

April 1, 2024

The Honorable Christopher Ward Chair, Assembly Housing Committee 1021 O Street, Suite 6350 Sacramento, CA 95814 The Honorable Joe Patterson Vice Chair, Assembly Housing Committee 1021 O Street, Suite 4530 Sacramento, CA 95814

RE: SUPPORT AB 2910 (Santiago) – Adaptive Reuse Alternative Building Regulations

Dear Chair Ward and Vice Chair Patterson:

On behalf of Council of Infill Builders I am writing to **SUPPORT AB 2910 (Santiago)**, which enables specified local governments to adopt alternative building regulations to facilitate the conversion of commercial or industrial buildings to residential units.

Council of Infill Builders is a statewide organization of real estate professionals committed to improving California through infill development. Adaptive reuse of underutilized commercial properties has the potential to breathe new life into downtowns across California reversing declining tax revenues while addressing the state's housing crisis and furthering our ambitious sustainability goals, among other important public objectives.

Adaptive reuse provides substantial public benefits to communities and addresses many of the challenges confronting California:

- Infill housing creation: Struggling office buildings can be put to better use as muchneeded housing supply. According to a study by the RAND Corporation, that "approximately 2,300 potentially underutilized commercial properties that, if fully utilized for residential purposes, could produce approximately 72,000 to 113,000 units of housing in Los Angeles County."
- **Downtown revitalization:** Currently vacant spaces can have a new life as active uses that bring people downtown to live and visit, supporting a vibrant street life and local business environment.
- Environmental sustainability: Adaptive reuse is more environmentally friendly than new construction by repurposing existing materials, reducing transportation emissions and preserving embodied carbon. It also promotes mixed-use neighborhoods that foster walkability and reduce vehicle dependency.
- **Climate resilience:** Seismic retrofit mandates are in place today, but there is a lack of financial tools to cover the costs of building upgrades. Adaptive reuse can be a viable pathway to achieve seismic retrofit mandates by providing building owners an economic incentive to upgrade their buildings.

- **Fiscal health:** Office buildings are depreciating in value and property tax revenues are beginning to decline in tandem, along with decreased economic activity in city centers due to more hybrid and remote work that will impact business and sales taxes, among other important sources of funds. Converting excess office stock to housing can stabilize local office markets and increase the vitality of surrounding areas, a virtuous cycle that can bolster tax revenues.
- Neighborhood preservation and placemaking: Adaptive reuse presents the chance for existing buildings to feasibly change with the times, and therefore continue to contribute to the architectural diversity of cities and serve as community assets into the future. Moreover, it provides an opportunity for neighborhoods to grow and densify while reusing buildings that help contribute to the look, feel and identities of communities.

AB 2910 enables Prohousing jurisdictions with compliant Housing Elements to adopt alternative building regulations to facilitate the conversion of commercial or industrial buildings to residential units. Before a city or county may adopt alternative building regulations, the local jurisdiction must submit their proposed regulations to the California Building Standards Commission, which may offer technical assistance or request revisions to the proposed regulations, within a specified timeframe, in order to protect public health, safety, and welfare.

This bill would give cities the flexibility and nuance needed to amend their local building codes to better enable conversion projects, while ensuring the state of California has the appropriate level of oversight and discretion in the process.

For the reasons stated above, Council of Infill Builders is pleased to **SUPPORT AB 2910** (Santiago).

Sincerely,

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Director, Council 🛩 Infill Builders