

Present:

Mayor McCallum – Chair
Councillor Guerra
Councillor Nagra
Councillor Patton

Regrets:**Staff Present:**

V. Lalonde, City Manager
K. Grewal, General Manager, Finance
D. Jones, General Manager, Investment &
Intergovernmental Relations
S. Wu, Manager, Economic Development
L. Anderson, Legislative Services

Guests:

A. Huberman, Surrey Board of Trade
E. Model, Downtown BIA

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

It was Moved by Councillor Guerra
Seconded by Councillor Patton
That the agenda of the June 21, 2021
Investment & Innovation Impact Committee meeting be adopted.
Carried

2. Adoption of the Minutes

It was Moved by Councillor Guerra
Seconded by Councillor Patton
That the minutes of the Investment &
Innovation Impact Committee meeting of May 6, 2021, be adopted.

B. DELEGATIONS**1. Creative BC – Prem Gill, CEO and Bob Wong, Vice President**

Prem Gill, CEO and Bob Wong, Vice President, Creative BC, were in attendance to provide an overview of Creative BC and share Surrey statistics.

A brief PowerPoint presentation was given, demonstrating the continued growth and impact of the TV and film industry in BC and locally.

The following was highlighted:

- Creative BC is an independent society created and supported by the Province to sustain and help grow BC's creative industries: motion picture, interactive and digital media, music and sound recording, and magazine and book publishing. The society delivers a wide range of programs and services with a mandate to expand BC's creative economy.

- Almost \$5Bn in GDP is driven by B.C.'s creative industries, with a growth rate of 7.1% (outpacing the 2010-2018 overall rate of 5%).
- Investment and export funding are important, a large part of the success of the film industry in BC has been because of the tax incentive programs.
- For the fiscal year ending March 2020, BC film and TV production received \$564m in tax credits, supporting 411 productions, generating 40k traditional full time jobs for the sector (up to 70k working) and \$2.64b total GDP.
- After being shut down due to the pandemic, the film industry came back quite strong. For Surrey in particular, there has been 264 filming days YTD, already surpassing the 253 filming days in 2020, and on track to exceed previous years of 430 in 2019 and 418 in 2018.
- Production activity takes place throughout Surrey, with the greatest number of permits issued for South Surrey (40.9%), followed by North Surrey (24.5%), Cloverdale (14.6%) and Newton (13.7%).
- There are over 3,000 Surrey residents that work directly in the film and TV sector, resulting in over \$100m in wages and salaries.
- Motion picture tax credits in BC, based solely on BC labour expenditures (hiring BC taxpayers) is the biggest driver in creating jobs in this sector, encouraging co-productions, and co-ventures and partnerships with B.C. companies, as well as attracting companies to set up in BC (production sets, etc.).
- The criteria for tax credits in BC differs from Ontario and Quebec. Qualified spend in BC (28%) is based on BC labour expenditures (BC taxpayers), whereas Ontario (21.5%) and Quebec (20%) are based on all qualified spend. Although the rate is higher for BC, the other provinces offer more credits, providing a balance over all three provinces.
- Over the years it is the talent base that continues to grow, making it possible for employees to work and reside in their jurisdictions.

Councillor Nagra joined the meeting 3:17 p.m.

The Committee thanked the delegation for their presentation, acknowledging their efforts in securing employment in the industry for Surrey residents.

C. OUTSTANDING BUSINESS

D. NEW BUSINESS

1. Urban Technology Test Zone

Dave Harkness, Parking Services Manager, Engineering, and Stephen Wu, Manager, Economic Development, provided a PowerPoint presentation regarding an urban technology test zone pilot, leveraging City assets to support innovation, development, and clean technology employment.

The following was highlighted:

- Building on the Committee's direction to investigate a potential delivery droid pilot, Transportation and Economic Development staff spoke with Urban Movement Labs from Los Angeles and the Transportation Test Bed director from City of Calgary. This led to a realization that there is potential for a much broader program with significant potential to bring clean technology industries to Surrey.
- In looking at past experiences, in particular with the 2019 Smart City Challenge, it was evident technologies need proving grounds to take the technology ready to move from design/lab or prototype to the testing stage.
- The biggest challenge for technologies and innovations is looking for partnerships and having the space to test and prove their solutions in "real world" conditions. Private technology firms and academic applied-research projects need the safe, real-world environment to both test products and demonstrate readiness for market.
- There is a high level of interest and funding from federal programs such as Digital Supercluster.
- Another challenge (opportunity), academic research KPU, SFU, UBC, looking to help those technologies.
- Given the unique geographic attributes of Surrey, City assets can act as pilot sites/proving ground. The extensive asset base of roadways and sidewalks, bare land, traffic management infrastructure, waterways and agricultural zones could support software/hardware/device testing and demonstrations.
- The cluster effect – not so much competitive, but supportive:
 - Ability to test technologies is a primary location criteria for technology firms.
 - These firms are high-value, i.e. attracting staff with above average education and incomes.
 - Multiple examples of "cluster effect" driving development and spurring academic institution growth such as Innovation Boulevard.
 - Examples of Burnaby drone company relocating to Calgary because of local technology testing limitations.
- In summary, staff are proposing an expedited permitting process that uses the same assurance and processes given for film production, but with the risk levels significantly lower.
- Proposing a quick process with a simple GO/no-GO where a tech company could come to a small committee, working group, etc. and within a few days receive yes or no to a test and, if successful, point them to a testing area where they can begin testing. In addition to a permit fee, all traffic and site management costs would be the responsibility of the testing entity.
- Examples of recent technology kick-start success stories were noted:
 - Open Spot -- evolution from SFU Entrepreneurial Innovation student project to purchase by SoftBank Technologies.

- BioPod – agriculture training and research partnership with universities and federal/provincial governments.
- Hydrogen fueling stations (HTEC) – WIP for hydrogen vehicle fuelling station.
- Innovation Boulevard - Commercialization of Health Technology Companies.
- The urban tech zone pilot methodology includes 4 testing zones:

Zone 1: Campbell Heights

- Characteristics
 - Low traffic volumes and wide street cross sections
 - Logistics centres and technology firms
 - Undeveloped greenfield
 - Generous sidewalk space with low pedestrian volumes
- Potential for
 - AV people mover tests
 - Sidewalk delivery bot tests (warehouse to delivery destination)
 - UAV (Unmanned Aerial Vehicle) package delivery testing
 - Automated delivery droid test

Zone 2: Roadway and Sidewalk

- Characteristics
 - Largest road network in Metro Vancouver
 - Excellent fibre network and radio comms
 - 24/7 monitoring and adjustment capacity through TMC
 - Diversity of sidewalk, MUP, and bike-path configurations
- Potential for
 - Micro-mobility device tests
 - AV tests within real traffic
 - Assistance devices for visually impaired
 - Vehicle-to-infrastructure sensor testing

Zone 3: Unmanned Aerial Vehicle Test Zones

- Characteristics
 - Multiple locations fitting NavCanada criteria, i.e.,
 - 30m distance from humans
 - 500m radius flight range
 - rural areas not able buildings
- Potential for
 - Testing of fixed wing or helicopter style UAV's basic flight characteristics
 - Onboard sensor testing
 - Rescue simulations

Recent example: Staff touched base with a company ready to move to Calgary for testing and, after receiving the criteria of testing sites and realizing they could essentially have an urban area relatively unrestricted by Transport Canada, they were out there the next day and plan to continue testing as much as possible and asking if there are any additional sites.

Zone 4: Agriculture

- Characteristics
 - Largest contiguous agricultural area in Metro Vancouver
 - Excellent adjacency of technology/research/ agricultural land, e.g. SFU and KPU
 - Portions of ALR dormant/underutilized by traditional farming
- Potential for
 - Crop Science
 - Greenhouse Technologies
 - Robotic Harvesting Technologies
 - Vertical farms
- There are 4 pilot technology themes: Transportation, Agritech, Sustainability and Robotics, each with various areas of focus proposed that draw on the narrative of having innovative technology to solve challenges, e.g., zero emission vehicles, crop optimization, outdoor robotic applications, etc.
- With respect to the process, across the Region Surrey has developed the reputation of not having too much regulated behaviour – rather, helping to find out how one can as opposed to putting up barriers of why one can't. The City will work with partners, employing an "open for business" outreach to technology firms via:
 - SFU, KPU and UBC applied research departments,
 - Western Digital Technology Supercluster,
 - Legacy Engineering firms (Stantec, IBI, Parsons, Ernst & Young), and
 - Natural Research Council Canada (IRAP)
- This is just the beginning, we want to be creating jobs, stimulate investments, and have Surrey as a centre of excellence that is also creating a revenue source. To achieve that, there are 3 phases of program evolution:
 - Phase 1 - Urban Tech Zones: technology testing; and research and development.
 - Phase 2 – Partnerships: facilitate public-private partnerships for research and testing; and connect and be connected to innovators.
 - Phase 3 – Commercialization: Support tech company establishment in Surrey; and commercialization and spin-off of City-made technology.

The Committee expressed their appreciation for the informative presentation and the following comments were noted:

- There needs to be a connection beyond testing – how can the City develop something that can be applied quickly and efficiently for use in Surrey?
- An update of the Pilot should be a permanent item on the Committee meeting agendas to review the progress each month as things can happen quickly.
- Would also like to see more emphasis on applications.

It was Moved by Councillor Guerra
Seconded by Councillor Patton
That Investment & Innovation Impact
Committee authorizes Economic Development and Transportation Division staff
to develop permit processes to support an Urban Tech Zone Pilot.
Carried

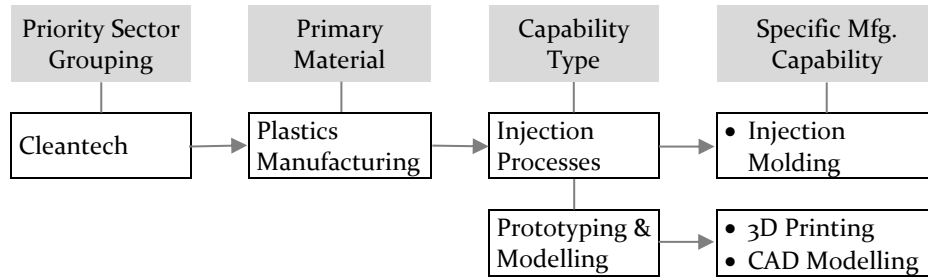
Councillor Nagra left the meeting at 4:07 p.m.

2. Economic Development Update

Stephen Wu, Manager, Economic Development, provided an update and brief PowerPoint presentation highlighting the following:

- Last week, the 2020/21 ranking for the fDI American Cities of the Future was released. The City ranked:
 - #8 - Top 10 Mid-Sized American Cities of the Future, increased by 2 from 2019/20;
 - #4 - Top 10 Mid-Sized American Cities of the Future – Connectivity, maintaining the 2019/2020 ranking; and
 - #24 – Top 25 American Cities for FDI Strategy, the first time ranking in this category.
- This acknowledges connectivity does matter; it allows businesses to grow, thrive and compete, especially when looking at companies coming into jurisdictions, just being able to connect is key.
- Telus, with 96% fibre enabled, is now making another \$30m investment into City of Surrey to support vital connectivity for remote work, virtual healthcare, distance education and new technological advancements and innovations. Also hiring +12k staff in construction, engineering and emerging technologies at Telus and partner ecosystem (2021-2024).
- With investment in Surrey being quite significant, together with the ongoing and increased demand for industrial space in Surrey, staff have been working on a supply chain resiliency project, in partnership with the two other municipalities that also have a sizeable amount of industrial land, Township of Langley and City of Richmond.
 - Project Goals:
 - Identify existing manufacturing capabilities
 - Diversify manufacturing businesses
 - Increase overall manufacturing capacity in the region
 - Anticipated Outcomes:
 - Generate primary data
 - Attract investment to build a more resilient economy
 - Educate manufacturers to adopt technology

- Mapping business space for the two other municipalities (competitors) found that Surrey has 1022, compared to 656 in Richmond and 394 in the Township of Langley. It was noted that for some businesses anticipating growth and expansion, Surrey is likely the only municipality that has sufficient land base to accommodate.
- When looking at resiliency, the City wants to be attracting companies along with a supply chain. For example, an industrial capabilities hierarchy identifies the desired areas for growth, all seen as core spinoffs; instead of bringing in one or two companies, it could be the supply chain:



- A short video of the Campbell Heights industrial development, recorded from a 4K cinematic drone, was provided (<https://youtu.be/U2bmsNiWT4A>).
- List of ongoing projects:
 - Investment Prospectus & Launch
 - Surrey EconomiQ Data Framework
 - Urban Technology Test Zone Pilot
 - Supply Chain Resiliency Project
 - Surrey Store to Door – Canada Day
 - SparkBIZ Program – Business Engagement
 - Investment Attraction Outreach
 - Economic Recovery Roadmap

The Committee expressed their appreciation for the presentation and requested an update for the next Committee meeting on the demand from companies that are moving to Surrey, or looking and/or waiting to come to Surrey.

E. INFORMATION ITEMS

F. OTHER BUSINESS

G. NEXT MEETING

The next meeting of the Investment & Innovation Impact Committee will be held on July 29, 2021 at 1:00 p.m.

H. MOTION TO HOLD A MEETING IN A CLOSED SESSION

It was
Moved by Councillor Guerra
Seconded by Councillor Patton
That the Investment & Innovation Impact
Committee close the meeting to the public pursuant to Section 90 (1) (j) of the *Community Charter*, which states:

"(90) (1) A part of a council meeting may be closed to the public if the subject matter being considered relates to or is one or more of the following:

- (j) information that is prohibited, or information that if it were presented in a document would be prohibited, from disclosure under section 21 of the Freedom of Information and Protection of Privacy Act."

Carried

I. ADJOURNMENT

It was
Moved by Councillor Guerra
Seconded by Councillor Patton
That the Investment & Innovation Impact
Committee adjourn.

Carried

The Investment & Innovation Impact Committee adjourned at 4:16 p.m.

Jennifer Ficocelli, City Clerk

Mayor McCallum, Chair
Investment & Innovation Impact Committee