Executive Summary

This report identifies the extent of the opportunities for office to residential conversion in Downtown Kingston and the feasibility to convert the space. This report was directed by two questions:

1. **Is there an opportunity to convert office space into multi-residential units in Kingston's downtown?**

   a. **If so, which office buildings and or office spaces in Kingston's downtown have the greatest redevelopment potential for multi-residential use?**

   b. **Are there policies in City documents to support office to residential conversion?**

2. **What are the risks developers may face when converting office space to housing units and are there any local challenges?**

A triangulation methodology consisting of a literature review, checklists and interviews with local developers was used to identify the research gap, inform the study and help formulate recommendations. The literature shows there is strong policy support for office to residential conversion in Downtown Kingston and that there will be a shortfall of residential units by 2026.

A building feasibility and a location feasibility checklist were applied to the twelve properties in the study sample. The results of the checklist were applied against a transformation index to determine the transformability potential of the property. Of the twelve properties, 8 properties have transformation potential while 4 have limited transformability for multi-residential units.

The study findings are what was expected and are consistent with the literature. The checklists confirmed a property's location is more valuable than the physical state of the building while the interviews with the developers identified the following: financial risk is the greatest challenge of

redevelopment projects, larger developers have more assets to leverage and more experience and therefore are likely to proceed with projects with large cost overruns, structural challenges stem from building code requirements and contaminated lands are the most challenging to redevelop.

The following are recommendations of action for municipalities to explore:

- Strengthen communication between municipal departments;

- Develop a transparent system of communicating information to facilitate clear communication and to build trust between municipal departments and stakeholders;

- Develop tools that improve the existing development process on an ongoing basis; and

- Implement goals and honour commitments that have been endorsed by City Council.

The following are recommendations of action for developers to explore:

- Carry out due diligence including a cost/benefit analysis before making a commitment to a project;

- Consult with local planning authorities to better understand requirements, standards and processes in advance of a planning application submission;

- Acknowledge that municipal departments are not intentionally delaying a project but that there are many procedures and processes that need to be followed.