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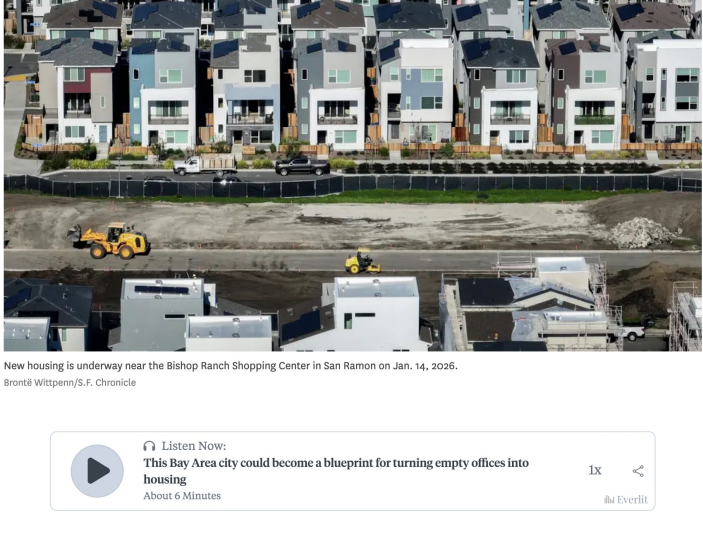
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This Bay Area city could become a blueprint for turning empty offices into housing

By Sarah Ravani, Staff Writer
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New housing is underway near the Bishop Ranch Shopping Center in San Ramon on Jan. 14, 2026.
Brooks Witte/S.F. Chronicle



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This Bay Area city could become a blueprint for turning empty offices into housing

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Across the Bay Area's major cities, developers looking to turn empty office buildings into homes are mostly trying to save what's already there — gutting downtown high-rises and rebuilding them as apartments. But San Ramon is taking a different approach: tearing down its office parks and starting over.

While San Francisco has struggled to get any office-to-housing construction underway, the Tri-Valley city already has 1,501 units either under construction or approved on land where office buildings are coming down, with many in the sprawling Bishop Ranch office parks that once housed Chevron's headquarters.

The city has gone further, approving a master plan to demolish the oil giant's old offices entirely to build 2,452 units there. It's a bet that has made San Ramon a regional leader in a very specific kind of real estate shift that few other cities have figured out how to pull off.

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Michael Copeland, a managing director at Cushman and Wakefield, said San Ramon is leading the region in converting suburban office parks to new housing primarily because of Bishop Ranch. Still, other cities are starting to take on the strategy. Sunnyvale, for example, has also approved some projects that involve the demolition of existing office buildings to make way for housing.

Copeland said Bishop Ranch is at "the forefront of the industry recognizing this office-to-residential transition trend and they jumped out in front of the competition."



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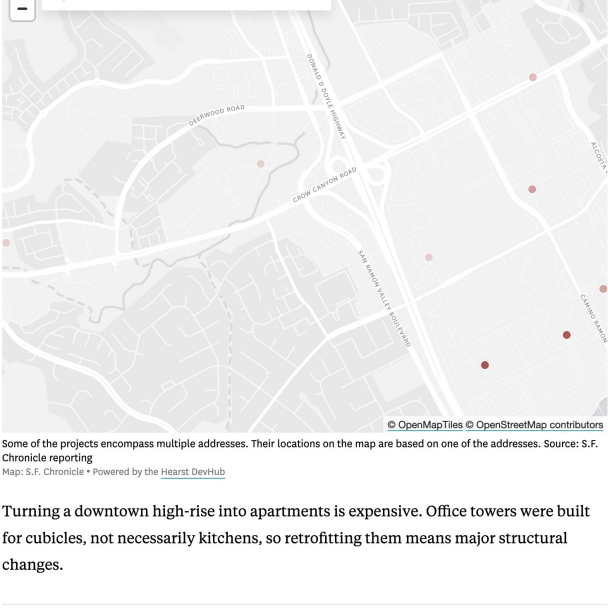
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"Coincidentally, San Ramon turned out to be at the epicenter of starter home demand and the timing was perfect," he said. "Other markets in the East Bay are catching on, slightly behind the curve, but we're now seeing older office projects being tied up for residential entitlement everywhere."

Office-to-housing conversion projects in San Ramon

These eight developments that have been approved or are under construction would create 1,500 new housing units by demolishing existing office buildings.



Turning a downtown high-rise into apartments is expensive. Office towers were built for cubicles, not necessarily kitchens, so retrofitting them means major structural changes.

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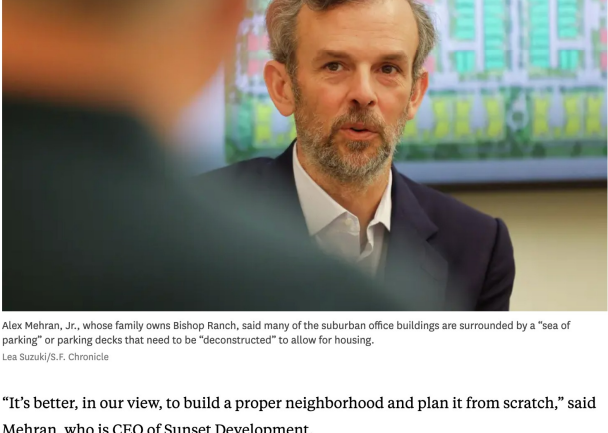
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San Ramon's office parks don't have that problem. They are low, spread-out campuses sitting on big parcels of land, which means it's more cost-effective for them to simply come down and be replaced with a newer building — allowing the city to move faster as it transforms aging business campuses into mixed-use neighborhoods.

"All these projects are all about the economics," said Jeff Bellisario, the executive director of the Bay Area Council Economic Institute. "In San Francisco, it is cheaper to renovate and refurbish the internal footprint rather than take it all down."

But that's not the case in San Ramon.

Alex Mehran, Jr., whose family owns Bishop Ranch, said many of the suburban office buildings there are surrounded by a "sea of parking" or parking decks that need to be "deconstructed" to allow for housing.



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Les Suzuki/S.F. Chronicle

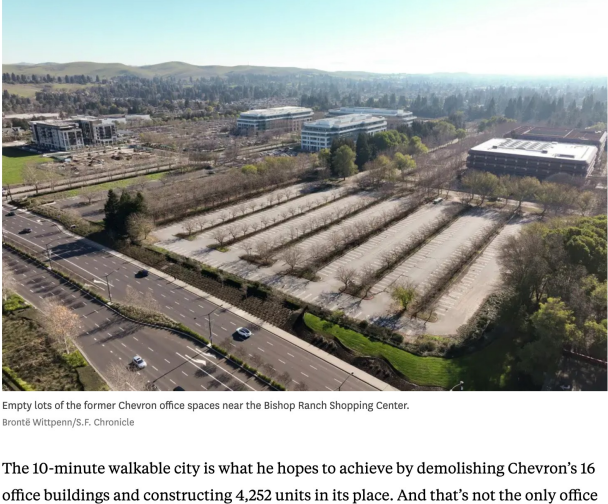
"It's better, in our view, to build a proper neighborhood and plan it from scratch," said Mehran, who is CEO of Sunset Development.

That effort also benefits the city's struggling office vacancy rate. A second quarter report by JLL, a San Francisco-based real estate services company, found offices regionally are losing tenants with the total vacancy for cities along the Interstate 680 corridor above 30%. San Ramon has one of the weakest markets for large office spaces, according to the report.

Jacob Meyers, a senior analyst at JLL, said San Ramon's vacancy is driven by Bishop Ranch losing major tenants like Chevron. In general, the suburban office parks that feature low-rise buildings with massive parking lots built in the 1980s and 1990s, are unappealing to workers now.

"That is really just tired space and doesn't really suit today's tenant," Meyers said.

That's why Mehran has shifted his family's strategy for Bishop Ranch. His vision relies on transforming the suburban office park into a small, walkable "10-minute city" that allows residents to access basic necessities such as groceries, schools and parks within walking or biking distance of their homes.



Empty lots of the former Chevron office spaces near the Bishop Ranch Shopping Center.
Brooks Witte/S.F. Chronicle

The 10-minute walkable city is what he hopes to achieve by demolishing Chevron's 16 office buildings and constructing 4,252 units in its place. And that's not the only office site coming down in Bishop Ranch.

Meyers said San Ramon's office vacancy numbers are improving since the approval of the canopy development last November, which will demolish two existing office buildings in Bishop Ranch to construct 416 units. Construction has not yet begun.

Steven Spedowski, San Ramon's city manager, said when Bishop Ranch was developed in the 1980s, it was built to accommodate 30,000 employees. But as files and records became digitized, the space needed per employee decreased. COVID and the push for remote work meant companies needed even less office space, he said.

When the city updated its general plan to address state housing requirements to plan for approximately 5,100 units, officials decided to designate former office parks for housing to maintain its shopping centers and City Center at Bishop Ranch, and keep the pressure off existing neighborhoods, Spedowski said.



New construction at City Village being built by SummerHill in Bishop Ranch.
Les Suzuki/S.F. Chronicle

As a result, eight of the city's current residential projects require the demolition of old office buildings, three of which are within Bishop Ranch, said Cindy Yee, a division manager in the city's planning services department.

Mehran said people no longer want to go to an office park where they have to walk through an expansive lobby to get to their cubicle. They want more amenities in their offices.

If people are moving to San Ramon, it's likely because they have a child and they're drawn to the area's excellent schools and bigger, but more affordable housing stock, Mehran said. Those factors create a need for an amenity-filled housing site.

"That creates a situation where you want to do your job, you want take care of your child and you want to get all the daily administrative things done from working out to getting your teeth cleaned to getting your hair done and dropping off your laundry, and a place like Bishop Ranch where you can get all that done is critical," Mehran said.

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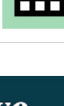
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