December 4th, 2024 Planning & Housing Committee Toronto City Hall 100 Queen Street West Toronto, ON M5H 2N2

Creating Opportunities for Coliving to Thrive in Toronto

More affordable housing downtown faster/cheaper to build & environmentally responsible

800 new coliving units by fall 2026

Written deputation by Toboggan Living Inc. For the Planning and Housing Committee PH17.13

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Our ask of the City of Toronto

The <u>Official Plan Review - Office Replacement Policies - Proposals Report</u> recommendation for 25% flexible replacement of office space could support office-to-coliving conversions.

We ask that a more detailed analysis and recommendations for coliving conversions be undertaken by the City of Toronto.

This work could include the assessment of:

- How the City of Toronto can support the development of coliving for groups beyond students and seniors.
- The maximum number of rooms permitted in multi-tenant homes, and whether it could be expanded in certain circumstances to support coliving developments.
- Vacant office spaces owned by the City of Toronto that could be candidates for coliving conversion.
- How coliving could support the workforce development goals of Sidewalks to Sidelines An Action Plan for Toronto's Economy.
- Affordability metrics for coliving developments.
- The eligibility of coliving developments in City of Toronto programs, including the Rental Housing Supply Program.

The opportunity for Toronto

Toboggan Living Inc. (Toboggan Flats) has identified at least six(6) vacant office buildings located in commercial residential (CR) zones throughout the City of Toronto that are feasible for conversion to coliving.

Converting these buildings would create affordable housing quickly: specifically, 800 affordable coliving units with an expected move-in date of fall 2026 or earlier.

The Office Replacement Study and coliving:

Toboggan Flats supports a reduction of the 100% office replacement policy to a 25% flexible replacement.

We are encouraged by the goals of the Chief Planner and City staff to provide more flexibility in supporting innovative office conversion projects, and that coliving facilities were mentioned in the June 25th Proposals Report as an alternative use for vacant office space.



Official Plan Review - Office Replacement Policies - Proposals Report: "Staff heard many ideas from residents and stakeholders about converting office space to alternative uses such as vertical agriculture, ... co-living facilities and more. The proposed policy directions would provide the flexibility to allow for a broad range of alternative uses."

Defining coliving

Coliving takes many forms but generally refers to housing with independent, secure, furnished bedrooms and a range of shared facilities (i.e. kitchens, laundry, and sometimes bathrooms). It involved dedicated community-building staff. Duration of stay is often flexible.

Coliving developments are wide-spread except in Canada



Current coliving demographics

Internationally, the average occupant age for coliving is 28 years old. Coliving appeals to newcomers without a strong social network in a city and those who want to build a sense of community. Once established, coliving adapts to different cohorts including single-parent families, remote workers, multigenerational communities, and more.



In Canada, coliving developments are common for students and seniors. Coliving could create a path of affordability for a young workforce to reestablish itself in the city. According to recent research from think-tank Youthful Cities on youth housing and coliving, 47% of Ontarian respondents between 18 and 33 are very interested in coliving in converted office buildings located downtown.

Office to coliving conversions

Recently, office-to-coliving conversions have gained attention through a groundbreaking report from the Pew Charitable Trust as a cost- and time-effective way to create high-quality housing. The <u>Flexible Co-living to Housing Feasibility Study</u>, conducted by Pew and partner Gensler, estimates that office-to-coliving conversion build costs per unit are less than a third of build costs for new bachelor units.

In London England, a number of office-to-coliving conversions are currently underway or in the pipeline. The <u>Cornerstone</u> and <u>Chaswick Tower</u> projects alone are set to provide 589 coliving units in vacant office towers.

In Paris, the Calq and Bond Society recently converted a vacant office building into a coliving/coworking space with 96 coliving units and four coworking floors. In Amsterdam, an old newspaper factory was converted into the Social Hub, a 500-bed coliving space.

- At Toboggan Flats, we are working hard to bring office-to-coliving conversions to Toronto to create affordable housing downtown:
- The coliving model allows us to keep the office's mechanical, electrical and plumbing systems mostly in place by eliminating plumbing in individual suites in favour of common facilities.
- Toboggan Flats seeks out B and C class office space that continues a trend of increased vacancy post Covid.
- We estimate capital expenditure of \$200-250 per sq.ft. build costs and a 9-12 month construction timeline all within building codes.
- A Toboggan Flats office-to-coliving conversion floorplan can be seen below:





The benefits of coliving, particularly in converted office space, for the city of Toronto.

- For the City of Toronto, coliving in converted office spaces would provide a number of benefits:
- Downtown revitalization: Vacant office spaces turned into vibrant coliving communities
 would bring more people downtown. This is especially true for young people, which the
 city needs!
- Increased affordable housing supply, quickly: Toboggan Flats has six (6) buildings in Toronto under assessment. If converted, these would yield 800 affordable coliving units.
- Establishing Toronto as the Canadian leader in coliving: with 800 units, Toronto would be far ahead of any other Canadian city in developing coliving.
- Environmentally sustainable housing: Renovation and reuse projects are estimated to reduce between 50-70% of the embodied carbon in a construction project in comparison to new builds.



Once coliving has been demonstrated in vacant buildings, it can grow as a sector here in Toronto. For the city, this would:

- Support wellbeing: Coliving reduces isolation and loneliness in residents.
- Relieve pressure on the housing sector: The coliving sector could provide housing for more transitory populations, lessening the strain on our housing system.

International jurisdictions that have implemented policy and programs that support coliving

Internationally, several jurisdictions have removed barriers to coliving:

- London England has implemented a new class of housing, <u>Large Scale Purpose Built Shared Living</u>, for coliving developments.
- <u>Seattle recently removed land restrictions</u> to encourage coliving-style housing.
- <u>Pew's Study</u> on office-to-coliving conversions identified Minneapolis, Seattle and Denver as other municipalities "with no significant existing regulatory barriers that would impact the feasibility of the concept" due in large part to "congregate living" guidelines.
- Sydney Australia, the State Environmental Planning Policy (Housing) added "<u>co-living</u>" to the New South Wales planning system.
- In Canada, Calgary has taken the lead by adding a \$60 per square foot incentive for office-to-coliving conversions, as part of their <u>Development Incentive Program</u>.

A closer look at Denver and Minneapolis.

Denver:

- The buildings studied are within D-C zoning, which is a by-right zone designation with no restrictions around converting from office to residential.
- "Congregate living: all uses with more people living together than allowed in a single household, but where some type of care is not required. Residents may share sleeping units, and may have shared cooking, bathroom and common areas, or some combination of personal and shared facilities, but do not necessarily occupy a dwelling unit jointly."

Minneapolis:

- The buildings studied were within the DT-1 (Downtown center) primary zone
- "Single Room Occupancy is a permitted use within this zoning district: Single room occupancy housing units may, notwithstanding any contrary provision in this Code, share a kitchen with one (1) or more other single room occupancy unit(s) in the same building and may also share a bathroom."



Conclusion

The <u>Official Plan Review - Office Replacement Policies - Proposals Report</u> recommendation for 25% flexible replacement of office space could support office-to-coliving conversions.

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