RUAS (Review of Urbanism and Architectural Studies)
eISSN: 2477-6033 | pISSN: 1693-3702
journal homepage: https://ruas.ub.ac.id
RUAS Vol. 24 No.1 (2026) DOI: https://doi.org/10.21776/ub.ruas.2026.024.01.6

Office-to-Residential Conversion in Jakarta CBD: Stakeholder Perceptions, Structural Adaptability, and Implementation Barriers

Ester Dorothy Nabasa

Architecture and Sustainable Design, Faculty of Science and Engineering, Calvin Institute of Technology Jakarta, 10610, Indonesia

ARTICLE INFO

Article History:
Received: May 8, 2026
Received in revised form: May 26, 2026
Accepted on: June 23, 2026
Available Online: June-November 2026

Keywords: adaptive reuse, office-to-residential conversion, Jakarta CBD, urban regeneration, housing feasibility.

ABSTRACT

This study examines the feasibility of converting office buildings into residential units in Jakarta's Central Business District (CBD), responding to rising office vacancy rates and growing demand for inner-city housing. Using an exploratory qualitative approach grounded in grounded theory, the study analyzes seven case studies through document review and semi-structured interviews with architects, developers, and urban planners. The research covers technical, regulatory, and socio-spatial variables. Findings reveal that conversion feasibility is constrained by structural limitations such as rigid floor configurations, outdated utilities, and high retrofit costs, alongside regulatory barriers including inflexible zoning and complex permitting processes. Socio-spatial factors — community resistance and user expectations — also shape project outcomes. On the other hand, buildings near mass transit with adaptable structural systems show considerably higher conversion potential. The study argues that technical readiness alone is insufficient. Sustainable adaptive reuse requires supportive policy frameworks, integrated governance, and well-targeted incentives to move beyond case-by-case conversions toward a scalable urban strategy.

Corresponding Author:
Ester Dorothy Nabasa
Calvin Institute of Technology
ester.dorothy@calvin.ac.id

ORCID ID:
0000-0001-9590-4173

Penelitian ini mengkaji kelayakan konversi bangunan perkantoran menjadi hunian di kawasan Central Business District (CBD) Jakarta sebagai respons terhadap meningkatnya tingkat kekosongan kantor dan kebutuhan hunian di pusat kota. Penelitian ini menggunakan pendekatan kualitatif eksploratif berbasis grounded theory dengan menganalisis tujuh studi kasus melalui telaah dokumen serta wawancara semi-terstruktur dengan arsitek, pengembang, dan perencana kota. Variabel penelitian meliputi aspek teknis, regulatif, dan sosio-spasial. Hasil penelitian menunjukkan bahwa kelayakan konversi dibatasi oleh keterbatasan struktural seperti konfigurasi lantai yang kaku, utilitas yang usang, serta tingginya biaya retrofit, serta hambatan regulasi berupa zonasi yang tidak fleksibel dan proses perizinan yang kompleks. Faktor sosio-spasial, termasuk resistensi komunitas dan ekspektasi pengguna, turut mempengaruhi keberhasilan proyek. Di sisi lain, bangunan yang dekat dengan transportasi massal dan memiliki struktur fleksibel menunjukkan potensi konversi yang lebih tinggi. Penelitian ini menegaskan bahwa kesiapan teknis saja tidak cukup; diperlukan kebijakan yang mendukung, tata kelola terintegrasi, dan insentif yang tepat untuk mendorong adaptive reuse yang berkelanjutan.

1. Introduction

In the first quarter of 2025, the office vacancy rate in Jakarta's Central Business District (CBD), according to Colliers Indonesia, reached 24.4%, marking one of the highest levels in the past two decades. This trend reflects not only the lingering effects of the COVID-19 pandemic, particularly the widespread adoption of flexible work arrangements, but also longer-term structural shifts, including Indonesia's ongoing capital relocation to East Kalimantan, which is expected to further reduce demand for office space in Jakarta (Angreni, 2020; Mungkasa, 2020). If left unaddressed, persistent office vacancies risk undermining urban vitality, economic productivity, and spatial efficiency in the city's core.

At the same time, Indonesia continues to face increasing housing demand driven by population growth and urbanization pressures (Midayanti, 2021). This juxtaposition of surplus office space and housing shortages highlights a critical opportunity for adaptive reuse, particularly through office-to-residential conversion. Such strategies have been widely recognized for their potential to extend building lifecycles, reduce resource consumption, revitalize urban centers, and curb urban sprawl (Kim & Lee, 2020; Titelboim, 2020; Zivkovic et al., 2016; Glumac & Islam, 2020; Dickson et al., 2021; Gursel et al., 2023). Centrally located office buildings, such as those in Jakarta's CBD, are especially well-positioned for residential conversion due to their accessibility and established infrastructure (Remøy & Van der Voordt, 2014).

However, despite its conceptual appeal, office-to-residential conversion remains complex in practice. Projects frequently encounter structural constraints, regulatory barriers, and socio-spatial challenges, including incompatibility with residential standards, rigid zoning frameworks, infrastructural limitations, and issues of social acceptance. While office-to-residential conversion has been extensively discussed in the broader context of urban regeneration and land-use efficiency (Heath, 2001; Wilkinson et al., 2009), empirical and context-specific assessments of its feasibility within Jakarta's CBD remain limited, particularly those that integrate technical, regulatory, and socio-spatial dimensions within a unified analytical framework.

Addressing this gap, this study evaluates the feasibility of office-to-residential conversion in Jakarta's CBD through a qualitative exploratory approach. It examines structural and policy-related constraints alongside housing accessibility implications and local social dynamics that shape conversion outcomes. By bridging these dimensions, this research provides a more comprehensive and context-sensitive understanding of office-to-residential conversion in rapidly transforming urban environments, contributing to ongoing discussions on sustainable and equitable urban development.

While office-to-residential conversion has been extensively examined in North American, European, and Australian contexts, studies focusing on Southeast Asian metropolitan environments remain limited. Existing studies predominantly emphasize technical feasibility or economic viability, with relatively little attention given to the interaction between technical, regulatory, and socio-spatial dimensions within a rapidly urbanizing context such as Jakarta.

This study addresses this gap by developing an integrated assessment framework that examines office-to-residential conversion feasibility through the interplay of building characteristics, regulatory environments, and socio-spatial conditions. Unlike previous studies that focus primarily on physical building performance, this research incorporates stakeholder perspectives to identify multi-dimensional barriers and opportunities affecting adaptive reuse implementation in Jakarta's CBD. This study addresses the following research questions:

RQ1. What technical, regulatory, and socio-spatial factors influence the feasibility of office-to-residential conversion in Jakarta CBD?
RQ2. How do these factors interact in shaping adaptive reuse implementation outcomes?
RQ3. What policy interventions could enhance office-to-residential conversion feasibility within Jakarta's urban regeneration agenda?

The novelty of this study lies in its integrated evaluation of technical, regulatory, and socio-spatial dimensions within the context of a rapidly transforming Southeast Asian CBD, providing empirical evidence that extends adaptive reuse discussions beyond predominantly Western case studies.

2. Materials and Methods

Extensive research has highlighted building conversion as a strategic alternative to mitigate office vacancies, offering higher efficiency than demolition and new construction (Remøy & Van der Voordt, 2014; Živković et al., 2015; Glumac & Islam, 2020). Because residential conversions must align with market demand, the United Kingdom (UK) and the Netherlands serve as mature benchmarks due to their extensive history in implementing conversion policies.

In the UK, a combination of historical planning deficiencies, structural shifts toward technology, and chronic housing shortages drove political and commercial initiatives to adapt obsolete offices (Muldoon-Smith & Greenhalgh, 2016; Tallon, 2020; Ellen & Kazis, 2023). Through the 'permitted development' mechanism, which bypasses traditional planning permissions, over 65,000 new dwellings were created across various socioeconomic market segments based on location (Schmidt & Austin, 2016; Clifford, 2019; Tallon, 2020).

Despite this volume, serious concerns emerged regarding housing quality and structural appropriateness (Madeddu & Clifford, 2023). For instance, Clifford, et al. (2018) found that only 30% of these conversions met national space standards, potentially posing health risks due to overcrowding, while local municipalities reported a loss of employment spaces and affordable housing contributions.

Similarly, the Netherlands utilized conversion strategies to address massive office vacancies, which reached 15% in 2013, while simultaneously absorbing growing housing

demands (Remøy & Van der Voordt, 2014). Dutch conversion potential depends heavily on strategic workplace locations and market-driven building attributes, where target demographics (e.g., young professionals and students) dictate unit sizes, facade treatments, insulation standards, and overall affordability (Geraedts et al., 2017).

Synthesizing these international experiences, the primary determinants of residential conversion demand can be categorized into location and building characteristics. While these European precedents demonstrate successful regulatory shortcuts and market alignment, they serve as a critical comparative baseline. Exploring these mature frameworks highlights how a rapidly developing Asian metropolis like Jakarta faces structurally distinct socio-spatial constraints and unique institutional barriers when balancing rigid office-centric zoning with central housing demands.

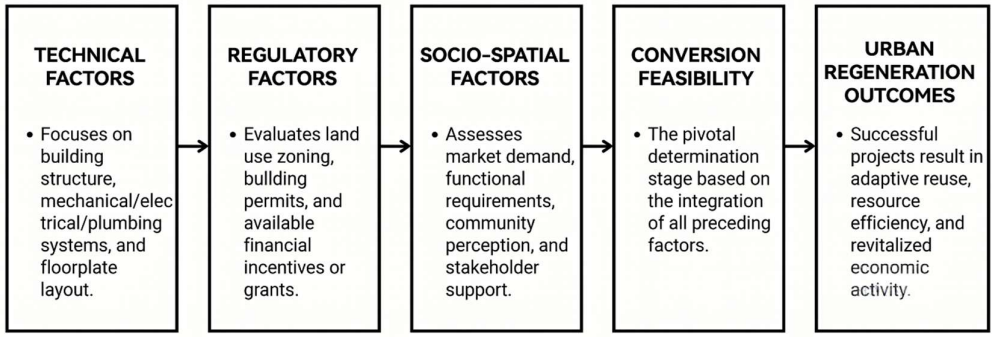

Figure 1. The process of urban regeneration conceptual framework

Although office conversions can reduce land values, institutional tools like Land Value Capture (LVC), including negotiated planning obligations and community infrastructure levies, can recoup value for public benefit, as practiced in England and Scotland (Dunning et al., 2020). While LVC mechanisms are beyond the immediate scope of this research, they provide valuable policy insights for promoting sustainable adaptive reuse frameworks within Indonesia's urban governance.

To identify emerging patterns and relationships within the empirical data, this study utilizes a qualitative exploratory approach based on grounded theory methodology (Creswell & Poth, 2016). The analytical dimensions were derived from recurring themes in adaptive reuse literature and urban regeneration frameworks (Kim & Lee, 2020; Gursel et al., 2023), focusing on three key vectors (Figure 1): technical (structural flexibility and building systems), regulatory (zoning and permitting), and socio-spatial (user preferences and accessibility) dimensions. The unit of analysis consists of seven office-to-residential conversion projects within Jakarta's CBD, selected through purposive sampling to capture critical variations in building typology, regulatory constraints, and development stages.

Data collection was systematically conducted through document analysis and semi-structured interviews with key stakeholders, including architects, developers, and

urban planners. The resulting qualitative data were processed using sequential grounded theory coding procedures, comprising open, axial, and selective coding phases, to iteratively develop the theoretical framework. Finally, a cross-case analysis was applied to map the interactions between variables and isolate the decisive multi-dimensional factors influencing conversion feasibility in emerging metropolitan environments.

3. Results and Discussion

This section presents the empirical findings derived from document analysis, semi-structured interviews, and focus group discussions across seven office-to-residential conversion projects in Jakarta's Central Business District (CBD). The discussion evaluates the structural, regulatory, and socio-spatial dynamics governing adaptive reuse, contrasting context-specific challenges against international benchmarks to outline an integrated urban governance perspective.

3.1. Grounded Theory Coding Results

To systematically decode stakeholder insights, sequential coding procedures were applied to the empirical dataset. The open, axial, and selective coding phases isolated three macro-level vectors that directly dictate conversion viability (Table 1).

Table 1. Grounded theory coding results

Open Code	Axial Code	Selective Code
Grade A owners holding 40% vacancy without action	Developer Equity & Market Urgency	Economic & Market Feasibility Drivers
Focus on medical business profitability	Developer Equity & Market Urgency	Economic & Market Feasibility Drivers
Fire stairs required for >4 floors	Technical Compliance Re-engineering	Structural & Architectural Feasibility
Bandung Green Building standards	Technical Compliance Re-engineering	Structural & Architectural Feasibility
Jakarta RDTR Mixed Use	Zoning Flexibility	Institutional & Regulatory Frameworks
KLB Bonus Incentives	Zoning Flexibility	Institutional & Regulatory Frameworks

The transition from the initial conceptual framework to these empirical findings required a paradigm shift. While generic theories model variables linearly, the Grounded Theory Axial Mapping (Figure 2) demonstrates a highly interdependent decision-making matrix. Abstract technical variables operationalize as rigid "Technical Compliance" mandates, whereas general regulations manifest as an "Institutional Framework" that can either accelerate conversion or insulate office assets from market-driven regeneration pressures. Conversion occurs exclusively when economic urgency, regulatory flexibility, and structural adaptability converge.

The grounded theory analysis suggests that adaptive reuse feasibility emerges through the interaction of three primary dimensions. Market demand and developer equity function as causal conditions, while institutional frameworks operate as

intervening conditions that either enable or constrain adaptation. Technical compliance requirements, including fire safety standards, building services, and infrastructure obligations, act as mediating barriers. Conversion occurs only when economic urgency, regulatory flexibility, and technical feasibility converge simultaneously.

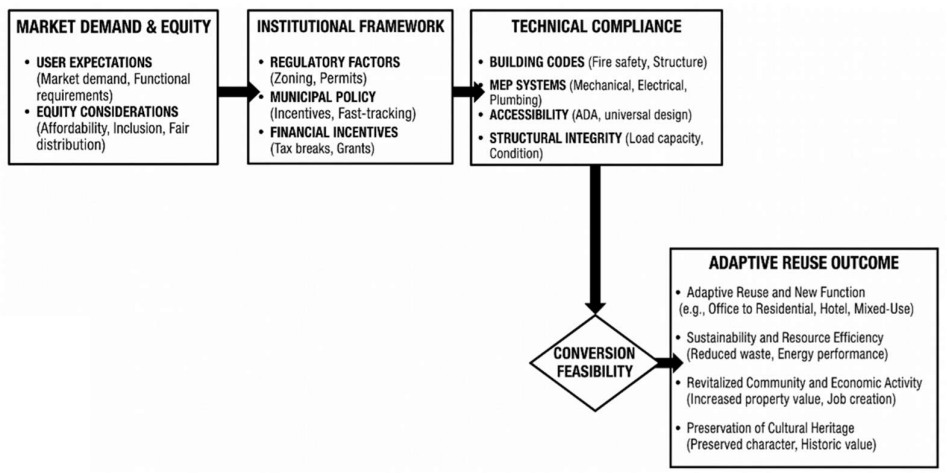

Figure 2. Grounded Theory Axial Mapping of the conversion decision-making process in Indonesian metropolises

3.2. Structural, Regulatory, and Socio-Spatial Challenges in Conversion Projects

Cross-case analysis reveals that physical building characteristics establish the fundamental baseline for financial and spatial reprogramming (Figure 3; Table 2).

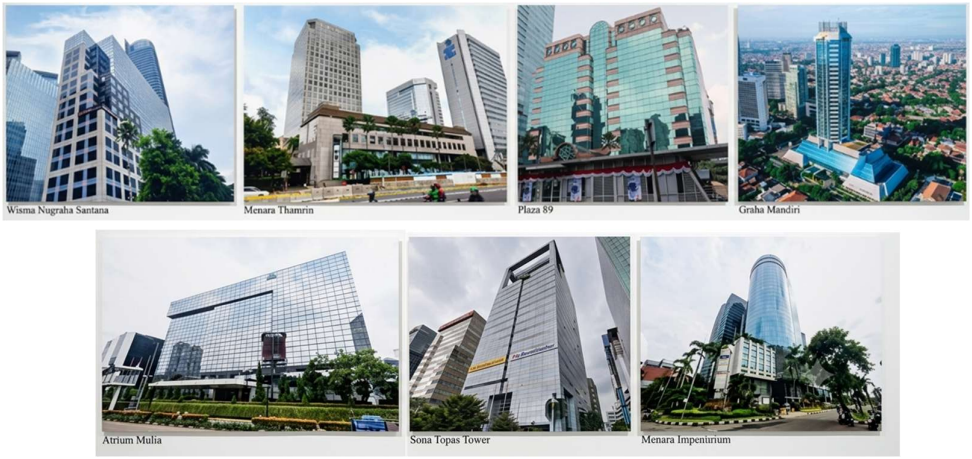

Figure 3. Representative case-study buildings highlighting structural and design variations affecting office-to-residential conversion

Visual analysis of the selected case studies reveals significant variation in façade configuration, floor plate depth, structural articulation, and service flexibility, all of which strongly dictate conversion feasibility. A stark technical contrast emerges when

evaluating structural typology. Modern structures utilizing modular grids and contemporary service networks, such as Plaza 89, permit efficient residential compartmentalization and spatial reprogramming.

Table 2. Summary of findings across seven office-to-residential conversion cases in Jakarta's CBD

Category	Key Findings	Supporting Examples	Implication for Conversion
Structural Challenges	1. Office floor plates are rigid, not optimized for residential layouts. 2. Limited plumbing shafts, ventilation, and natural lighting. 3. High retrofitting costs (up to 85% of new construction)	Graha Mandiri, Atrium Mulia, Menara Imperium	1. Financial feasibility decreases without incentives. 2. Projects require substantial redesign and MEP upgrades.
Regulatory Barriers	1. Outdated zoning and RDTR constraints. 2. Complex IMB/PBG changes. 3. Lengthy approval timelines. 4. No fiscal incentives for conversion.	Menara Thamrin, Plaza 89, Sona Topas Tower	1. Developers face administrative uncertainty. 2. Lack of policy support discourages adaptive reuse investment.
Social Challenges	1. Community resistance toward increased density and infrastructure load. 2. Concerns over privacy, noise, and comfort in converted buildings.	Residents around several CBD sites	1. Social acceptability becomes a non-technical obstacle. 2. Need for community engagement and user-centric design.
Accessibility Factors	1. Proximity to MRT and TransJakarta increases market attractiveness. 2. Aligns with TOD principles and appeals to young professionals.	Menara Thamrin, Plaza 89, Sona Topas Tower	Transit-accessible buildings have the highest conversion potential.
Building Characteristics	1. Modern, flexible structures are more adaptable. 2. Older buildings require extensive upgrades in safety and utilities.	Plaza 89 (positive case), Graha Mandiri (negative case)	Age, grid flexibility, and utility capacity influence feasibility.
Policy Frameworks	1. Absence of adaptive zoning, incentive zoning, tax benefits, or TDR schemes. 2. Lack of clear guidelines for conversion pathways.	All observed cases	Policy reform is decisive for scaling adaptive reuse.
Overall Feasibility	1. Determined by interplay of structural readiness, accessibility, and policy support. 2. Technically feasible projects may still fail without regulatory flexibility.	All cases collectively	An integrated approach is needed to revitalize CBD and meet housing demand.

Conversely, legacy landmarks characterized by deep floor plates and a heavy reliance on centralized mechanical systems, as seen in Graha Mandiri and Atrium Mulia, face permanent obstacles to natural light penetration and decentralized ventilation, both of which are non-negotiable residential health standards. This architectural divergence confirms that a building's original design intent serves as a primary determinant in whether an office tower can be sustainably adapted or will instead be hampered by prohibitive renovation costs (Remøy & Van der Voordt, 2014; Glumac & Islam, 2020).

Furthermore, mechanical-electrical-plumbing (MEP) retrofitting remains the most critical technical obstacle. Utility systems originally engineered for centralized office operations are structurally inadequate for residential requirements involving distributed

plumbing, individual kitchens, and increased water demand. Menara Imperium illustrates this financial paradox clearly: although estimated retrofit costs escalate up to 85% of new construction costs, the decision to pursue adaptive reuse remains strategically viable for developers due to unique time efficiency and locational value. Unlike greenfield developments that require years of land acquisition and complex permitting for new structures, converting existing buildings offers a significantly faster speed-to-market in premium, saturated locations. However, without fiscal incentives or specialized schemes such as green financing, projects with such high retrofitting costs will remain financially challenging for the broader private sector (Conejos et al., 2016; Langston, 2019).

Beyond technical constraints, regulatory barriers emerged as a highly influential factor shaping project feasibility, where institutional rigidity often poses a greater barrier than physical building limitations (Wilkinson et al., 2009; Gursel et al., 2023). Developers consistently reported that rigid zoning classifications and the complexity of revising IMB/PBG permits created intense administrative uncertainty and prolonged project timelines. In the cases of Menara Thamrin and Plaza 89, implementation stagnated during lengthy negotiations with planning authorities to reconcile inconsistencies between outdated Rencana Detil Tata Ruang (RDTR) classifications and proposed residential functions.

This friction is exacerbated by the absence of incentive mechanisms to encourage private-sector participation. Unlike several global cities that implement adaptive zoning, tax incentives, or transfer of development rights (TDR) schemes to stimulate reuse initiatives, Jakarta currently lacks a comprehensive regulatory framework or explicit pathways supporting office-to-residential conversion, which previous studies demonstrate are critical to reducing investment risk (Kim & Lee, 2020; Titelboim, 2020).

Socio-spatial factors further complicate conversion implementation. Interviews revealed distinct concerns from surrounding communities regarding increased neighborhood density, parking pressure, and infrastructure loads. In addition, prospective residents expressed strict expectations for privacy, acoustic comfort, and access to amenities that many existing office buildings struggle to accommodate without extensive structural redesign. These findings align with Gursel et al. (2023), emphasizing that adaptive reuse success depends not only on technical and economic metrics, but also on social legitimacy and user acceptance. Collectively, these multidimensional interactions support emerging perspectives that adaptive reuse should be understood not merely as an architectural intervention, but as an integrated urban governance challenge.

When evaluating macroeconomic drivers, Jakarta diverges sharply from Western and regional models (Table 3). While Western literature implies that high vacancy rates and declining property performance automatically pressure owners to convert assets (Glumac & Islam, 2020), empirical findings from Jakarta demonstrate a different pattern. Grade A commercial assets are frequently insulated from market pressures through conglomerate ownership structures and extensive land banking practices. This creates a phenomenon this study terms Institutional Insulation Against Obsolescence, where institutional owners can comfortably retain up to 40% vacancy for extended periods

without immediate redevelopment pressure. Corporate balance sheets absorb occupancy losses, meaning vacancy alone does not automatically generate adaptive reuse initiatives. Rather than responding directly to market decline, adaptive reuse in Jakarta depends heavily on regulatory convenience and government-led incentives.

Table 3. Comparative matrix of urban regeneration drivers

City	Dominant Conversion Driver
London	Housing shortage and planning reform
Amsterdam	Housing demand and strategic location
Singapore	State-directed mixed-use planning
Jakarta	Regulatory flexibility and market restructuring

To capture a more comprehensive overview of Indonesian urban economics, the study integrated perspectives from secondary metropolitan centers, revealing that adaptive reuse trajectories are highly context-dependent and influenced by local governance structures. For instance, secondary cities such as Bandung demonstrate a distinct adaptation pattern. Rather than pursuing vertical office-to-residential conversion, market adjustments occur through incremental, commercial-to-commercial transformations, such as mall-to-hotel conversions and office-to-healthcare redevelopments. As a stakeholder from the Bandung Expert Interviews explained:

> "Converting an office into a residential building is economically counterproductive because residential use represents a downgrade in investment value compared to commercial offices. Furthermore, it triggers stricter obligations for public and social facilities, making approvals more difficult."

Consequently, while Western cities rely heavily on tax credits and Singapore deploys a highly prescriptive planning system, Jakarta increasingly adopts market-oriented regulatory adjustments to bridge these gaps. A participant in the Jakarta Focus Group Discussion emphasized that recent spatial reforms have fundamentally altered conversion parameters:

> "Under the latest RTRW and RDTR framework, business licensing receives greater priority, and spatial regulations have become considerably more flexible compared to previous planning regimes."

Instruments such as RDTR digitalization (Jakarta Satu) and Floor Area Ratio (KLB) bonus incentives represent a clear paradigm shift toward regulatory facilitation and market-led urbanism, where planning regulations increasingly adapt to market demands rather than enforcing rigid, direct state intervention.

Ultimately, conversion feasibility cannot rely on isolated technical readiness. Maximizing potential requires leveraging transit assets, as observed in Plaza 89 and Sona

Topas Tower, where immediate proximity to MRT and Trans Jakarta nodes aligns seamlessly with Transit-Oriented Development (TOD) demands (Cervero et al., 2017). Proactive public governance, bridging zoning adjustments, accelerated permitting, and financial mechanisms like green bonds is crucial to lower investment risks and transform structurally insulated office towers into sustainable, centrally located residential infrastructure (Pojani & Stead, 2021; Zhang et al., 2022).

3.3. The Influence of Accessibility, Building Characteristics, and Policy Frameworks on Conversion Feasibility

Among the seven case studies, accessibility emerged as one of the strongest determinants of conversion potential. Buildings located near MRT and TransJakarta corridors, including Plaza 89 and Sona Topas Tower, demonstrated higher attractiveness for residential adaptation due to their alignment with Transit-Oriented Development (TOD) principles. Stakeholders identified young professionals as the primary target market, particularly those seeking centrally located housing with reduced commuting times. This finding is consistent with Cervero et al. (2017), who argue that transit accessibility significantly increases residential desirability and supports more sustainable urban growth patterns.

Building characteristics also strongly influence adaptive reuse potential. Newer office buildings with flexible structural grids, adequate ceiling heights, and modular utility systems were found to be substantially easier to convert into residential units. Plaza 89 represents a relatively successful example because its contemporary structural configuration allows more efficient spatial reprogramming. In contrast, older buildings such as Graha Mandiri require extensive structural modification and utility replacement, resulting in significantly higher retrofit costs and lower financial feasibility. These findings reinforce previous studies emphasizing that original building design intent remains one of the primary determinants of adaptive reuse viability (Remøy & Van der Voordt, 2014; Langston, 2019).

However, despite favorable physical conditions, developers consistently identified policy support as the most decisive factor influencing project continuation. Several technically feasible projects experienced delays or stagnation due to unclear conversion pathways and the absence of supportive incentives. This finding resonates with recent post-pandemic studies arguing that successful office-to-residential conversion requires proactive governance frameworks capable of responding to changing urban demands (Pojani & Stead, 2021; Zhang et al., 2022).

The study further demonstrates that adaptive reuse in Jakarta's CBD cannot rely solely on market mechanisms. Instead, successful implementation requires integrated governance involving zoning reform, streamlined approval procedures, and targeted financial instruments such as green financing or tax incentives. Such approaches have been widely recognized as critical mechanisms for accelerating urban regeneration while

improving land-use efficiency and environmental sustainability (Kim & Lee, 2020; Titelboim, 2020).

Overall, the findings highlight that office-to-residential conversion represents more than a technical redevelopment strategy. Within Jakarta's rapidly transforming urban context, adaptive reuse functions as a broader mechanism for addressing vacancy, housing accessibility, and sustainable urban transformation simultaneously. By integrating technical, regulatory, and socio-spatial dimensions, this study contributes a context-specific understanding of adaptive reuse feasibility in emerging metropolitan environments.

The study contributes to adaptive reuse theory by proposing the concept of Institutional Insulation Against Obsolescence. Existing adaptive reuse literature generally assumes that high vacancy and declining property performance create pressures for building conversion. However, evidence from Jakarta demonstrates that large-scale office assets may remain vacant despite substantial occupancy losses due to strong ownership structures and land banking practices. Consequently, adaptive reuse is influenced not only by building obsolescence but also by institutional and financial mechanisms that mediate market responses.

Furthermore, the findings suggest the emergence of a regulatory market-led urbanism model in which planning regulations increasingly adapt to market demands through flexible zoning frameworks, digital planning systems, and incentive-based governance.

4. Conclusion

Office-to-residential conversion represents a highly strategic response to Jakarta's dual urban challenge: mitigating unprecedented commercial office vacancies while simultaneously addressing the acute demand for inner-city housing. This study demonstrates that conversion feasibility is not merely a technical equation, but a highly complex, multidimensional governance challenge. While physical parameters such as modular structural grids and tight transit integration establish the baseline for architectural adaptability, the final execution remains strictly constrained by institutional rigidity, prolonged change-of-use permitting channels (IMB/PBG), and prohibitive upfront MEP retrofitting costs.

The core theoretical contribution of this research lies in the conceptualization of Institutional Insulation Against Obsolescence. Contrary to conventional Western urban regeneration theories, which assume that market-driven vacancies automatically catalyze building transitions, the empirical landscape of Jakarta reveals that conglomerate ownership and strategic land-banking insulate Grade A assets from direct market pressures. Consequently, high vacancy rates alone fail to trigger adaptive reuse in Indonesian metropolises. Instead, real estate adaptation is fundamentally mediated by regulatory convenience and targeted public facilitation, marking a distinct paradigm shift toward regulatory market-led urbanism.

To transition from theoretical frameworks to large-scale urban implementation, Jakarta requires a coordinated governance framework. Based on the empirical barriers identified, this study proposes a three-pronged policy roadmap:

1. Regulatory Agility: Implementing specialized adaptive zoning overlays and fast-tracked change-of-use permits (IMB/PBG) to eliminate administrative uncertainty.
2. Fiscal Scaffolding: Deploying targeted economic incentives, such as green financing instruments, tax abatements, and Floor Area Ratio (KLB) bonuses, to offset the high MEP retrofitting premiums, which can reach up to 85% of new construction costs.
3. Socio-Spatial Integration: Enforcing user-centric design guidelines and community engagement frameworks to resolve localized infrastructure, parking, and social legitimacy constraints.

Ultimately, through the integration of technical compliance, regulatory modernization, and socio-spatial dynamics, adaptive reuse can be scaled beyond isolated architectural interventions. It stands as a pivotal mechanism for driving sustainable urban transformation, unlocking land-use efficiency, and revitalizing the spatial economy of Jakarta's Central Business District.

A limitation of this study is its reliance on a sample size of seven case studies concentrated strictly within Jakarta's prime CBD zone, which may not capture market dynamics in secondary business districts or suburban commercial corridors. Additionally, because these projects are led by academics, the study focuses primarily on expert stakeholder perspectives rather than long-term post-occupancy data from residents. Future research should focus on quantitative financial models to establish precise cost-benefit thresholds for structural conversions and perform comparative analyses on adaptive reuse policies across emerging megacities in Southeast Asia (e.g., Bangkok, Manila, Ho Chi Minh City) to build a regional framework for sustainable urban development.

Acknowledgement

The author expresses sincere gratitude to the interview participants, including architects, developers, and urban planning professionals, whose insights significantly contributed to this study. Appreciation is also extended to the Calvin Institute of Technology for academic support and to colleagues in the Architecture and Sustainable Design program for their valuable feedback throughout the research process.

References

Angreni, A. (2020). *Indonesia Property Market Overview: Recent Market Performances Since the Spread of COVID-19 Pandemic.* Coldwell Banker Commercial.

Cervero, R., Guerra, E., & Al, S. (2017). Transit-Oriented Development and Sustainable Urbanism. *Transport Policy*, 60, 1–10.

Conejos, S., Langston, C., & Smith, J. (2016). Improving the Implementation of Adaptive Reuse Strategies for Historic Buildings. *Habitat International*, 56, 123–134.

Creswell, J. W., & Poth, C. N. (2016). *Qualitative Inquiry and Research Design: Choosing Among Five Approaches* (4th ed.). Sage Publications.

Clifford, B. (2019). *Healthy Homes? Thirty Examples of Permitted Development Conversions.* London: UCL Bartlett School of Planning.

Clifford, B. P., Ferm, J., Livingstone, N., & Canelas, P. (2018). *Assessing the Impacts of Extending Permitted Development Rights to Office-To-Residential Change of Use in England.* London: RICS: Royal Institution of Chartered Surveyors.

Dickson, M., Das, P., & Brammer, S. (2021). Sustainable Adaptive Reuse of Commercial Buildings: A Pathway Toward Circular Cities*. Journal Of Urban Regeneration and Renewal*, 14(3), 215–230.

Dunning, R., O'Brien, P., Payne, S., & Buck, M. (2020). *Land Value Capture: Attitudes From the House-Building Industry on Alternative Mechanisms.* Sheffield: Royal Institution of Chartered Surveyors (RICS).

Ellen, I. G., & Kazis, N. (2023). Flexibility and Conversions in New York City's Housing Stock: Building for an Era of Rapid Change. *Economic Policy Review*, 29(2), 53-74. https://doi.org/https://doi.org/10.59576/epr.29.2.53-74

Geraedts, R., Voordt, T. J., & Remøy, H. (2017). *Conversion Meter:* A New Tool To Assess The Conversion Potential Of Vacant Office Buildings Into Housing. *Proceedings of the International Conference on Advances on Sustainable Cities and Buildings Development (SB-LAB 2017).* Porto, Portugal: Green Lines Institute for Sustainable Development.

Glumac, B., & Islam, K. (2020). Economic Feasibility of Office-To-Residential Conversions: A Decision-Support Model. *Building Research & Information*, 48(7), 731–745. https://doi.org/10.1080/09613218.2019.1687547

Gursel, D., Yildiz, A., & Tuncer, A. (2023). Adaptive Reuse as A Sustainable Urban Strategy: Assessing Environmental and Social Benefits*. Sustainability,* 15(4), 2291. https://doi.org/10.3390/su15042291

Heath, T. (2001). Adaptive Re-Use of Offices for Residential Use: The Experiences Of London And Toronto. *Cities,* 18(3), 173–184. https://doi.org/10.1016/S0264-2751(01)00008-9

Kim, J., & Lee, K. (2020). Urban Regeneration Through Adaptive Reuse: Sustainability and Spatial Efficiency. *Cities,* 98, 102564. https://doi.org/10.1016/j.cities.2019.102564

Langston, C. (2019). Measuring The Sustainability of Adaptive Reuse Projects. *Building Research & Information*, 47(4), 435–451.

Madeddu, M., & Clifford, B. (2023). The Conversion of Buildings to Housing Use: England's Permitted Development Rights In Comparative Perspective. *Progress in Planning*, 171, 100730. https://doi.org/https://doi.org/10.1016/j.progress.2022.100730

Midayanti, R. (2021). *Urban Housing Demand and Demographic Growth in Indonesia.* Ministry of Public Works and Housing.

Muldoon-Smith, K., & Greenhalgh, P. (2016). Greasing the Wheels, or A Spanner in The Works? Permitting The Adaptive Re-Use Of Redundant Office Buildings into Residential Use in England. *Planning Theory & Practice*, 17(2), 175-191. https://doi.org/https://doi.org/10.1080/14649357.2016.1156144

Mungkasa, O. (2020). *Working From Home (WFH): Toward A New Order in The Era of The COVID-19 Pandemic.* Ministry of National Development Planning (Bappenas).

Pojani, D., & Stead, D. (2021). Post-Pandemic Urban Transformation and the Future Of Land Use*. Cities*, 119, 103385.

Pratiwi, N., Sitorus, R., & Hidayat, A. (2023). Conversion of Vacant Offices into Housing: A Potential Solution for Indonesia's Urban Housing Crisis*. Indonesian Journal of Urban Studies*, 7(2), 88–102.

Remøy, H., & Van der Voordt, T. (2014). Adaptive Reuse Of Office Buildings into Housing: Opportunities and Risks. *Building Research & Information*, 42(3), 381–390. https://doi.org/10.1080/09613218.2014.865920

Savin-Baden, M., & Major, C. H. (2023). *Qualitative Research: The Essential Guide to Theory and Practice* (2nd ed.). Routledge.

Schmidt III, R., & Austin, S. (2016). *Adaptable Architecture: Theory and Practice*. Routledge.

Tallon, A. (2020). *Urban Regeneration in the UK.* Routledge. https://doi.org/https://doi.org/10.4324/9781351030304

Titelboim, G. (2020). *Adaptive Reuse and Sustainability in Real Estate Development.* Journal of Property Investment & Finance, 38(5), 403–417. https://doi.org/10.1108/JPIF-01-2020-0011

Wilkinson, S. J., Remøy, H., & Langston, C. (2009). *Sustainable Building Adaptation: Innovations in Decision-Making.* Wiley-Blackwell.

Yust, B., & Meghdari, N. S. (2023). Housing From Offices: Evaluating Adaptive Reuse as a Response To Urban Housing Demand*. Journal of Sustainable Architecture and Urban Design*, 12(1), 55–70.

Zhang, Y., Liu, X., & Wang, J. (2022). Office Vacancy and Adaptive Reuse in Post-Pandemic Cities. *Cities*, 126, 103726.

Zivkovic, B., Arsenovic, D., & Radivojevic, A. (2016). The Benefits of Adaptive Reuse In Sustainable Urban Development*. Energy Procedia*, 96, 651–660.