

NEWS



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PROPOSED NEW DEVELOPMENT TEAM ACHIEVES KEY TOWN CENTER MILESTONE

SUNNYVALE, Calif. – The Sunnyvale City Council, in a 4-3 decision today, acknowledged that the proposed new development team for the Sunnyvale Town Center project has met criteria related to development experience, financial capacity and reputation. Achieving this milestone effectively clears the way for Wells Fargo Bank, the current owner of the Town Center, to proceed with selling the private development project that has been stalled by litigation for years. “Completing the Sunnyvale Town Center has long been one of our community’s biggest priorities,” stated Sunnyvale Mayor Jim Griffith. “This is a significant step forward in this process that we hope will continue to move swiftly toward completion of a downtown that our residents and businesses want and deserve.”

On November 18, Wells Fargo gave the City notice that it intended to sell the Town Center project to a proposed joint venture comprised of Sares Regis Group of Northern California; Hunter Properties, Inc.; and an institutional investor advised by J.P. Morgan Asset Management. Per an existing development agreement, that notice triggered a 20-day review process by the City which hired two nationally recognized firms – Macias Gini & O’Connell LLP (MGO) and Keyser Marston Associates, Inc. (KMA) – to assist with the evaluation. In its due diligence role, the City had the ability to either acknowledge or challenge that sufficient evidence was provided to conclude that the proposed team is financially and professionally capable of executing the project. The City Council, meeting in its capacity as the Successor Agency to the former Redevelopment Agency, found that the proposed team satisfied the criteria specified in the agreement for transfer of the Town Center property.

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City Manager Deanna J. Santana affirmed the desirability of the project and the proposed team's qualifications saying, "The Sunnyvale Town Center is a unique project in a premier location in Silicon Valley so we knew it would be extremely attractive when it was marketed for sale. That was proven by the caliber of the team that is proposed to take ownership of and deliver on this significant portion of our larger downtown." Specifics regarding the actual plans for completing the Sunnyvale Town Center are outside of this current review process and will not be addressed until the property transfer is finalized. "This is a complex mixed use project that will require a great deal of cooperation and collaboration from all parties involved to continue making progress," said Santana. "We are poised to work closely with the stakeholders and look forward to bringing the vision of Sunnyvale's downtown to reality."

Sunnyvale's downtown, with its proximity to transit and booming job centers, continues to be one of the hottest real estate markets in the area. Solstice and Carmel Loft House – two new mixed-use projects located on Washington Avenue and Olson Way – recently opened bringing nearly forty thousand square feet of new retail space and more than 400 new apartments that are almost fully leased. New or relocated businesses such as Kabul Afghan Cuisine, Philz Coffee, and Prolific Oven Bakery and Café also have recently opened, expanding dining and shopping options and joining established and popular restaurants, bars and shops along Murphy Avenue. All are unique to Sunnyvale or smaller chains that add to the eclectic vibe downtown.

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