

1 [Supporting House Resolution No. 2410 (Carey and Gomez) - Revitalizing Downtowns and  
2 Main Streets Act]

2

3 **Resolution supporting House Resolution No. 2410, the Revitalizing Downtowns and**  
4 **Main Streets Act, authored by United States Representatives Mike Carey and Jimmy**  
5 **Gomez, which will provide a federal tax credit to facilitate the conversion of office and**  
6 **other commercial buildings into housing.**

7

8 WHEREAS, San Francisco’s office vacancy rate continues to be very high, with 34.4%  
9 of office space in the city being vacant in the final quarter of 2025; and

10 WHEREAS, San Francisco’s Housing Element requires the development of 82,069  
11 housing units by 2031, including 32,881 units affordable at lower incomes; and

12 WHEREAS, The City and County of San Francisco has previously affirmed its  
13 commitment to facilitating the conversion of office buildings into housing in order to produce  
14 much-needed housing from underutilized spaces and allow more people to live downtown;  
15 and

16 WHEREAS, San Francisco voters passed Proposition C on March 5, 2024, which  
17 provided a one-time transfer tax exemption, for up to 5,000,000 square feet of the project, for  
18 property owners who convert office buildings to housing in San Francisco; and

19 WHEREAS, On February 3, 2026, the Board of Supervisors adopted Resolution No.  
20 38-26, signed by the Mayor on February 11, 2026, establishing the San Francisco Downtown  
21 Revitalization and Economic Recovery Financing District to finance eligible commercial-to-  
22 residential conversion projects with incremental tax revenues generated by those projects;  
23 and

24

25

1           WHEREAS, The federal government currently offers support for commercial-to-  
2 residential projects through tax credits (for rehabilitation of historic buildings and energy  
3 efficiency), loans, grants, and technical assistance; and

4           WHEREAS, Despite previous efforts at the local, state, and federal levels, the  
5 remaining high costs of converting vacant office and commercial buildings into housing  
6 continue to make many conversion projects infeasible; and

7           WHEREAS, A new federal tax incentive, modeled after the Historical Preservation Tax  
8 Credit, would help offset prohibitive costs so these projects can contribute to ending the  
9 affordable housing shortage in San Francisco and the rest of the United States; and

10          WHEREAS, The Revitalizing Downtowns and Main Streets Act would provide a federal  
11 tax credit to facilitate the conversion of older, underutilized office and other commercial  
12 buildings into residential housing; and

13          WHEREAS, This credit would cover a significant amount of eligible costs involved in  
14 converting commercial real estate to housing, making the projects more feasible; and

15          WHEREAS, The Revitalizing Downtowns and Main Streets Act requires that no less  
16 than 20% of the residential units created by the credit are reserved for individuals whose  
17 income is at or below 80% of area median income (AMI) for a minimum of 30 years, with an  
18 option for states to require a longer affordability period; and

19          WHEREAS, For difficult-to-develop and qualified low-income areas, affordability would  
20 be even deeper at or below 60% AMI; and

21          WHEREAS, All of the affordable units created by this credit would be rent restricted to  
22 30% or less of that income, significantly reducing rent burden for those who live in these new  
23 units; now, therefore, be it

24  
25

1 RESOLVED, That the Board of Supervisors of the City and County of San Francisco  
2 supports House Resolution No. 2410, the Revitalizing Downtowns and Main Streets Act, to  
3 facilitate the conversion of empty office buildings into much-needed housing; and, be it

4 FURTHER RESOLVED, That the Board of Supervisors urges the United States (U.S.)  
5 House of Representatives and U.S. Senate to enact the Revitalizing Downtowns and Main  
6 Streets Act; and, be it

7 FURTHER RESOLVED, That the Clerk of the Board shall send a copy of this  
8 Resolution to Speaker Emerita Nancy Pelosi, Senator Alex Padilla, Senator Adam Schiff,  
9 Representative Mike Carey, and Representative Jimmy Gomez.

10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25