

May 29, 2025

BRIDGE REAL ESTATE INC.
393 Hamilton Street
Costa Mesa CA 92627
Phone: (949) 779-4688
Email: mihaela@bridgereal-estate.com

South Coast Air Quality Management District
21865 Copley Drive
Diamond Bar, CA 91765

RE: OPPOSITION TO PROPOSED RULE CHANGES 1111 AND 1121

Dear Members of the SCAQMD Board of Directors:

On behalf of Bridge Real Estate Inc., we are writing to express our strong opposition to the proposed amendments to SCAQMD Rules 1111 and 1121, which would phase out the use of gas-powered water heaters and furnaces in all multifamily housing across the South Coast region.

While we share the goal of reducing emissions and protecting the environment, the proposed rule changes—as currently structured—create significant and immediate challenges for property owners, residents, and communities. The impacts of this transition, as currently proposed, would be far-reaching and burdensome, with consequences that we believe have not been fully considered.

Our Key Concerns Include:

1. Extended Permit and Infrastructure Delays

Upgrades required for electric systems (including additional power lines and electrical panels) are already subject to delays of up to 12 months, leaving properties and residents in limbo. These delays are unacceptable and unworkable, especially in emergency equipment failure situations.

2. Tenant Displacement

Without interim solutions, residents face extended displacement during system failures. There is no practical way to house displaced tenants while property owners await approvals and infrastructure work. This not only disrupts lives but adds a layer of

instability to our housing market at a time when affordability and availability are already in crisis.

3. No Emergency Replacement Option

The inability to replace failed gas systems with temporary or like-for-like equipment means property owners have no recourse in emergencies, risking both property damage and health hazards. This absence of flexibility effectively forces displacement and could result in properties being left without essential heating and hot water for unacceptable periods.

4. Prohibitive Costs

Installation costs for electric systems are estimated between \$10,000 and \$60,000 per unit. These costs are unsustainable and will ultimately impact tenants through increased rents or deferred maintenance, making housing less affordable for tenants across the region.

We urge the SCAQMD to reconsider these rule changes and instead develop a balanced, phased approach that allows for:

- * Interim replacement solutions for emergency failures
- * Streamlined permitting processes
- * Financial support or incentives for compliance
- * Sufficient lead time to upgrade infrastructure without tenant displacement

In summary, we urge the Board to reconsider these rule changes and work collaboratively with housing providers to develop a more practical, phased approach that incorporates realistic timelines, interim flexibility for equipment replacement, and financial assistance mechanisms to support the necessary infrastructure upgrades.

For these reasons, we respectfully request that you vote **NO** on the proposed amendments to Rules 1111 and 1121 at the upcoming meeting on **Friday, June 6, 2025**.

Thank you for your time and thoughtful consideration.

Sincerely,

Janet Colley, Jeremiah Schnee and Mihaela Vilhauer

Owner, President and General Manager

Bridge Real Estate Inc.