



Sunnyvale

# Transfer of Three Downtown Parking Garages from the RDA Successor Agency to the City of Sunnyvale

Prepared by  
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Oct. 28, 2025



# Introduction

## Proposed Actions

Adopt Resolutions of the City Council and the Successor Agency Approving a Compensation Agreement to:

- Allow the Transfer of Certain Properties Used for Public Parking from the Successor Agency to the City, and
- Authorize the City Manager to Take All Actions Necessary to Implement the Compensation Agreement

# The Properties: Three Downtown Parking Garages

- Owned by the former Sunnyvale Redevelopment Agency, now called the Successor Agency to the Former Redevelopment Agency
- Leased and maintained by the developer STC Venture (Cityline)



PD-1 or F, "Pear"  
Block 1, Lot 3  
325 S. Taaffe St.



PD-2 or E, "Orange"  
Block 2, Lot 4  
225 S. Taaffe St.



PD-5 or AMC/WF, Penney's  
Block 5, Lot 2  
330 S. Murphy Ave.

# Garage Locations

Downtown Specific Plan (DSP) map

Block 18   
("Town Center")

RDA Garages 

*Note: Subblocks 1-6 of the DSP are also known as Blocks 1-6 of the Town Center*



# California Redevelopment Act

1940s – 1950s

- **1945:** California Redevelopment Act allows local governments to form Redevelopment Agencies (RDAs) to address community blight.
- **1951:** California authorizes use of “tax increment financing” to fund redevelopment.
  - Increased property tax assessments generated by redevelopment are funneled back into RDAs to support redevelopment activities.

# Sunnyvale Redevelopment Agency

1950s – 1970s

- **1957:** Sunnyvale forms an RDA and defines a redevelopment area bounded by Washington, Mathilda, Iowa, and Sunnyvale Avenues.
- **1976:** The RDA uses eminent domain and private sales to acquire privately owned parcels in the redevelopment area, then conveys 24 acres to the developer of the Sunnyvale Mall, Ernest W. Hahn.
- **1979:** The Sunnyvale Town Center Mall opens. The RDA constructs a parking garage on RDA-owned property along Mathilda/Taaffe.

# The Sunnyvale Town Center Mall



- By the early 1990s, the Town Center Mall was struggling financially.



# Sunnyvale Redevelopment Agency

1990s – early 2000s

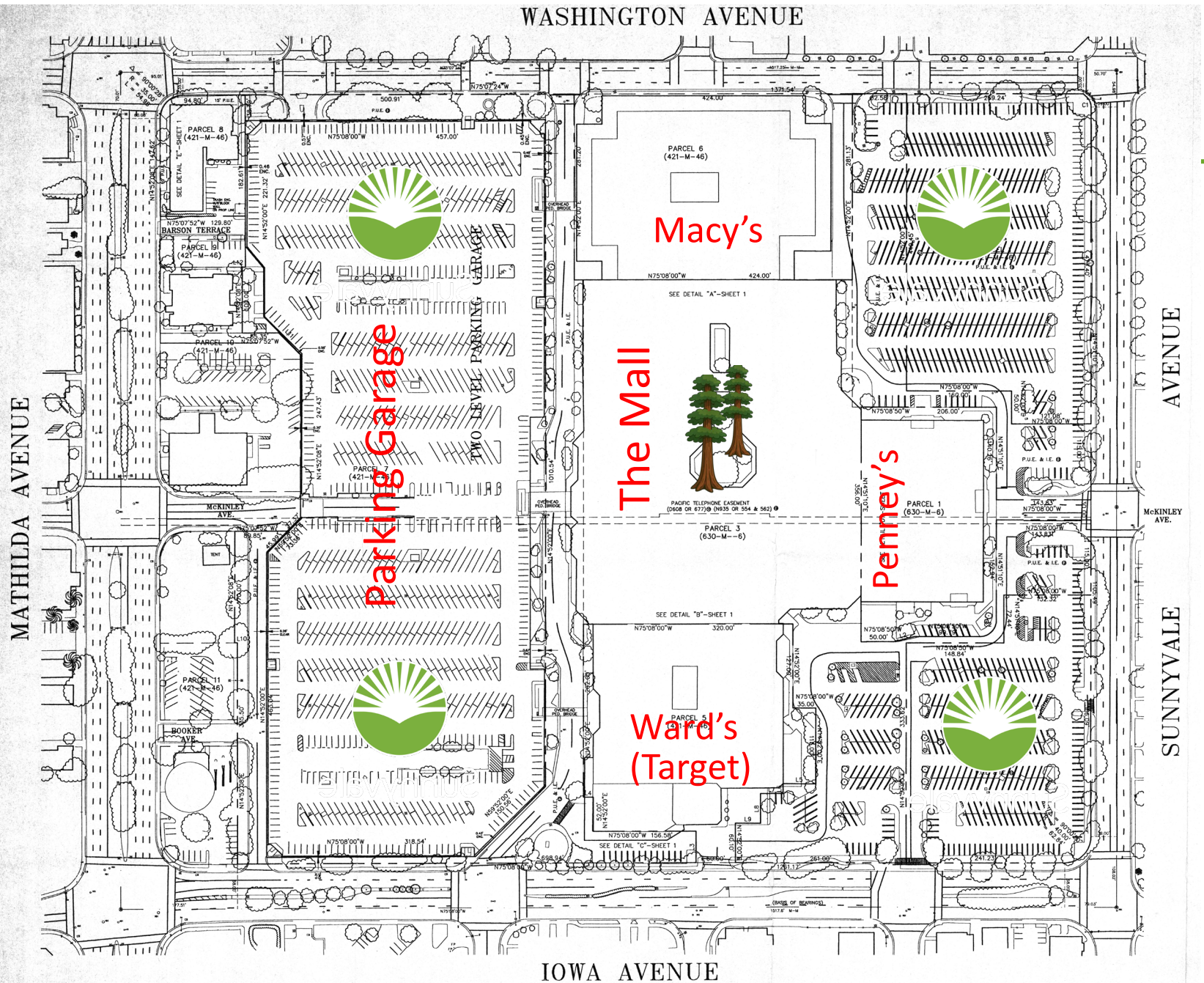
- **1999:** The Mall is sold to American Mall Properties (AMP), except for Macy's, Penney's, and Montgomery Ward, which are separately owned.
- The RDA and AMP enter into an agreement to expand the Mall.
- The City and AMP agree to a land swap by which the RDA acquires the surface parking lots next to Macy's and Penney's.
- **2002:** AMP declares bankruptcy without starting the Mall improvements. The RDA completes construction of the parking garage next to Penney's.



# 1990s Town Center Map



RDA owned  
after 1999



# Further Redevelopment Efforts

2000s

- **2004: Forum/Fourth Quarter**
  - ◆ Purchases the Penney's building, essential to recreate the street grid.
  - ◆ Project defaults without breaking ground.
- **2007: Downtown Sunnyvale Mixed Use LLC (DSMU)**, a joint venture of developer Peter Pau (Sand Hill Properties) and Deutsche Bank.
  - ◆ Construction halts in 2009 during the "Great Recession."
  - ◆ Litigation between DSMU and its lender stalls the project until 2015.
  - ◆ Meanwhile, two RDA parking garages on Taaffe are completed.

# 2007 Parcel Map

 RDA Parcels in 2007

Three parking garages on Blocks 1, 2, and 5

Macy's parking lot on Block 6, later transferred to STC Venture in 2018.

## TRACT NO. 9925 SUNNYVALE TOWN CENTER FOR CONDOMINIUM PURPOSES CONSISTING OF 11 SHEETS

BEING A RESUBDIVISION OF PARCELS 1, 2, 3, 4, 5 AND 6 OF THAT CERTAIN PARCEL MAP FILED MAY 25, 2000 IN BOOK 728 OF MAPS AT PAGES 46 THROUGH 49 INCLUSIVE; AND PARCEL 9 OF THAT CERTAIN PARCEL MAP FILED JULY 3, 1978 IN BOOK 421 OF MAPS AT PAGES 46 AND 47 INCLUSIVE; AND A PORTION OF LOTS 9 AND 10, BLOCK 8 OF THE MAP OF THE TOWN OF ENCINAL, FILED JANUARY 25, 1898 IN BOOK 1 OF MAPS AT PAGE 88; AND PARCEL 1 OF THAT CERTAIN PARCEL MAP FILED AUGUST 28, 1991 IN BOOK 630 OF MAPS AT PAGES 8 THROUGH 9 INCLUSIVE, ALL RECORDS OF SANTA CLARA COUNTY; AND PORTIONS OF MATHILDA AVENUE, WASHINGTON AVENUE, IOWA AVENUE AND BARSON TERRACE.

LYING ENTIRELY WITHIN THE CITY OF SUNNYVALE, SANTA CLARA COUNTY, CALIFORNIA  
SCALE: 1" = 100' DATE: SEPTEMBER 2007



**BASIS OF BEARINGS**  
THE BEARING NORTH 75°00'00" WEST OF THE MONUMENT LINE OF IOWA AVENUE AS SHOWN ON THAT PARCEL MAP WHICH WAS FILED JUNE 5, 1978 IN BOOK 421 OF MAPS AT PAGES 46 AND 47, SANTA CLARA RECORDS, WAS USED AS THE BASIS OF BEARINGS FOR THIS PARCEL MAP.

**NOTES**

- ALL DISTANCES AND DIMENSIONS ARE IN FEET AND DECIMALS THEREOF.
- ALL EXISTING AND PROPOSED EASEMENTS ARE SHOWN ON SHEETS 4 THROUGH 11.
- THE DISTINCTIVE BORDER LINE INDICATES THE BOUNDARY OF THE LAND SUBDIVIDED BY THIS MAP AND CONTAINS AN AREA OF 31.562 ACRES, MORE OR LESS.

**LEGEND**

- FOUND MONUMENT, AS NOTED ON MAP
- ⊙ SET 2-1/2" BRASS DISK MONUMENT WITH PUNCH MARK IN CONCRETE BASE, INSIDE MONUMENT WELL, STAMPED "LS 5888"
- SET 3/4" IRON PIPE WITH PLASTIC PLUG AND TACK, STAMPED "LS 6888"
- DISTINCTIVE BOUNDARY LINE
- CENTER LINE/MONUMENT LINE
- PUBLIC UTILITY EASEMENT
- MONUMENT TO MONUMENT DISTANCE
- S.F. SQUARE FEET
- (R) RADIAL BEARING
- (T) TOTAL DISTANCE

**BENCH MARK REFERENCE**

BENCH MARK NO. 72, BRASS DISK IN TOP OF CURB NEXT TO CATCH BASIN AT THE SOUTHWEST CURB RETURN AT THE INTERSECTION OF SUNNYVALE AVENUE AND IOWA AVENUE, ELEVATION = 104.270 FEET, CITY OF SUNNYVALE DATUM (NGVD 29).

**REFERENCES**

- 11 RECORD DATA PER PARCEL MAP 728 M 6-9
- 12 RECORD DATA PER PARCEL MAP 421 M 11-12
- 13 RECORD DATA PER PARCEL MAP 421 M 24
- 14 RECORD DATA PER PARCEL MAP 448 M 9
- 15 RECORD DATA PER PARCEL MAP 727 M 48-50
- 16 RECORD DATA PER PARCEL MAP 422 M 10
- 17 RECORD DATA PER PARCEL MAP 448 M 9
- 18 RECORD DATA PER PARCEL MAP 597 M 10-11
- 19 RECORD DATA PER PARCEL MAP 649 M 45-47
- 20 RECORD DATA PER ROS 688 M 46
- 21 RECORD DATA PER PARCEL MAP 486 M 18-19
- 22 RECORD DATA PER TR. NO. 8605, 654 M 41-42
- 23 RECORD DATA PER TR. NO. 4040, 198 M 42
- 24 RECORD DATA PER PARCEL MAP 650 M 13
- 25 RECORD DATA PER PARCEL MAP 734 M 17-21

**CURVE TABLE**

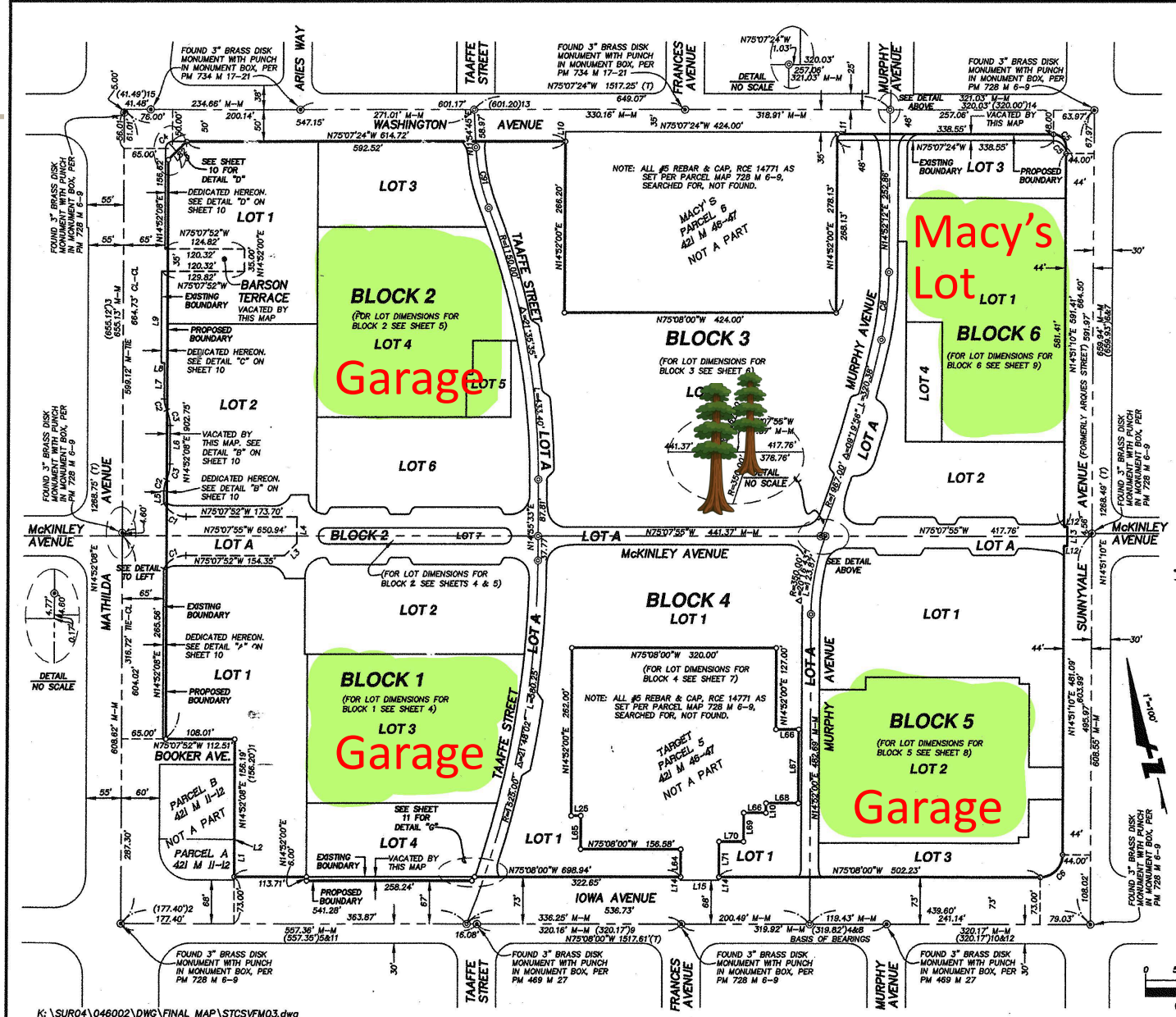
CURVE	RADIUS	DELTA	LENGTH
C1	40.00	102°42'	42.62
C2	40.00	28°34'12"	17.65
C3	56.00	28°42'17"	25.12
C4	11.00	90°00'28"	17.28
C5	20.00	89°58'34"	31.41
C6	35.00	90°03'50"	54.50
C8	500.00	12°00'01"	108.18
C9	300.00	18°34'47"	97.28

**LINE TABLE**

LINE	BEARING	LENGTH
L1	N14°52'08"E	58.10
L2	N75°07'52"W	0.10
L3	N89°32'00"E	27.37
L4	N14°52'08"E	40.77
L5	N14°52'08"E	19.37
L6	N14°52'08"E	60.00
L7	N14°52'08"E	56.72
L8	N75°07'52"W	5.00
L9	N14°52'08"E	142.50
L10	N14°52'08"E	15.00
L11	N14°52'08"E	3.00
L12	N75°07'52"W	5.00
L13	N14°51'10"E	30.00
L14	N14°52'08"E	5.00
L15	N75°08'00"W	60.00
L16	N75°08'00"W	15.00
L17	N14°52'08"E	45.00
L18	N14°52'08"E	52.00
L19	N14°52'08"E	35.00
L20	N14°52'08"E	115.00
L21	N75°08'00"W	50.00
L22	N14°52'08"E	45.00
L23	N75°08'00"W	38.42
L24	N14°52'08"E	45.00
L25	N14°52'08"E	52.00
L26	N75°08'00"W	35.00
L27	N14°52'08"E	115.00
L28	N75°08'00"W	50.00
L29	N14°52'08"E	45.00
L30	N75°08'00"W	38.42
L31	N14°52'08"E	55.10
L32	N89°32'04"E	40.58



FOUND 3" BRASS DISK MONUMENT WITH PUNCH IN MONUMENT BOX, PER PM 728 M 6-9



K:\SUR04\046002\DWG\FINAL MAP\STCS\FM03.dwg

BKf No. 20048002-32 SHEET 3 OF 11

# State Abolishes Redevelopment Agencies

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- In 2012, state enacts legislation to dissolve RDAs and redirect “tax increment” from RDAs to the “taxing entities” such as schools.
- Upon dissolution, the Sunnyvale RDA’s property automatically transferred to a new entity called the Successor Agency.
- The City Council serves as the board of the Successor Agency.
- The Successor Agency assumed all liabilities and enforceable obligations of the former RDA.
- Successor Agency receives cost reimbursement via the “Recognized Obligation Payment Schedule” (ROPS) overseen by the Santa Clara County Oversight Board.

# 2015-Present: Cityline Project

- **2015:** Previous developer's litigation finally concludes, allow the Successor Agency to transfer the project to a new developer.
- **Dec. 2015:** the Successor Agency approves transfer of the project to STC Venture LLC, a joint venture of Sares Regis Group and Hunter Properties (Cityline).
- **2019:** The Macy's parking lot ("Block 6") is transferred to STC.
- **2020:** Cityline projects approved



# Successor Agency Status

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- The Successor Agency cannot be dissolved as long as it owns property.
- As long as the Successor Agency exists, the Santa Clara County Oversight Board will continue to oversee its activities.
- Other property owned by the Successor Agency has either been transferred to the City (e.g. Plaza del Sol) or to STC Venture.
- Until recently, Santa Clara County, on behalf of the “taxing entities” wanted a compensation agreement to share future revenue from the Taaffe St. garages as a condition of recommending a transfer.
  - Contractually dedicated private parking in the Taaffe St. garages means the transfer would not be exclusively for public use.

# Proposal

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- County will recommend approval of a “compensation agreement” that requires no monetary compensation or future revenue sharing.
- Successor Agency will transfer the three garages to the City. The City will be responsible for cleanup of existing PCE contamination on Block 5.
  - PCE contamination from former drycleaners was discovered in 2007 on Blocks 5 and 6 and underwent aggressive remediation.
  - Monitoring will continue for foreseeable future. Costs on Block 5 are shared 50-50 with STC Venture. Possible future costs for equipment replacement, additional monitoring or mitigation.
  - As part of the compensation agreement City will be reimbursed for cost of a 10-year environmental insurance policy.

# PCE Remediation and Monitoring Cost History

Remediation efforts begin →

Fiscal Year	RDA/SA's Share
FY 07/08	\$600,000
FY 08/09	\$2,376,947
FY 09/10	\$3,416,492
FY 10/11	\$682,170
FY 11/12	\$37,661
FY 12/13	\$437,874
FY 13/14	\$295,358
FY 14/15	\$67,409
FY 15/16	\$74,647

Fiscal Year	RDA/SA's Share
FY 16/17	\$136,589
FY 17/18	\$153,297
FY 18/19	\$79,963
FY 19/20	\$10,645
FY 20/21	\$7,718
FY 21/22	\$7,664
FY 22/23	\$8,005
FY 23/24	\$14,818
<b>TOTAL (17 years)</b>	<b>\$8,404,257</b>

Developer assumes all costs for Block 6

← Successor Agency sharing monitoring costs for Block 5



# Recommendation

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Adopt Resolutions of the City Council and the Successor Agency Approving a Compensation Agreement to:

- Allow the Transfer of Certain Properties Used for Public Parking from the Successor Agency to the City, and
- Authorize the City Manager to Take All Actions Necessary to Implement the Compensation Agreement
  - Assignment of existing Successor Agency agreements to the City