City encouraged/supported businesses to retool without cost to the City, and advised they were developing a grant. (Information on the Province's development of a grant for eligible businesses to apply for cost-shared funding, which includes to pivot, retool or scale-up production to adjust to shifts in the economy, is available on the Province's website.)

- There have been 176 telephone investment attraction outreach calls to local and international companies in an effort to understand who may be considering expansion and if Surrey can provide what they are looking for. Calls are focused on specific sectors, including automated manufacturing, fintech, artificial intelligence technology and biotechnology.
- Following \$20M in building improvements, tenant buildouts and material handling equipment, Amazon reported they are now actively hiring for 100-150 part-time employees, 10-15 full-time managers and supervisors and 100 delivery personnel. Although not looking to build further in Surrey any time soon, it was reported they were happy with their experience so far and the overall permitting process and committed to staying in touch for future opportunities.
- In response to growth and diversification of Western Canada provinces, and previously under the Western Economic Diversification Canada portfolio, the BC Regional Development Agency is a new agency dedicated to better support for BC businesses. January 2021 will be spent consulting with business leaders and stakeholders around the province. Always good to have the spotlight on BC!
- 2021 is anticipated to be an exciting year for business investment.
- Current initiatives:
  - Economic Recovery Action Plan
  - Surrey Makes PPE
  - Surrey Store to Door / Shop Local Upgrade
  - Pivoting Your Business Towards Success Workshop Series
  - Build Pattullo Campaign
  - Emergency Operations Centre
  - COVID Resource Centre & Business Communications
  - SparkBIZ Program – Business engagement
  - Investment Attraction Outreach
  - Expedited Permitting

## **E. INFORMATION ITEMS**

## **F. OTHER BUSINESS**

### **1. Autonomous Vehicles**

Discussion ensued with respect to future transportation needs. In particular, the extensive and rapid worldwide development and market for automated shuttles, noting an estimated \$18 billion market forecast for 2022.

The operation of small to full size autonomous shuttles and double-size buses in Connecticut, and fully automated commercial self-driving taxi services operated by Waymo in the greater Phoenix, Arizona area, was reported. Given the anticipated rapid increase for further development within this industry, staff were asked to research information on the manufacturers of these vehicles and to provide the

Committee with a preliminary report with a view of attracting a manufacturing plant in Surrey for the North American market.

Staff reported the results of recent research of autonomous vehicles, noting a number of restrictions, including the limitation to dedicated roads/lanes – not permitted on any city roads. The technology is expensive and best suited for short distances such as a short capacity link to other transportation modes.

**2. Computer Chip Manufacturing**

A brief discussion ensued with respect to chip manufacturing, noting a recent TV news presentation on the shortage of computer chips resulting in the closure of some car manufacturing plants in the United States. With newer (and automated) vehicles requiring many more computer chips, companies are rushing to build plants to meet the demand, however many are unable to meet the specific site criteria of power, water and stability (vibration) - all of which are available in Campbell Heights.

With all the required factors in place (including a university building specific for engineering), Surrey has a huge advantage. Staff were requested to contact computer chip plants, advise them of the opportunities available to them in Surrey and, keeping the possibility at the forefront, continue to contact them every week providing updates to the Committee regularly.

**G. NEXT MEETING**

The next meeting of the Investment & Innovation Impact Committee will be at the call of the Chair.

**I. ADJOURNMENT**

It was

Moved by Councillor Guerra  
Seconded by Mayor McCallum  
That the Investment & Innovation Impact

Committee adjourn.

Carried

The Investment & Innovation Impact Committee adjourned at 1:09 p.m.

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Jennifer Ficocelli, City Clerk

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Mayor McCallum, Chair  
Investment & Innovation Impact Committee