

City of Surrey – Action Plan

May 2009 BC REIN™ Presentation

REAL ESTATE INVESTMENT NETWORK

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City Manager
City of Surrey

May 7, 2009

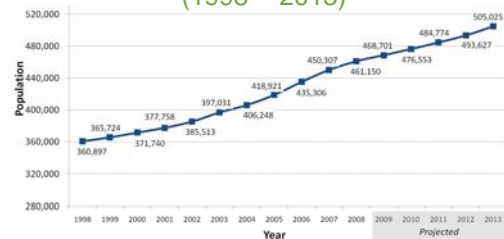


Outline of Presentation

1. Background about Surrey
2. Why Invest in Surrey?
3. Economic Investment Action Plan



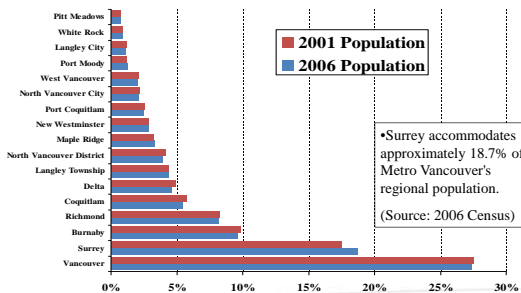
Total Population In Surrey (1998 – 2013)



- Over 100,000 residents moved to Surrey in the past decade
- Average annual growth rate of 2.5%.
- Population growth projection: 44,000 from 2008-2013.



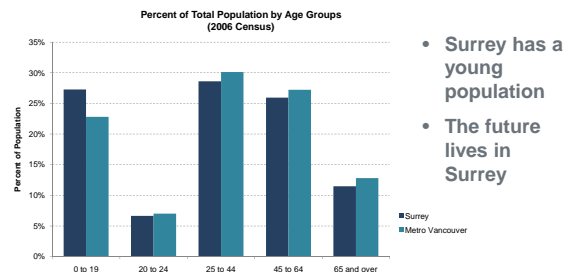
Surrey's Share of Metro Vancouver Population (2006 Census)



• Surrey accommodates approximately 18.7% of Metro Vancouver's regional population.
(Source: 2006 Census)



Percent of Total Population by Age



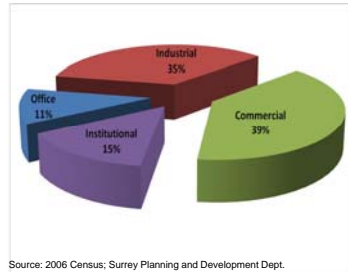
- Surrey has a young population
- The future lives in Surrey



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Total Employment by Type in Surrey (2008)



It is estimated that there are approximately 157,000 jobs in Surrey.

With 230,000 resident workers, the current job to workforce ratio is 0.68 jobs per resident worker.

Source: 2006 Census; Surrey Planning and Development Dept.



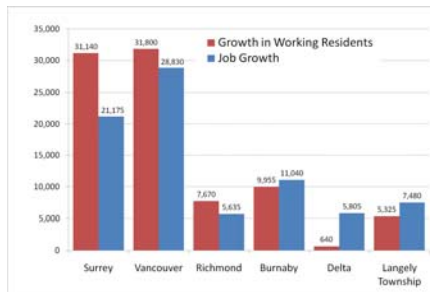
Surrey's Top Employers

Business Name	Number of Employees
Surrey School District # 36	9064
Fraser Health Authority	4811
City of Surrey	3313
Canada Revenue Agency	2820
Coast Capital Savings Credit Union	1488
Coast Mountain Bus	1167
ICBC	863
JP Morgan Chase	754
B C BioMedical Laboratories Ltd	743
Terasen Gas Inc	740
Kwantlen Polytechnic University	718
RCMP	630

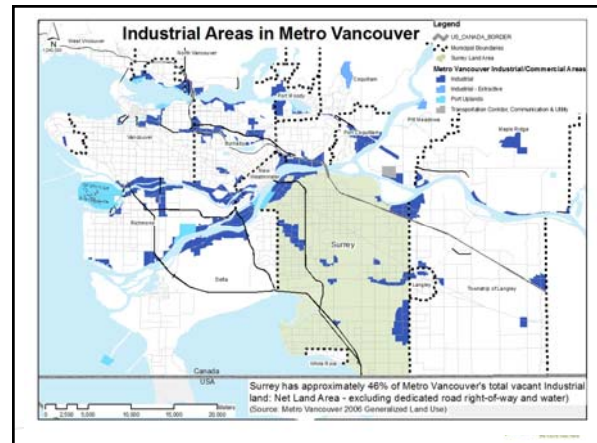
Figures current April 2009



Growth in Jobs & Working Residents 2001 - 2006

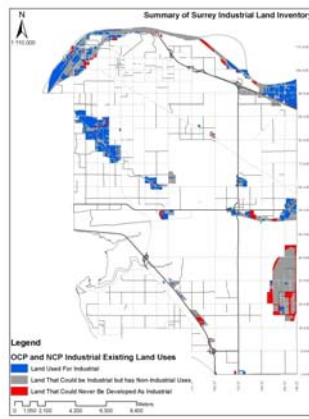


Source: Statistics Canada Census, Metro Vancouver

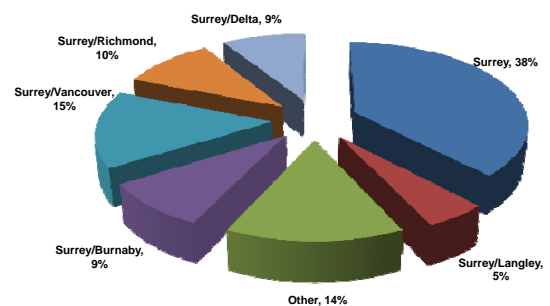


Summary of Surrey Industrial Land Inventory

- 3,700 acres used for industrial purposes.
- 2,700 acres land designated industrial, but has Non-Industrial Uses or Is Vacant.



Workplace of Surrey Residents



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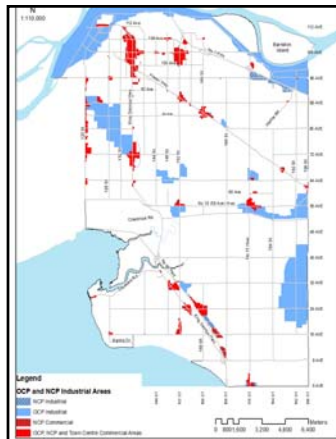
Business and Employment

- Surrey Official Community Plan calls for building a sustainable local economy with sufficient land at appropriate locations to:
 - Achieve a 1 to 1 jobs to workforce ratio
 - Currently 0.68 jobs per resident worker
 - Generally for each person that lives in Surrey 0.5 jobs is required
 - Achieve a better balance between residential and business tax base



Surrey Has 46% of Metro Vancouver's Total Vacant Industrial Land

- Approximately half of this land is in Campbell Heights in the South east area of Surrey
- Campbell Heights' advantages:
 - Flat lands
 - Large floor plates
 - Excellent foundation conditions
 - Close proximity to two Canada/US border crossings

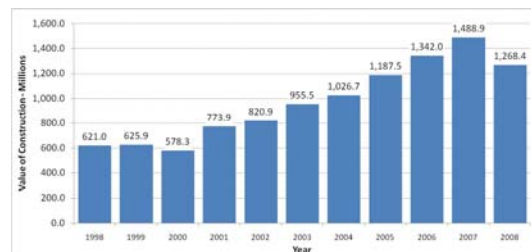


Surrey's Employment Lands

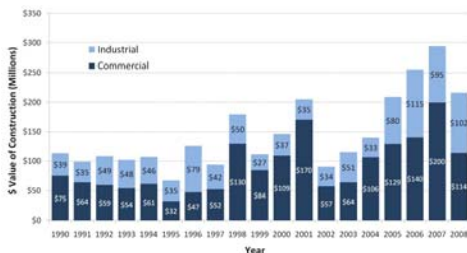
Summary of Surrey's Employment Lands (December 2008)	Total Land Area (Acres)
Total Commercial Designated Land	1,560
Total Industrial Designated Land	6,440
Total Land Area	8,000



Value of Building Permits; All Categories (1998 – 2008)



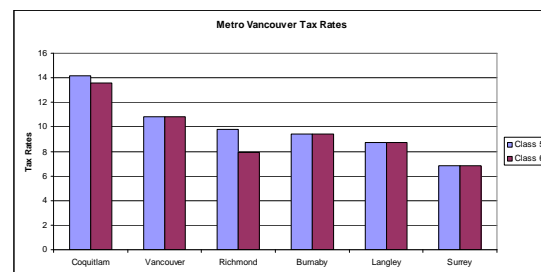
Trend in Commercial and Industrial Construction (1990 – 2008)



- \$216 M building construction value in 2008
- 1.7 million square feet of new business floor area in 2008.



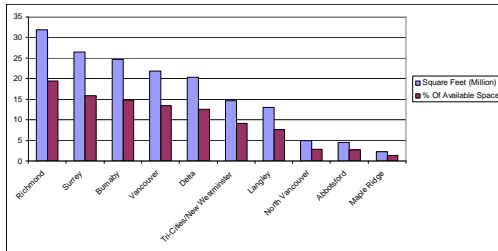
Surrey's Business Tax Rate



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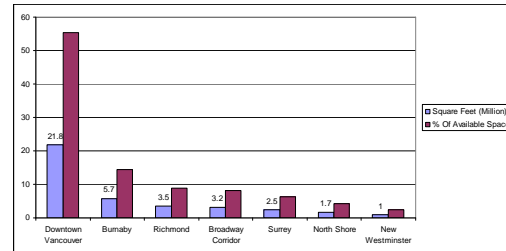
Metro Vancouver Industrial Market Inventory



Source: CB Richard Ellis "Market View: Metro Vancouver Industrial" Fourth Quarter 2008



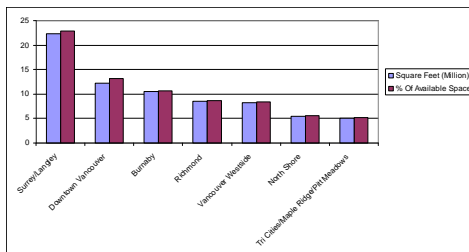
Metro Vancouver Office Market



Source: CB Richard Ellis "Market View: Metro Vancouver Office" Fourth Quarter 2008



Metro Vancouver Retail Market



Source: CB Richard Ellis "Market View: Metro Vancouver Retail" Year End 2008



Economic Development Objectives

- Establish jobs to support the growing population with a focus on high value/knowledge-based jobs:
 - Enhance quality of life for our residents
 - Help create a more balanced, sustainable financial position for the City
 - Promote sustainability through decreased commuting



Surrey Sustainability Charter Objectives

Sustainability Charter –

“**economic sustainability**” is one of three pillars in the City’s Sustainability Charter:

- Achieve a position where the City has at least as many jobs within its boundaries as resident workers
- Increase high-value, knowledge-based jobs



Why Invest in Surrey?

- High Population growth:
 - Expanding market for goods and services
 - Large local labour pool
- Current Surrey Population = 461,000
- Current South of Fraser Population = 800,000
- Surrey expected to grow by 44,000 over the next 5 years

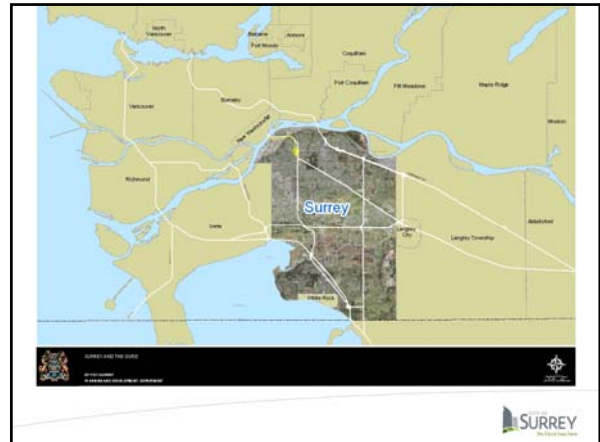


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Why Invest in Surrey?

- Surrey at the geographic centre of the Region – great location to minimize travel time from/to all points in the Region
- The centroid of the Region's population is moving east due to population growth in the South of the Fraser area (over half of Region's growth in next 20 years in the South Fraser)
- Surrey City Center is designated 2nd Metro Centre, being the same status as Vancouver City Centre



Why Invest in Surrey?

- We're a business friendly City:
Active local Business Associations including:
 - Surrey Board of Trade (2nd largest in B.C.)
 - South Surrey/White Rock Chamber of Commerce
 - Cloverdale Chamber of Commerce
 - Cloverdale BIA
 - Downtown Surrey BIA
 - Surrey Tourism Association



Why invest in Surrey?

"Business Friendly" City Hall

- Mayor Dianne Watts is strong champion for the City of Surrey and supportive of continuing balanced development of the City
- We have a **stable and collaborative Council** that is supportive of development
- We have a **experienced City staff** that is focused on facilitating development and business activity in Surrey
- We have **well developed plans, policies and approval processes** that help to establish certainty and predictability
- **Collectively reduces risk!**



Why invest in Surrey?

High Quality of Life:

- Diverse range of housing stock
- Close to work for workers
- 4,100 hectares of park land and natural areas
- State-of-the-art recreation and cultural facilities
- Family-oriented community



Why invest in Surrey?

Large areas designated for industrial and commercial development

- Limited available land area in the Region
- Surrey contains 47% of Metro Vancouver's industrial land inventory



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Why invest in Surrey?

Great Accessibility/Transportation Systems:

- 6 major highways
- 3 railroad systems
- SkyTrain/Public Transit
- Ocean Port (Surrey Fraser Docks)
- Easy access to Vancouver Intl. and Abbotsford airports
- 2 international border crossings serving lower mainland
 - Truck Crossing and Hwy 99



Highway Systems



Railroad Systems



Why invest in Surrey?

High Calibre Educational Institutions:



Simon Fraser University



Kwantlen Polytechnic University



Why Invest in Surrey?

Low property taxes:

- Business Property Taxes = lowest in Region
- Residential Property Taxes = lowest in Region



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Economic Investment Action Plan

Seven Element Plan:

- 1.Capital Spending to Create Jobs
- 2.Mayor's Advisory Committee
- 3.Business Retention and Expansion Program
- 4.Economic Investment Zones
- 5.Approval Process Enhancements
- 6.Pre-servicing Land for Development
- 7.Business Incubator Areas



1. CAPITAL SPENDING TO CREATE JOBS

•\$465 million dollars being spent by the City over the next 3 years

•4,200 new jobs



2. MAYOR'S ADVISORY COMMITTEE ON INVESTMENT AND JOB CREATION

The Advisory Committee has representatives from a broad range of backgrounds and perspectives and was established to provide advice to Mayor and Council about actions the City can take in relation to increasing business investment and jobs in Surrey.



2. MAYOR'S ADVISORY COMMITTEE ON INVESTMENT AND JOB CREATION

MEMBER	AFFILIATION
Michael Geller	Centre for Community Development
Virginia Greene	BCBC
Rodney B. Johnston	Price Waterhouse Coopers
Michael Levy	Border Gold Corp.
David Mitchell	KN&V Chartered Accountants
Sue Paish	Pharmasave
Arnold Silber	The Value Group of Companies
David Atkinson	Kwantlen Polytechnic University
Capt. Chris Badger	Port Metro Vancouver
Ralph Berezan	Berezan Management Ltd.
Rick Brar	International Herbs



2. MAYOR'S ADVISORY COMMITTEE ON INVESTMENT AND JOB CREATION

MEMBER	AFFILIATION
Patrick Cotter	Cotter Architects
Jim Cox	Surrey City Development Corporation
Joanne Curry	Simon Fraser University
Chris Gardner	The Britco Group
Peter Simpson	Greater Vancouver Home Builders'
Tony Singh	Fruiticana
Doug Stout	Terasen
Norman Stowe	PACE Group
Inde Sumal	Royal Bank Canada
Niels Veldhuis	Fraser Institute
Chuck We	NAIOP Commercial Real Estate



3. BUSINESS RETENTION AND EXPANSION PROGRAM

- City staff and community partners meet with owners and operators of businesses to identify how the City can enhance the success of individual businesses
- Mayor's Business Forums held on a rotational basis in communities in the City bi-monthly
- 2009 Surrey Regional Economic Summit being held on Oct. 6/09 at the Guildford Sheraton Hotel
 - Tony Blair, former U.K. P.M. – keynote speaker



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4. ECONOMIC INVESTMENT ZONES

City Centre Economic Zone:

- Business Development
 - Application received by March/10
 - Const. value in excess of \$10M
 - Const. commenced by end 2010

Incentives:

- Eliminate municipal prop. taxes - 3 year period
- Reduce DCCs by approx. 33%
- Defer DCC payments to a later stage in bldg. process
- Reduce building permit fees by 50%
- Waiver of density bonus policy



4. ECONOMIC INVESTMENT ZONES

City Centre Economic Zone:

- High-Density Residential
 - Application received by March/10
 - Const. Value in excess of \$25M
 - Const commenced by end 2010

Incentives:

- Defer DCC payments to a later stage in bldg. process
- Reduce building permit fees by 50%
- Waiver of density bonus policy



4. ECONOMIC INVESTMENT ZONES

Bridgeview/South Westminster Zones:

- Business Development
 - Application received by March/10
 - Const. Value in excess of \$5M
 - Const commenced by end 2010

Incentives:

- Eliminate municipal prop. taxes - 3 year period
- Defer DCC payments to a later stage in bldg. process
- Reduce building permit fees by 50%



5. APPROVAL PROCESS CHANGES

- Priority processing for business development applications across City
- Applicants can access status of applications on-line
- Checklists and schedules at start of projects to reduce uncertainty around approvals
- More e-business opportunities so you don't have to attend at City Hall



6. PRE-SERVICING OF BUSINESS / EMPLOYMENT LANDS

- Spending \$10 Million to construct engineering services to open to create "Building permit ready" lots for business development in various areas of the City



7. BUSINESS INCUBATOR ZONES

- The City is working with the local universities to put in place business incubator areas in the City, possibly on City-owned land, that will provide opportunities for ideas to be turned into viable businesses.
- For example, assisting green technology ideas to take root in Surrey in support of our Sustainability Charter.



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Thank you

