

VANCOUVER PLAN
Implementation
2050

Hotel Development Policy Update

Summary of Recommendations

That Council:

- A. Approve a **new Hotel Development Policy** to encourage hotel room supply and repeal the 2018 Interim Hotel Development Policy (Appendix A)

- B. Approve **amendments to the Rezoning Policy for the Central Business District (CBD) and CBD Shoulder** to allow consideration of mixed-use hotel with residential developments to support the continued viability of Vancouver's visitor economy (Appendix B)

Summary of Recommendations

That Council:

- C. Approve **amendments to the Broadway Plan** to enable hotel proposals on sites with less than 99-foot frontages in select employment and industrial areas (Appendix C)
- D. Direct Staff to **continue work with the Hotel Development Task Force** and to report back to Council with recommendations for amendments to zoning regulations to further encourage new hotels across the city.

Outline

Background & Context

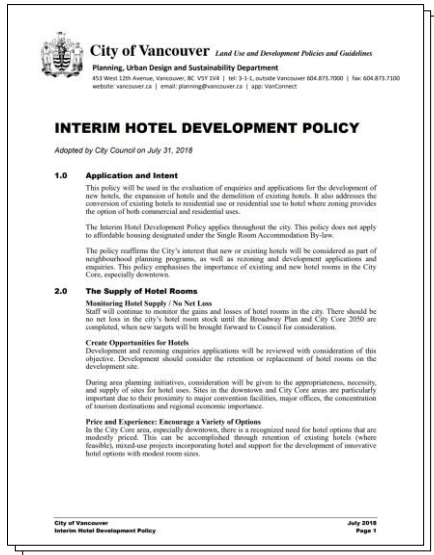
Recommended Policy Updates

Implementation and Next Steps

Background & Context

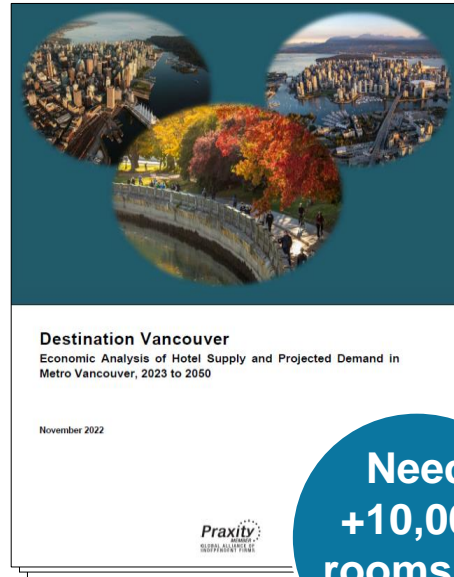
Background & Context

Hotel Supply Gap & Council Direction



2018

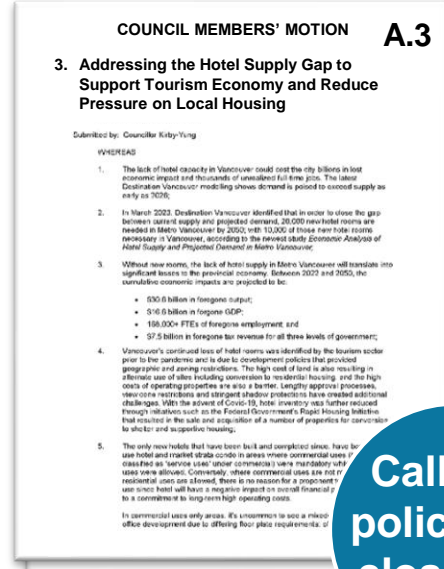
'Interim'
Hotel Policy



Need
+10,000
rooms by
2050

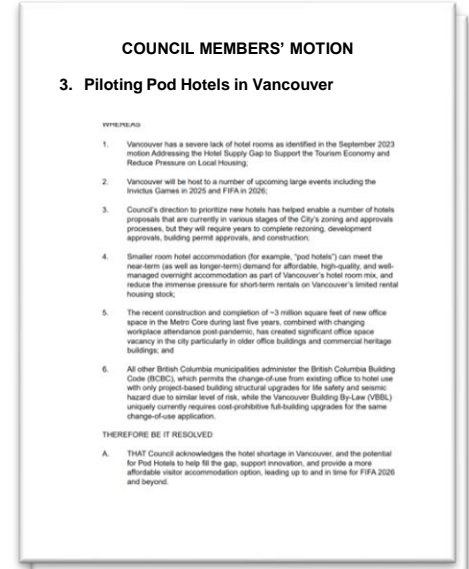
2019-2023

Destination
Vancouver
Hotel Gap Analysis



2023

Council Motion on
Hotel Room
Supply

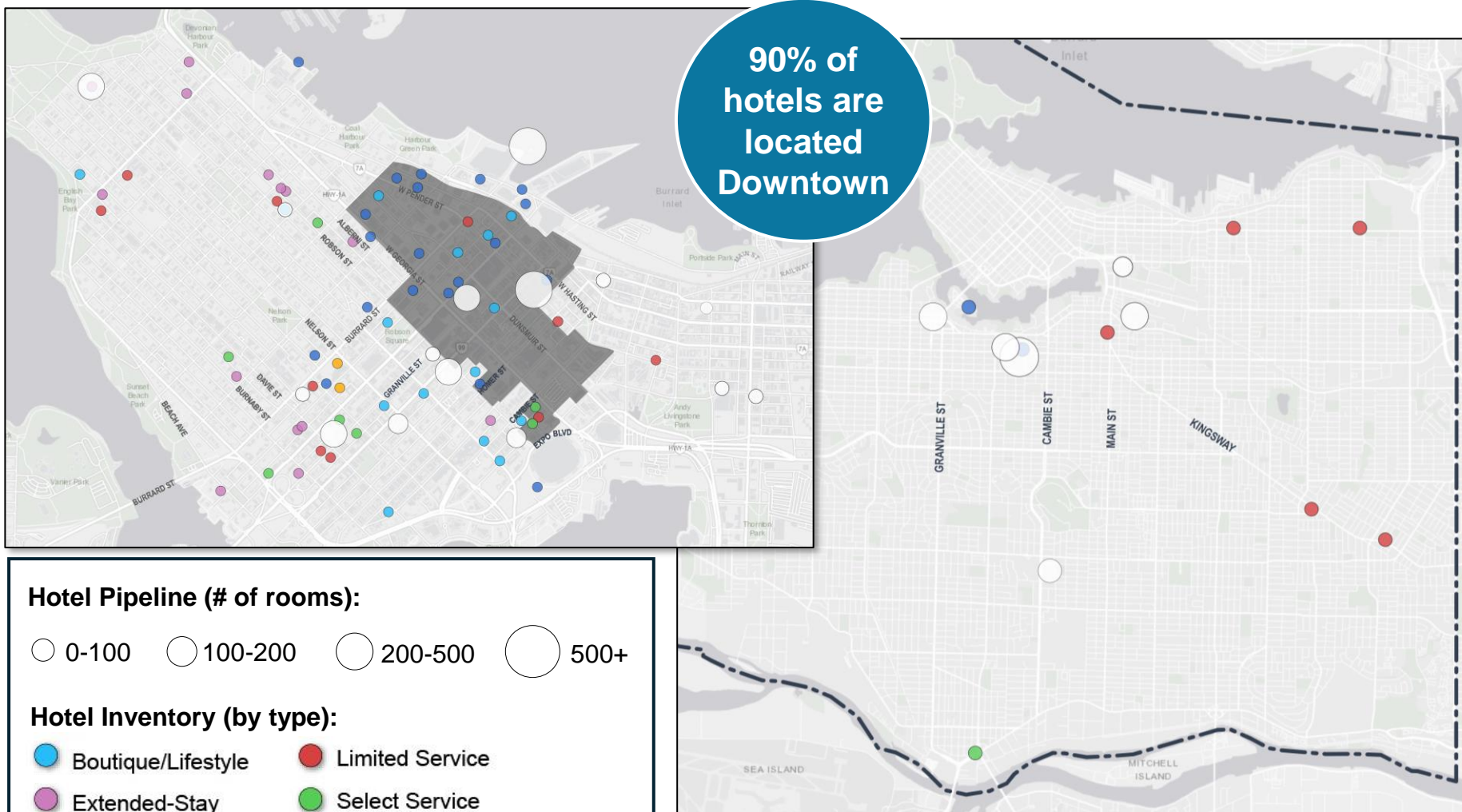


2024

Council Motion on
Pod Hotels

Background & Context

Hotel Supply in Vancouver Today



Approx. 550 room closures during the 2020 pandemic.

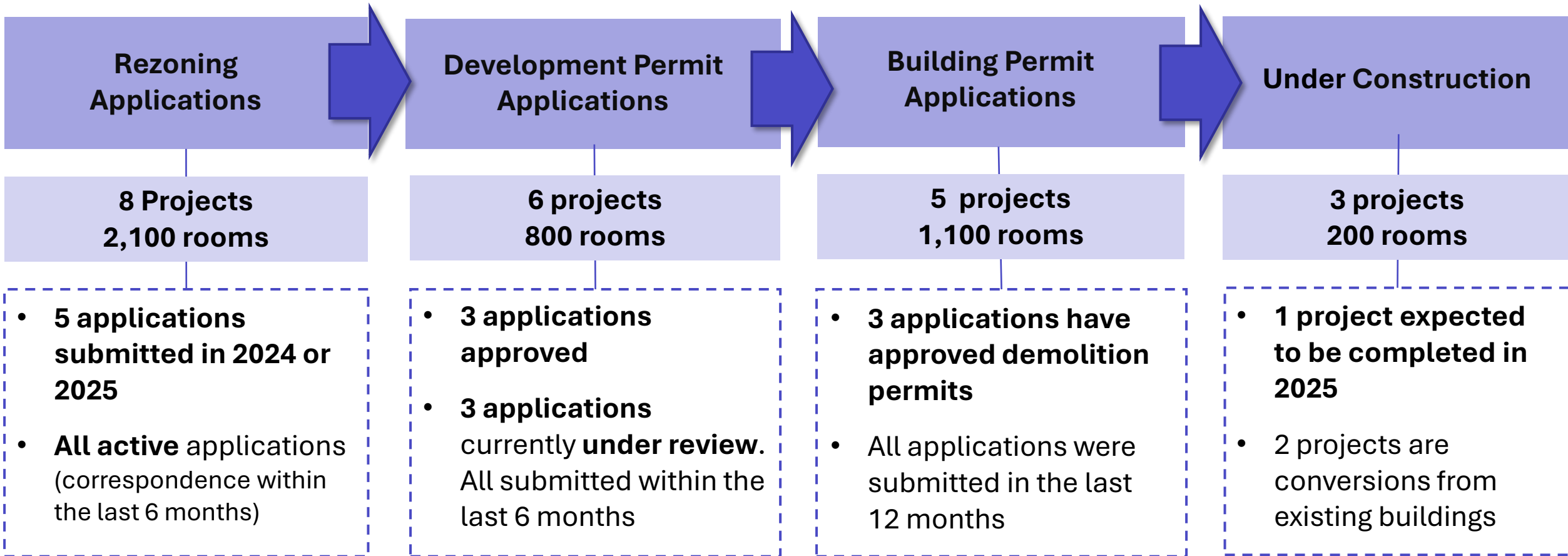
Current Stock: 13,000 rooms in 78 hotels citywide.

Development Pipeline: ~4,200 rooms in 22 projects citywide.

Source: Destination Vancouver

Background & Context

COV Hotel Development Pipeline



Total of 22 projects and over 4,200 rooms currently in the pipeline

Two projects were completed last year (+141 rooms).

Background & Context

Engagement with Industry and Economic Modelling

Vancouver Hotel Development Task Force

Destination Vancouver	Royce Chwin, CEO
BC Hotel Association	Ingrid Jarrett, CEO
Pacific Destination Services	Joanne Burns Millar, CEO
Hudson Pacific	Chuck We, VP
BOSA Properties	Mark Ricou, VP
Arcadis	Martin Bruckner, Director
City of Vancouver	Chris Robertson, Director



BRITISH COLUMBIA
HOTEL ASSOCIATION

Background & Context

Engagement with Industry and Economic Modelling

54 Stakeholder Interviews



Background & Context

Engagement with Industry and Economic Modelling

What We Learned – A Large and Diverse Supply of Hotels is Important

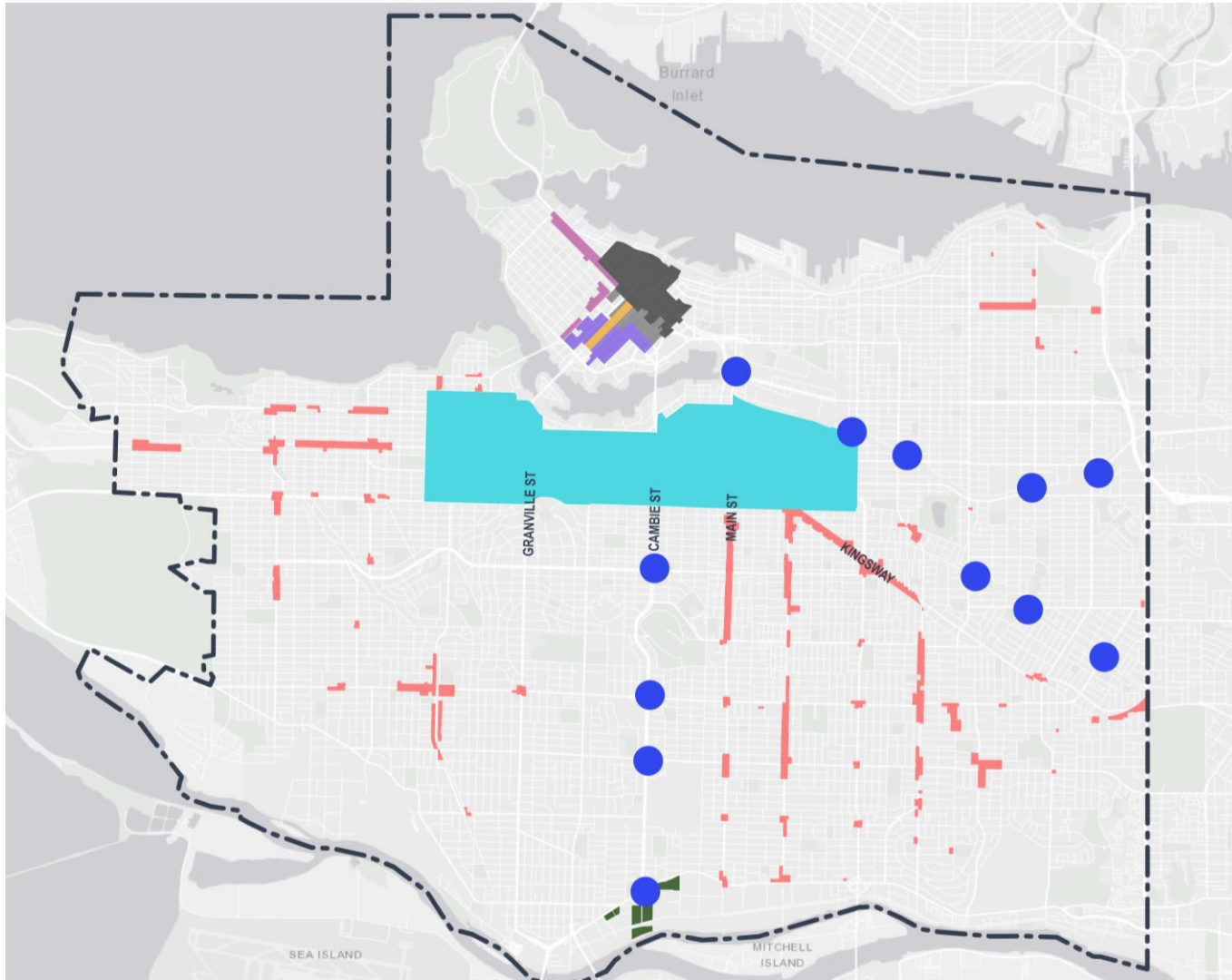
- Hotels provide accommodation for a **wide range of visitors** including business travellers (e.g. tech, life sciences & film sectors)
- Supply of **ballroom and meeting spaces** impacts ability to attract large events
- Opportunities for lower cost hotel stays can be supported through hotel **development in areas outside of downtown**, such as the Broadway Corridor
- While hotel **demand is strong**, the **development of new supply is challenging**.

New Hotel Development Policy

(Recommendation A)

New Hotel Development Policy (Recommendation A)

Rezoning Policies to Support Hotels



Downtown

- Central Business District
- Downtown South
- Granville Plan Area (Interim)
- West End Commercial Areas

Broadway Plan

Rest of the City

- Commercial High Streets
- Transit Oriented Areas
- Marine Landing Intensive Employment Area
- Existing Hotels
- Reconciliation

Amendments to the Rezoning Policy for the Central Business District (CBD)

(Recommendation B)

Amendments to the CBD Rezoning Policy (Recommendation B)

- Key area for hotels (43% of existing supply)
- 2009 policy prioritizes commercial development
 - Residential restricted to large multi-use sites (50,000+ ft²)
- 8.5M ft² of office space constructed 2010-2025

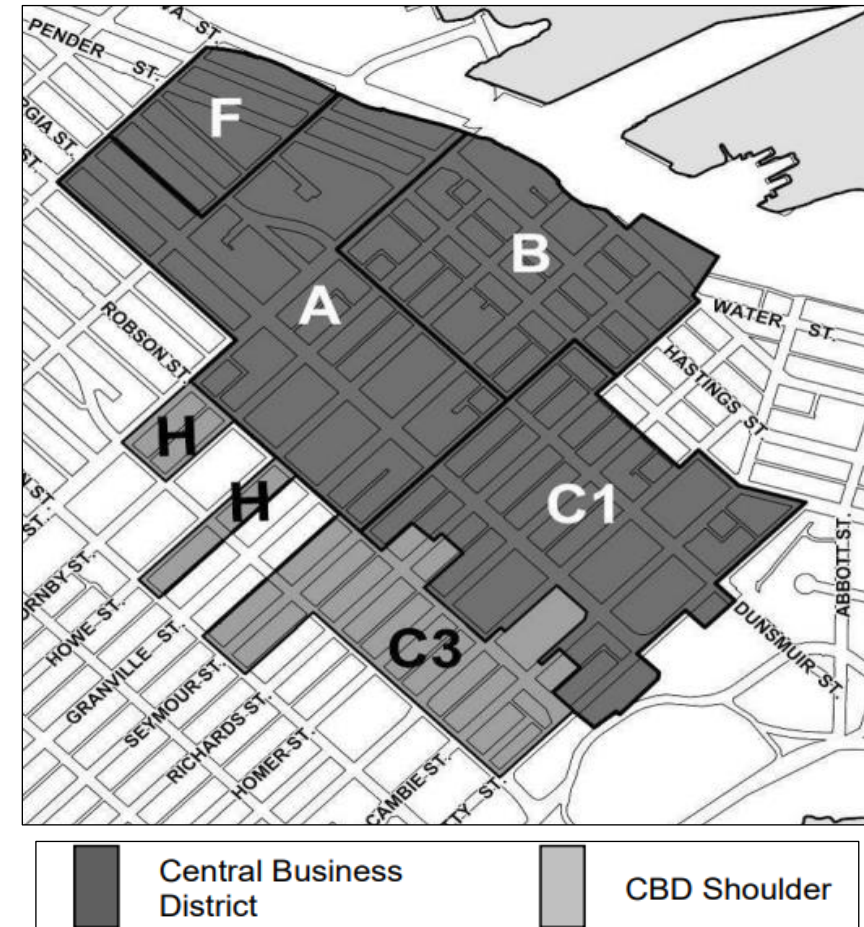


Amendments to the CBD Rezoning Policy (Recommendation B)

- Incentivize hotel development by **temporarily relaxing restrictions** on mixed hotel-residential developments

DODP Area	Minimum Site Area for Mixed Use Developments	Minimum Commercial Density Required
Area A	Site Area must be: <ul style="list-style-type: none"> 18,000 ft² or larger, AND Have a min. frontage of 150 ft 	9 FSR
Area B		7 FSR
Area C1	No minimum site size	9 FSR
Area F		9 FSR

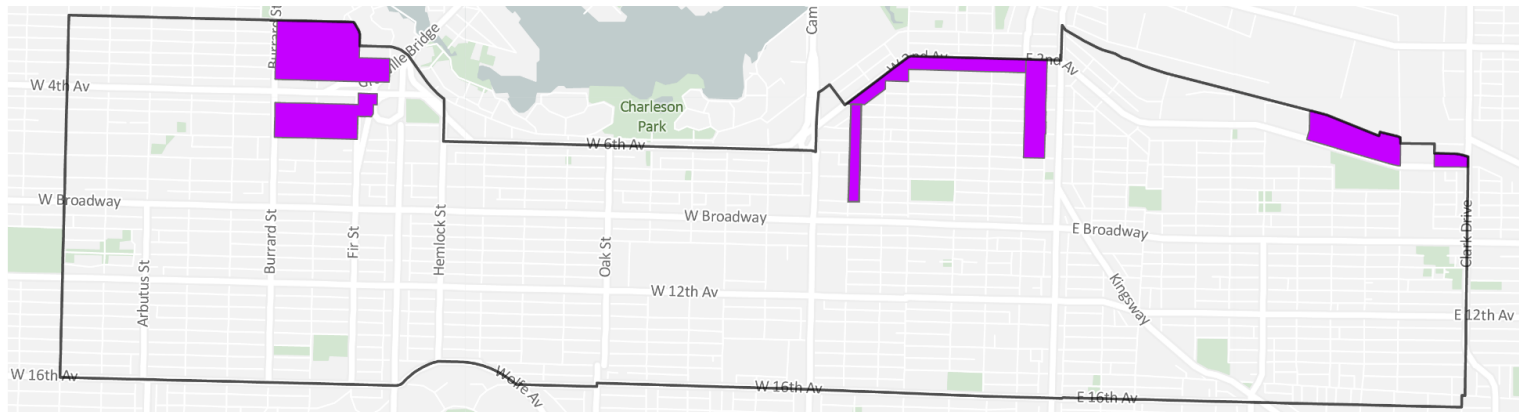
- Full residential to commercial tower separation (60') required to be provided on the applicant site
 - Preserving opportunities to maximize commercial development on adjacent sites



Amendments to the Broadway Plan (Recommendation C)

Amendments to the Broadway Plan (Recommendation C)

New policy language to allow consideration for hotel rezonings on sites with frontage less than 99 ft. on a case-by-case basis



Industrial/employment areas where hotel projects on smaller sites could be considered

Considerations

- Tower separation requirements are lesser in industrial / employment areas (min. 50 ft. between hotel/ commercial towers).
- Many sites with <99 ft. frontage still will have tower separation challenges.
- Workable solutions will likely require favourable circumstances (e.g. corner sites, large neighbouring lots, etc.).

Directions for Future Work (Recommendation D)

Directions for Future Work (Recommendation D)

THAT Staff **continue work with the Hotel Development Task Force** on zoning regulations to further encourage new hotels across the city:

- **Regulatory changes** to support **pod hotels and micro-suites**
- **District schedule updates** to incentivize hotels, including consideration of **additional density for back-of-house and event spaces**
- Alignment with future work in response to Council's motion to enable the growth of **purpose-built affordable student housing**

Implementation and Next Steps

Implementation and Next Steps

- New hotel development website to support enquiries
- PDS staff resource to support hotel project reviews
- Monitoring and reporting on development pipeline and the impact of new rezoning policies



Conclusion

Summary of Recommendations

That Council:

- A. Approve a **new Hotel Development Policy** to increase hotel supply
- B. Approve **amendments to the Rezoning Policy for the Central Business District** (CBD) & CBD Shoulder to enable mixed hotel-residential projects
- C. Approve **amendments to the Broadway Plan** to enable hotel proposals on sites with less than 99-foot frontages
- D. Direct staff to **continue work with the Hotel Development Task Force** on zoning updates to further encourage hotels

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Moving Forward Together

