INTERIM HOTEL DEVELOPMENT POLICY

Adopted by City Council on July 31, 2018

1.0 Application and Intent

This policy will be used in the evaluation of enquiries and applications for the development of new hotels, the expansion of hotels and the demolition of existing hotels. It also addresses the conversion of existing hotels to residential use or residential use to hotel where zoning provides the option of both commercial and residential uses.

The Interim Hotel Development Policy applies throughout the city. This policy does not apply to affordable housing designated under the Single Room Accommodation By-law.

The policy reaffirms the City’s interest that new or existing hotels will be considered as part of neighbourhood planning programs, as well as rezoning and development applications and enquiries. This policy emphasises the importance of existing and new hotel rooms in the City Core, especially downtown.

2.0 The Supply of Hotel Rooms

Monitoring Hotel Supply / No Net Loss
Staff will continue to monitor the gains and losses of hotel rooms in the city. There should be no net loss in the city’s hotel room stock until the Broadway Plan and City Core 2050 are completed, when new targets will be brought forward to Council for consideration.

Create Opportunities for Hotels
Development and rezoning enquiries applications will be reviewed with consideration of this objective. Development should consider the retention or replacement of hotel rooms on the development site.

During area planning initiatives, consideration will be given to the appropriateness, necessity, and supply of sites for hotel uses. Sites in the downtown and City Core areas are particularly important due to their proximity to major convention facilities, major offices, the concentration of tourism destinations and regional economic importance.

Price and Experience: Encourage a Variety of Options
In the City Core area, especially downtown, there is a recognized need for hotel options that are modestly priced. This can be accomplished through retention of existing hotels (where feasible), mixed-use projects incorporating hotel and support for the development of innovative hotel options with modest room sizes.
Opportunities for variety in visitor experience and choice should be encouraged. This will be furthered through variety in hotel locations and price throughout the City Core and elsewhere in the city in commercially zoned districts. Variety in room choice, especially pricing, is important to enable visitor diversity, and resilient visitor growth to Vancouver.

Maintaining price diversity can be achieved by retaining, where possible, mid-price range tourist hotels.

### 3.0 Hotel Conversions

#### Residential to Hotel Considerations

3.1 The review of proposals to convert a residential building to hotel use will be considered in cases where:

(a) One owner owns all the strata lots; or
(b) 100% of the strata owners agree to the conversion of all or a portion of the strata lots to hotel use;
(c) The zoning permits hotel use; and
(d) If appropriate, securing a housing agreement for the residential units that are occupied as rental apartments.

3.2 The following should also be considered:

(a) Access to the hotel rooms should be separated from the remaining residential units;
(b) Hotel parking access should be separate from resident parking; and
(c) Mixing hotel rooms on floors with rental or condominium apartments is not supported.

#### Council – Issues Reports on Hotel Room Losses

3.3 Rezoning and development applications where the existing hotel rooms are proposed to not be replaced or conversion proposals (hotel converted to residential or residential converted to hotel), may be the subject of an Issues Report to Council. This will apply to buildings where the hotel use occupies 20,000 square feet or more (1,858 square metres) floor space.

3.4 The Issues Report will assess rezoning and development application proposals for conversion based on consideration of the following criteria:

(a) The current supply of hotel space and the projected demand for the next 3 years both for the city, and where applicable, the downtown.
(b) The amount of hotel space being converted and the general pace of hotel room losses and gains.
(c) Whether (i) the building is on the Vancouver Heritage Register (VHR) or (ii) is deemed of heritage value and worthy of being added to the Register, following the preparation of a 'Statement of Significance or (iii) the building is a post 1940 building worthy of inclusion on the VHR, and (iv) it is concluded that the building is at risk and (v) heritage designation will result.
(d) The proposal’s ability to address job space targets.
(e) The proposal’s ability to address housing policy goals, in particular, the provision of social housing or secured market rental housing.