

June 22, 2021

Kent Steffens, City Manager
Office of the City Manager
City of Sunnyvale
456 W. Olive Ave.
Sunnyvale, CA 94086
Email: citymgr@sunnyvale.ca.gov

RE: 1178 Sonora Court – DDA Extension and Commercial Ground Lease Request

Dear Mr. Steffens

MidPen Housing (“MidPen”) is proposing to develop the 1178 Sonora Court parcel in Sunnyvale as an approximately 176-unit multi-family rental housing development serving low-income families.

MidPen is working with City Housing Department staff to enter a ground lease on this property. This letter is MidPen’s formal request to revise the following provisions of the Disposition and Development Agreement (DDA) between the City of Sunnyvale and Mid-Peninsula Baker Park, Inc. dated May 19, 2020 to allow the City to enter into a short term commercial lease with the Partnership, MP Sonora Court Associates, L.P., until Construction Loan Closing. At Construction Loan Closing, a long-term ground lease will be entered into between the City and the Partnership.

The anticipated terms of the short term commercial lease include an effective date of no later than July 1, 2021, an initial term of two years with the possibility to extend, and a monthly lease rate of \$1,000 payable to the City.

Thank you in advance for your consideration of these requests. Please contact me if further information is required at 650-339-6181 or mollie.naber@midpen-housing.org.

Sincerely,



Mollie Naber
Associate Director

Cc: Jenny Carloni, Housing Officer, City of Sunnyvale
Ryan Dyson, Housing Specialist, City of Sunnyvale
Jennifer Liu, Senior Project Manager
Katie Lan, Project Associate