



Sunnyvale

295 S. Mathilda Avenue

Tim Kirby, City Manager

Trudi Ryan, Director of Community Development

City Council Meeting

September 9, 2025



[illegible]

-
- The map displays a grid of streets in downtown San Francisco, including W Hovly Ave, E Hovly Ave, E Embarcadero Ave, Lincoln Ave, Bryan Ave, E Mc Kinley Ave, E Mc Kinley Ave, Southwood Ave, Vine Ave, E Olive Ave, Bishop Ave, Old San Francisco Rd, State Rte #2, El Camino Real, All America Way, S Tenth St, S Twelfth St, S Thirteenth St, S Fourteenth St, S Fifteenth St, S Sixteenth St, S Seventeenth St, S Eighteenth St, S Nineteenth St, S Twentieth St, S Twenty-first St, S Twenty-second St, S Twenty-third St, S Twenty-fourth St, S Twenty-fifth St, S Twenty-sixth St, S Twenty-seventh St, S Twenty-eighth St, S Twenty-ninth St, S Thirtieth St, S Thirty-first St, S Thirty-second St, S Thirty-third St, S Thirty-fourth St, S Thirty-fifth St, S Thirty-sixth St, S Thirty-seventh St, S Thirty-eighth St, S Thirty-ninth St, S Fortieth St, S Forty-first St, S Forty-second St, S Forty-third St, S Forty-fourth St, S Forty-fifth St, S Forty-sixth St, S Forty-seventh St, S Forty-eighth St, S Forty-ninth St, S Fiftieth St.
- LEGEND**
- Downtown Transit Center
 - Downtown Mixed-Use
 - Commercial
 - Office
 - Downtown Very High Density Residential
 - High Density Residential
 - Medium Density Residential
 - Low Medium Density Residential
 - Low Density Residential
 - Murphy Station Heritage Landmark District

295 S. Mathilda Avenue (Former Wells Fargo Site)

- **July 2023: MidPen Housing Corporation**

- ◆ Purchase and Sale Agreement (PSA) with Wells Fargo Bank
- ◆ Intent to develop 120-140 affordable rental units
- ◆ City and MidPen discussed:
 - Interest in City ownership of Property
 - Potential partnership for a future 100% affordable housing development

- **August 2023: City Council**

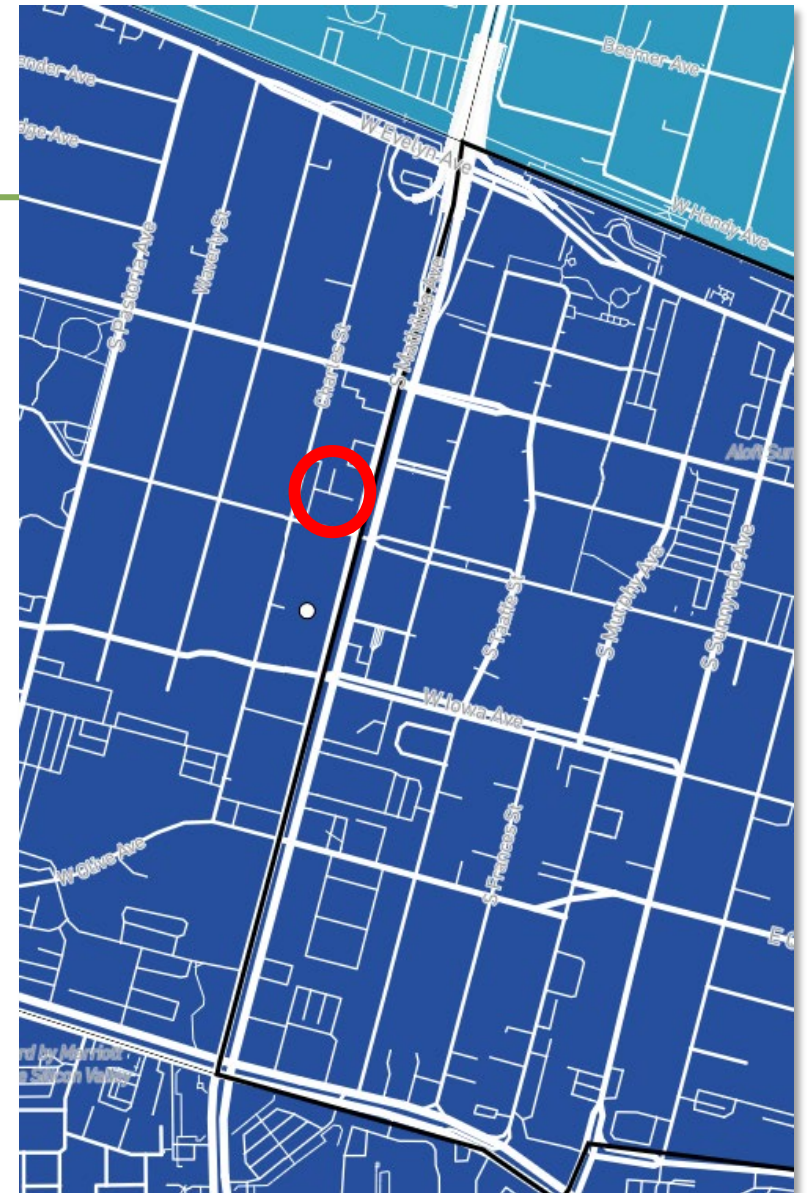
- ◆ Authorized Assignment of PSA and Exclusive Negotiating Agreement (ENA) between City & MidPen:
 - Purchase for \$7.35M (using Housing Mitigation funds)
 - ENA valid for 18 months with option for 12-month extension

Activity

- **Since Sept 2023:** City and MidPen
 - ◆ Continued negotiations
 - ◆ MidPen has completed all tasks required by the ENA including submittal of:
 - Planning application
 - Financing plan
 - Community Engagement Plan
 - ◆ ENA will expire unless both parties enter into a DDA prior to March 2026
- **August 2024:** City Council
 - ◆ Approved conditional award of \$1.5M for predevelopment activities for the proposed affordable housing project
 - ◆ Funds have not yet been disbursed

Current Status

- **March 2025** submittal:
 - ◆ 122 units (3-6 stories)
 - Reduced # units from initial submittal
 - Height lowered on Mathilda and near Charles St.
 - ◆ Project competitive for low-income tax credits
 - ◆ Recently scheduled:
 - Public Outreach October 2
 - PC Study Session October 27
- CEQA exemption: in progress
- Property located in a **Highest Resource** area*
 - ◆ *Provides competitive advantage in affordable housing financing programs*



**according to Tax Credit Allocation
Committee Opportunity Maps*

ENA Terms

- Units for unhoused populations: Intent for 25% of units
 - ◆ Preference for unhoused families as unit sizes and design allow
 - ◆ Final unhoused unit count depends on financing opportunities
- No other specific project details (e.g, unit count, affordability requirements, and development timeline)
 - ◆ These items are subject to ongoing negotiations between the City and MidPen and will be described in further detail in the DDA.
- About 120 units (*expressed in Staff Report, not in ENA*)

City Policy

COUNCIL POLICY

- ◆ **1.2.7** Acquisition, Leasing and Disposition of City-Owned Real Property - Section 1: Acquisition of Real Property for Municipal Purposes
- ◆ **2.3.3** Strategies for Affordable Housing and the Use of Housing Mitigation Fees

GENERAL PLAN: Housing Element

- **GOAL H-1 PROVISION OF ADEQUATE HOUSING SITES**
 - ◆ **Policy H-1.1** Adequate Housing Sites
 - ◆ **Policy H-1.2** Infill Development Near Transit and Employment Centers
 - ◆ **Policy H-1.3** Additional Affordable Housing Opportunities in High Resource Areas



State and Local Housing Laws and Policies

- **State** laws that support higher density & affordable housing
 - ◆ Streamlining (CEQA, public hearings, outreach)
 - ◆ Density bonus (location, affordability)
 - ◆ Waivers & concessions (to local requirements e.g. height, setback, parking)
- **City Policy/Regulations**
 - ◆ Support housing in highest resource area – especially affordable housing
 - ◆ Private owners can take advantage of all state provisions
 - As property owner City has more influence on project design
 - ◆ Partnership with housing developer is important

Highlights

MidPen Efforts

- Formal & informal outreach
- Responded to design concerns
- Ongoing commitment to collaborate

Neighborhood Concerns

- Other affordable housing nearby
- Height of Building
- Lack of Parking

Council Inquiries

- Can project scope be revisited?
- Can project serve more seniors with smaller units and fewer cars?

Council Discussion & Feedback

- Questions of MidPen regarding *feasibility* of changes
 - ◆ Unit mix/sizes
 - ◆ Populations served
 - ◆ Costs for ongoing operations various resident groups
- Questions of Staff regarding agreement status and provisions

Please, no comments/questions on Site Plan and Architecture
Planning Commission Action, appealable to Council