

FOR IMMEDIATE RELEASE

April 15, 2025

City Council approves new policy to help address Vancouver's hotel room shortage

VANCOUVER, B.C. – Today, Vancouver City Council approved a new Hotel Development Policy to help address the city's hotel room shortage, support our visitor economy, create jobs, and prepare for major international events—including conferences, cultural festivals, and sporting competitions.

With just 13,000 hotel rooms city-wide, and a net loss of over 500 rooms between 2020 and 2022, Vancouver risks falling behind on visitor accommodation. According to Destination Vancouver, the city needs 10,000 additional rooms by 2050 to keep pace with demand. If the shortage is not addressed, the city and region as a whole could risk losing \$30.6 billion in economic output, \$16.6 billion in GDP, 168,000 full-time jobs, and \$7.5 billion in tax revenue across all three levels of government.

"Vancouver is one of the most visited cities in North America, but we're running out of rooms," said Councillor Sarah Kirby-Yung. "This is about future-proofing our city, supporting our tourism sector, and making sure there are hotel options for everyone, from families to business travellers."

In August 2024, Vancouver's average daily hotel rate downtown hit \$422, nearly double the Canadian average. Summer occupancy was over 90%, highlighting the urgent need for more supply. To help boost hotel development and attract investment, Council has approved updates that will:

- Replace the outdated 2018 interim policy with a new Hotel Development Policy to better support investment and increase hotel supply;
- Enable more flexible hotel development in key areas like the Central Business District, the Broadway Plan area, and near transit hubs;
- Support the development of mixed-use hotel and residential projects;
- Encourage a broader range of hotel types, including affordable options outside the downtown core and long-stay units for visiting professionals.

Councillor Kirby-Yung also introduced an amendment to remove further barriers to hotel development by exempting recreational amenities and back-of-house areas from development charges, and by supporting the consideration of proposals on narrower sites to enable more unique and innovative hotel concepts.

These changes are expected to support key sectors like tourism, film, tech, and life sciences, all of which depend on a strong supply of visitor accommodations. With approximately 4,200 hotel rooms already in the development pipeline, staff will monitor progress and report back to Council in early 2026 with an updated hotel supply assessment and updated regulations to support pod hotels and micro-suites.

-30-

Media Contact:

Kalith Nanayakkara
Press Secretary, Office of the Mayor
Kalith.nanayakkara@vancouver.ca