



Sunnyvale

DEVELOPMENT AGREEMENT

City of Sunnyvale & STC Venture LLC

City Council
August 11, 2020



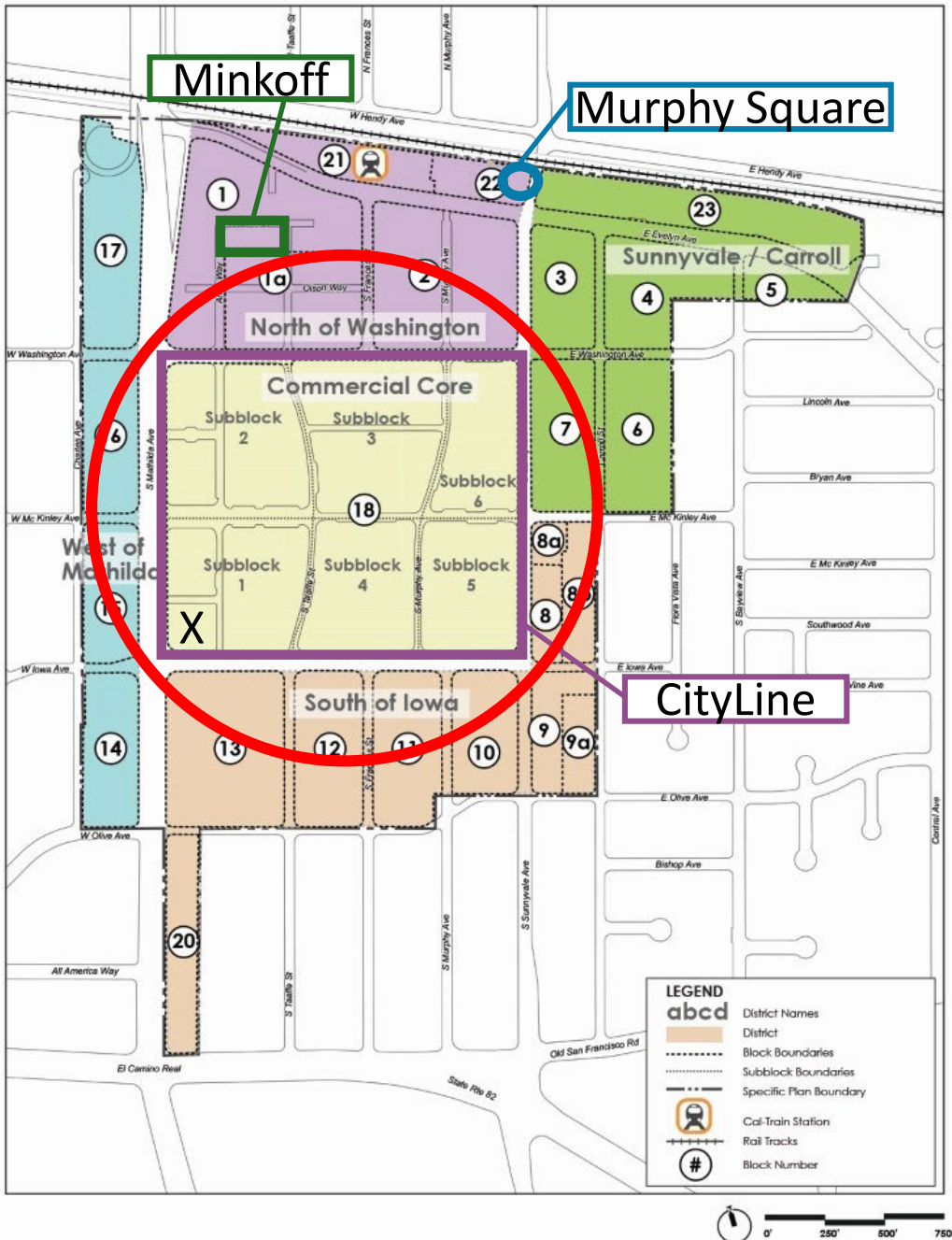


Sunnyvale

DEVELOPMENT AGREEMENT

What is a Development Agreement?

- Tool to provide assurances for Developer and City
- Essentially a contract between City and Developer
 - ◆ Planning Commission recommendation required
 - ◆ City Council approves through adoption of an ordinance
- Outlines obligations of the developer, must describe:
 - ◆ Benefit to Developer
 - ◆ Benefit to City

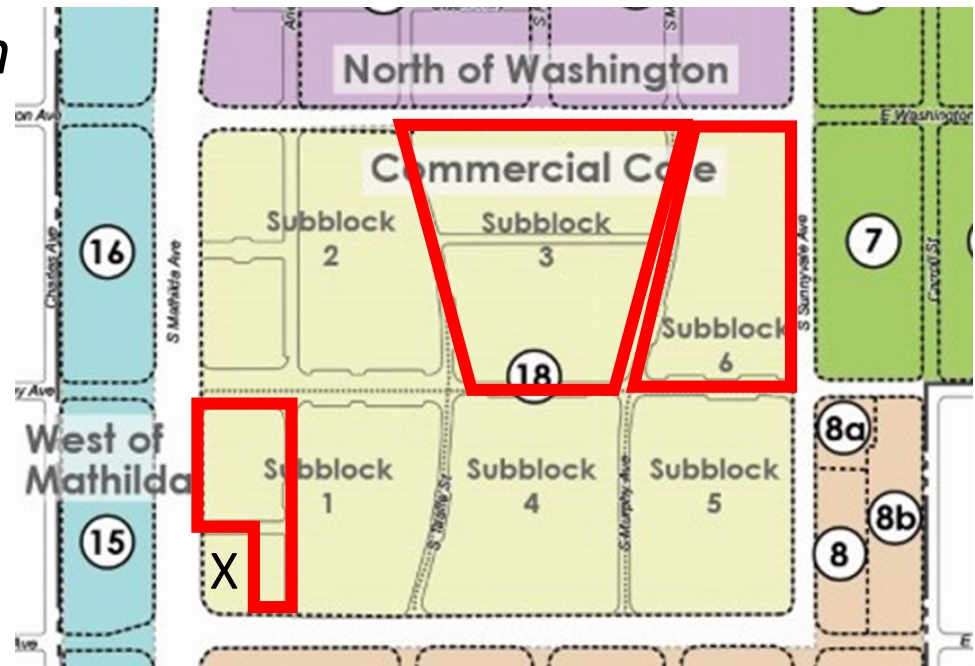


Downtown Specific Plan Area and Current Projects

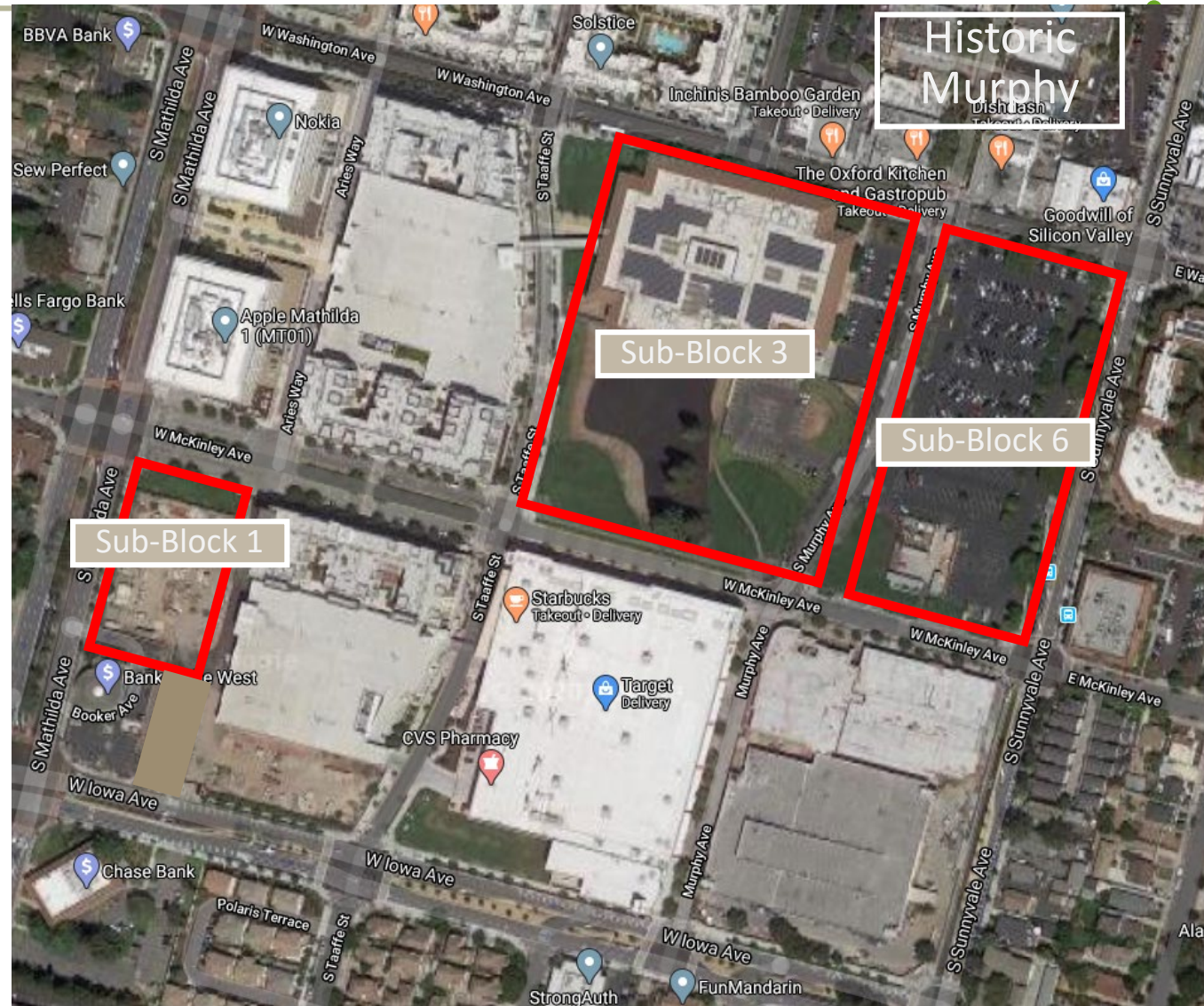
STC Venture (CityLine)

Project Location

- Downtown Commercial Core
- Block 18 (primarily CityLine)
 - ◆ Sub-block 1 - *portion*
 - ◆ Sub-block 3
 - ◆ Sub-block 6
- ~34 acres



Portions of Block 18 Subject to Development Agreement



STC Venture (CityLine)

Project

- Mixed Use Development
 - ◆ **RETAIL** **181,931 sf** (all new construction)
 - ◆ **HOUSING** **793 units** (Sub-blocks 3 and 6)
 - 525 base units
 - 210 affordable housing density bonus units
 - 58 commercial core bonus units
 - ◆ **OFFICE** **652,801 sf** (Sub-blocks 1 and 3)
 - 387,000 sf base
 - 265,801 sf bonus
 - ◆ **PLAZA** **Redwood Square**

Block 18 Full Buildout (with DA)

Cityline, Target and Bank of the West

- Mixed Use Development
 - ◆ **RETAIL** **642,000 sf**
 - ◆ **HOUSING** **1085 units**
 - 124 affordable units (VL, L, MOD)
 - ◆ **OFFICE** **966,800 sf**
 - ◆ **PLAZA:** **Redwood Square**

Sub-block 1

Office on Mathilda View looking Southeast



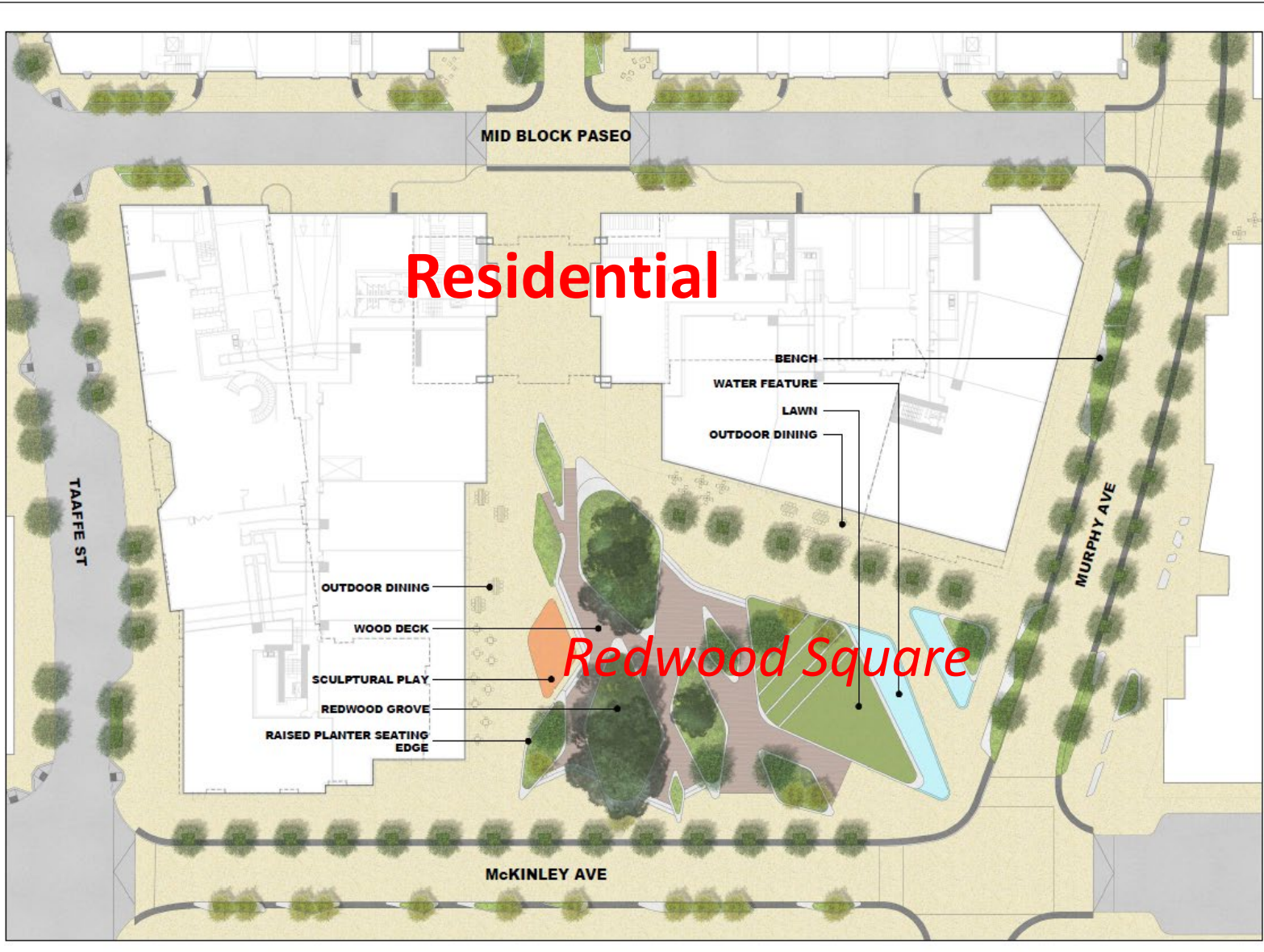
CITYLINE SUNNYVALE BUILDING B

Sub-block 3 - North



↓ *Redwood Square*

Sub-block 3 - South



Sub-block 3 – South



Height Overview

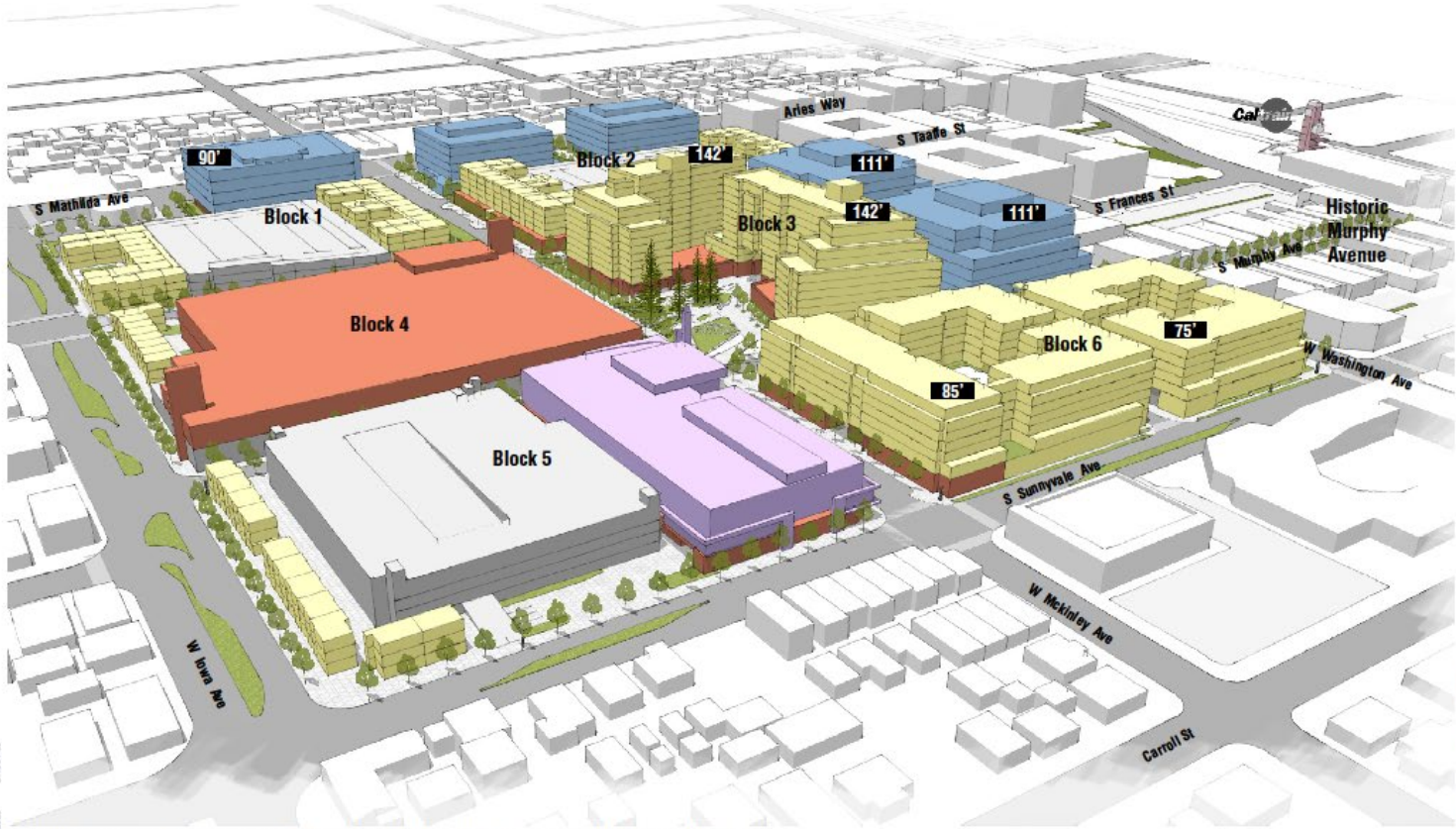


Illustration of approved maximum heights. Final architecture to be governed by Subsequent Approvals.

- Legend**
- Retail
 - Parking / Service
 - Theater / Other
 - Office
 - Residential

View 1

Overall Site Plan - Building Heights



HUNTER STORM SARES/REGIS

STC Venture (CityLine)

DA – Benefits to the Developer

- ◆ Additional development potential
 - Residential
 - Office
- ◆ Additional height (top of parapets) above 75 feet

Location	Use	Feet	Stories
Sub-Block 1	Office	90	5-6
Sub-Block 3	Office	111	7
Sub-Block 3	Residential	142	12
Sub-Block 6 (south)	Residential	85	6

STC Venture (CityLine)

DA – Benefits to the Developer (*continued*)

- Freeze on impact fees for 30 months
- No new fees/taxes for 30 months
- No new building code until 2023
 - ◆ *e.g. no Reach Codes*
- 10 year term
 - ◆ *+10 w/occupancy of Sub-block 3 or 6 housing units*
- Biweekly meetings during entitlements and construction

STC Venture (CityLine)

DA – Benefits to the City

- Community benefit fund ~**\$10.5 M**
- **88 Affordable Units** (26-VLI, 52-LI, 10-MOD)
- **All electric** appliances in residential units
- Publicly Accessible **Open Space**:
 - ◆ *City use of Redwood Square 16 times per year*
- **Ice Rink** (3 seasons)
- **Publicly Available Parking**
 - ◆ *325 all day; + 1,100 evenings & weekends*
- Dynamic Parking Supply System
- LED Streetlights
- **Point of Sale** for Project Construction

STC Venture (CityLine)

DA – Benefits to the City *(continued)*

Other Benefits

- Freezing fees incentivizes earlier construction
- Phasing requirements
 - ◆ Start 300 housing units prior to completing 200,000 sf office
- Surface Parking available during construction of Redwood Square area

STC Venture (CityLine)

DA – Benefits to the City

Identified by Developer after Report prepared

- Community Room
- 3-month VTA Transit Pass - for initial BMR occupants

STC Venture (CityLine)

Other Benefits to the City

- Park dedication in-lieu fee **\$31.88 Million**
 - ◆ Credit for portion of Redwood Square
- Transportation Impact Fee **\$4.77 Million**
- Housing Mitigation Fee **\$11.05 Million**
- Construction Tax **\$1.27 Million**
- General Plan Maintenance Fee **\$351,000**

Recommendations

Planning Commission Recommendation

- In accordance with staff recommendation
 - ◆ *includes updated Ordinance/DA document*
 - ◆ *revised B.3.5 (shade/trees: apply to this project)*

Staff Recommendation

Alternatives 1 and 3

- Make the Findings for Development Agreement
- Introduce an Ordinance Approving and Adopting a Development Agreement

City Council Considerations



- Possible Modifications
 - ◆ Community Room
 - ◆ BMR Transit Passes
 - ◆ Other



Sunnyvale

QUESTIONS & COMMENTS