

Policy

Hotel Development Policy

Approved by Council April 15, 2025



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1 BACKGROUND AND CONTEXT

Tourism is one of the key sectors that drives Vancouver's economy, bringing capital and expertise from outside the region to generate benefits for local workers and communities. Visitors to Vancouver generate direct and indirect employment and other benefits. Vancouver's hotels are a foundational component of this sector, providing rooms for temporary visitors and employment for local workers.

The global COVID-19 pandemic was an unprecedented period that had a negative effect on hotels across the world when non-essential travel was severely restricted. Vancouver's hotel supply was negatively affected during this period, with some properties repurposed for much-needed housing. Hotel occupancy in Vancouver has since recovered strongly and this policy seeks to facilitate that recovery and contribute to a more vibrant environment for the tourism industry in Vancouver.

2 INTENT

This policy will be used in the evaluation of rezoning and development permit enquiries and applications for the development of new hotels, the expansion of existing hotels and the demolition of hotel buildings. It also addresses the conversion of existing hotels to other uses or the conversion of strata residential, office or other uses to hotel.

The Hotel Development Policy applies throughout the city and reflects the Vancouver Plan Land Use Strategy seeking to intensify, enhance, and expand jobs space to ensure the industrial/major employment, major office, hotel, cultural, and retail-commercial space required is available to support a thriving local and regional economy. Sub-area specific policies are outlined in section 3.2 below. This policy does not apply to affordable housing designated under the Single Room Accommodation By-law.

The policy continues to affirm the City's interest that new or existing hotels will be considered as part of area planning, as well as through rezoning and development permit enquiries and applications.

3 POLICIES

3.1 General Hotel Development Policies

3.1.1 Monitoring Hotel Supply

Staff will continue to monitor the changes in Vancouver's hotel inventory and report on the progress made towards achieving a net increase of 10,000 hotel rooms city-wide between August 2022 and August 2050.

3.1.2 Create Opportunities for Hotels

Development and rezoning enquiries and applications for commercial properties where hotel is permitted will be encouraged to consider increasing the number of hotel rooms in the city through the addition, retention or replacement of hotel rooms on the subject site.

During area planning initiatives, consideration will be given to the appropriateness, necessity, and supply of sites for hotel uses. Sites in downtown are particularly important due to their proximity to major transportation nodes, convention facilities, major offices, a large number of tourism destinations and the region's economic centre. Areas outside the downtown peninsula, particularly within the Broadway Corridor, should also be considered to allow for broader options for hotel room supply.

3.1.3 Expand Hotel Options

While hotels in the downtown are particularly important due to their proximity to major convention facilities, major offices, the concentration of tourism destinations, opportunities for variety in visitor experience, choice and affordability should also be encouraged. This will be furthered through consideration of hotels in varied locations and price points across the city, particularly in commercially zoned districts. Variety in room choice, especially pricing, is important to enable visitor diversity and resilient visitor growth.

Modestly priced hotel options are needed in all areas of the city. This can be accomplished through retaining existing hotels where feasible, encouraging hotels to locate outside of the downtown core, mixed-use projects incorporating hotel and supporting the development of innovative hotel options with modest room sizes such as micro-suites and pods.

3.1.4 Encourage Meeting Rooms and Event Spaces

The availability of event spaces, large meeting rooms and similar gathering spaces are a key factor in attracting special events and conventions to the city, which provide economic benefits to local businesses. Full-service hotels are typically major providers of such gathering spaces, and new hotels on large sites that can accommodate them are encouraged to provide such spaces where practical.

3.2 Rezoning Policies

Rezoning applications for hotel developments, with customarily supporting commercial uses, can be considered through the Council-approved plans and policies below.

3.2.1 Area-Specific Rezoning Policies

The table below identifies the Council-approved plans and policies under which rezoning applications can be considered for hotel uses.

Table 1: Area-Specific Rezoning Policies

Areas	Council Approved Policy / Plan
Downtown, Central Business District	Central Business District (CBD) and CBD Shoulder Rezoning Policy (2009)
Downtown South	Potential “Benefit Capacity” in Downtown Report (RTS 07500, 2008)
West End	West End Rezoning Policy (2013)
Granville Street Entertainment District	Granville Street Interim Rezoning Policy (2023)
Broadway Corridor	Broadway Plan (2022)
Marine Landing	Marine Landing Policy Updates (2021)
Transit Oriented Areas	Transit-Oriented Areas Rezoning Policy (2024)

3.2.2 City-Wide Rezoning Policies

3.2.2.1 Rezoning for Hotel Density on Commercial High Streets

Applications for rezoning will be considered for sites located within the C-1, C-2, C-2B, C-2C and C-2C1 zoning districts, as well as any adjacent sites zoned CD-1, where no purpose-built rental residential housing will be displaced and are proposing 100% of the total FSR to be developed as hotel use with customarily supporting commercial uses. Rezoning applications should be consistent with the following:

- (a) The maximum floor space ratio for all uses combined is 3.50 FSR or 3.70 FSR for corner sites, with a maximum building height of 22.00 m (72.2 ft) and 6 storeys.
- (b) Despite 3.2.2.1(a), the Director of Planning may increase the permitted floor space ratio by up to 0.05 for exterior circulation located above the first storey.

- (c) Form of development should consider liveability of adjacent residential buildings, public realm shadowing, protected public views, privacy and overlook, site setbacks, and other urban design considerations as per the zoning district and other applicable policies and guidelines.
- (d) These rezoning policies (section 3.2.2.1) apply city-wide, except in areas that have recently approved community plans (e.g. Cambie Corridor Plan, West End Plan, Grandview-Woodland Plan, Marpole Plan, Broadway Plan, and the Downtown Eastside Plan), designated Transit-Oriented Areas, or areas that are undergoing community planning programs and have interim rezoning policies in place that limit the applicability of this policy.

3.2.2.2 Expansion of Existing Hotels

Rezoning applications to support a net increase in the room count of hotels existing as of April 15, 2025 will be considered on a case-by-case basis.

- (a) Form of development should consider liveability of adjacent residential buildings, public realm shadowing, protected public views, privacy and overlook, site setbacks, and other urban design considerations as per the zoning district and other applicable policies and guidelines.
- (b) These policies (section 3.2.2.2) apply to rezoning enquiries and applications city-wide. Where conflicts exist between this policy and other relevant council-approved policies relating to the prescribed height and density, the height and density in this policy prevails.

3.2.2.3 Projects Supporting Reconciliation

- (a) Rezoning applications for hotel projects which meet the needs of the Musqueam Indian Band, Squamish Nation, and Tsleil-Waututh Nation, and urban Indigenous peoples to advance the City's UN Declaration on the Rights of Indigenous Peoples (UNDRIP) commitments and Reconciliation goals will be considered on a case-by-case basis.
- (b) Form of development should consider liveability of adjacent residential buildings, public realm shadowing, protected public views, privacy and overlook, site setbacks, and other urban design considerations as per the zoning district and other applicable policies and guidelines.
- (c) These policies (section 3.2.2.3) apply to rezoning enquiries and applications city-wide. Where conflicts exist between this policy and other relevant council-approved policies relating to the prescribed height and density, the height and density in this policy prevails.

3.2.2.4 Community Amenity Contributions Policy for Rezoning

- (a) For rezoning applications for hotel uses, the following uses shall be excluded from floorspace calculations for the purpose of determining community amenity contribution expectations from the hotel component of the development:
 - (i) Meeting rooms and conference facilities

- (ii) Guest recreational and amenity spaces (fitness facilities, pool areas, locker areas, libraries, business centres, etc.)
- (iii) Back-of-house space required for hotel operations

3.3 Hotel Conversion Policies

3.3.1 Office Building to Hotel Conversions

The review of development permit applications to convert existing office buildings or portion thereof to hotel use will be considered in cases where:

- (a) The zoning permits hotel use;
- (b) Hotel rooms will not be located on floors with office units; and
- (c) The conversion concept demonstrates compliance with the general intent of the Vancouver Building By-law.

3.3.2 Strata Residential to Hotel Conversions

The review of development permit applications to convert a strata residential building or portion thereof to hotel use will be considered in cases where:

- (a) The zoning permits hotel use;
- (b) Hotel rooms will not be located on floors with office units; and
- (c) The conversion concept demonstrates compliance with the general intent of the Vancouver Building By-law.

3.3.3 Hotel Closures and Conversion to Other Uses

Rezoning applications where existing hotel rooms are proposed to not be replaced, will be required to include the following information in the Referral Reports:

- (a) The number of existing hotel rooms not being replaced;
- (b) The current progress of hotel room growth in relation to section 3.1; and
- (c) Detail as to the reasons for the hotel rooms not being replaced or for the conversion to be undertaken.