

# SB 1369 (Wieckowski)

## Adaptive Reuse for Housing

### SUMMARY

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SB 1369 would permit adaptive reuse of any commercial, office, public, or industrial buildings with an occupancy of 25% or less for housing by right. Adaptive reuse would be limited to residential units only or mixed use with at least two-thirds of the building designated for residential use. Local governments would have the authority to adopt implementing ordinances consistent with this purpose. The bill would also grant a bonus to projects seeking Infill Infrastructure Grants.

### BACKGROUND

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California continues in the midst of a severe housing crisis with many experts estimating that the state is short by more than 3 million housing units. In 1999, the City of Los Angeles adopted an ordinance to permit the adaptive reuse of office and commercial buildings in the downtown area. According to a study by the Central City Association (CCA) of Los Angeles in April, 2021, during the first 20 years of the ordinance, over 12,000 housing units were created by adaptive reuse in downtown Los Angeles, more than 30% of the total of 37,000 units of housing downtown during that time period. The CCA projects that if just 5% to 10% of the 155,000,000 square feet of office space in downtown Los Angeles is converted to housing, it would yield another 8,000 to 16,000 new units. Los Angeles is now considering expanding the adaptive reuse ordinance to other parts of the city and some other cities such as Santa Ana and Sacramento have adaptive reuse ordinances.

California also faces a climate crisis. The Intergovernmental Panel on Climate Change has said we are in a “code red” condition to take action to reduce the rate and extent of global warming in order to avoid a catastrophe. Up to half the greenhouse gas (GHG) emissions of new construction come from demolition of existing buildings. Adaptive reuse significantly reduces these emissions. Reducing parking can cut GHG emissions from vehicles and encourage more active transportation.

Adaptive reuse is a strategy to preserve and enhance existing neighborhoods. With the pandemic leading to more remote work for those who previously occupied office buildings and an accelerated shift from brick and mortar shopping to online shopping, adaptive reuse uses space that could otherwise be empty and lead to the deterioration of neighborhoods. By providing housing in buildings previously used for non-residential purposes, adaptive reuse also avoids displacement of any existing residents. In addition, adaptive reuse can work well in communities of all sizes.

### EXISTING LAW

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There is no existing state law regarding adaptive reuse for housing. Some localities such as the cities of Los Angeles, Santa Ana, and Sacramento have ordinances allowing adaptive reuse. The Governor’s proposed 2022-23 budget includes \$100 million to support adaptive reuse projects.

### THIS BILL

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SB 1369 would permit the adaptive reuse of any commercial, office, public, or industrial buildings with an occupancy of 25% or less for housing by right.

Adaptive reuse would be limited to residential units only or mixed use with at least two-thirds of the building designated for residential use. One additional story may be added to the roof of an existing building. No more parking than that which is on the existing site may be required. An adaptive reuse project shall be subject to the California Existing Building Code (Part 10 of Title 24 of the California Code of Regulations).

An adaptive reuse project would be eligible for a bonus under the Infill Infrastructure Grant Program (IIGP).

The state Building Standards Commission would be required to update the California Existing Building Code to facilitate adaptive reuse projects.

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