

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF HOUSING POLICY DEVELOPMENT**

651 Bannan Street, Suite 400
Sacramento, CA 95811
(916) 263-2911 / FAX (916) 263-7453
www.hcd.ca.gov



November 12, 2025

Sherri Metzker
Community Development Director
City of Davis
23 Russell Boulevard
Davis, CA 95616

Dear Sherri Metzker:

**RE: 1731 Research Park Drive – Middle Class Housing Act (SB 6) – Letter of
Technical Assistance**

The California Department of Housing and Community Development (HCD) received a request for technical assistance regarding a proposed 23-unit housing development project located at 1731 Research Park Drive (Project) in the City of Davis (Davis). HCD understands that the application proposes to convert an existing office building into housing (adaptive reuse) using the Middle Class Housing Act of 2022, known as SB 6.¹ However, the City notified the applicant that the project is ineligible for SB 6 due to being an adaptive reuse project. This letter provides technical assistance to explain why an adaptive reuse project can utilize SB 6.

Background

The Project site has a general plan land use designation of General Commercial and is zoned Planned Development (PD #3-93), both of which do not allow for residential uses. HCD understands the City's has determined that the project is ineligible for processing as an SB 6 project because the statutory language of SB 6 does not explicitly refer to conversion of existing buildings into residential use as an eligible project type.

SB 6 and Adaptive Reuse

Therefore, the relevant question is: Can an adaptive reuse housing development project utilize SB 6?

¹ Gov. Code, § 65852.24.

Yes. SB 6 creates a pathway for housing development projects located in zones where office, retail, or parking uses are principally permitted, even if residential use is not permitted. The statute includes eligibility criteria and excludes specified types of development projects. A “housing development project” that is eligible for SB 6 is defined as either: 1) a project consisting of residential units only, or 2) a mixed-use development consisting of residential and nonresidential retail commercial or office with at least 50 percent of the square footage of the new construction designated for residential use where none of the square footage is designated for hotel, motel, bed and breakfast inn, or other transient lodging use, except for a residential hotel.² This definition does not outright preclude adaptive reuse projects from qualifying – subject to meeting all other eligibility requirements – as long as the project is consistent with the above definition of a housing development project. Furthermore, it should be noted that the bill’s author explicitly contemplated the application of SB 6 to conversion of existing buildings: “[t]his bill will allow cities to approve ... the reuse of infill property zoned for retail and office space for residential construction. ***This adaptive reuse*** of shopping malls or strip malls will reduce greenhouse gas emissions and urban sprawl.”³ (Emphasis added.)

Conclusion

In sum, an adaptive reuse project that meets the definition of a “housing development project” and all other eligibility requirements of SB 6 can utilize the bill to unlock sites that were not previously available for residential development. The City must continue to process the project application accordingly and cannot render the project ineligible for SB 6 solely on the basis that it is adaptive reuse. HCD appreciates the City’s consideration of this guidance and welcomes any further opportunities to provide technical assistance. If you have any questions or needed additional information, please contact Gabriel A. Pena-Lora, of our staff, at gabriel.pena-lora@hcd.ca.gov.

Sincerely,

A handwritten signature in black ink, appearing to read 'Melinda Coy', with a long, sweeping horizontal line extending to the right.

Melinda Coy
Housing Accountability Unit Chief

² Gov. Code §65852.24, subd. (k)(1).

³ Senate Rules Committee, Amended 8/25/2022, Page 7.