

FIRST LOOK

Signs of life appear at Sunnyvale's CityLine

A decade after construction started, residents have started moving into a new luxury apartment complex in the heart of downtown Sunnyvale.

The Flats at CityLine Sunnyvale officially opened in October, and residents began moving into the 198-unit development last week, according to a spokesperson for the developer. The residential units are one small piece of a 36-acre mixed-use project formerly known as the Sunnyvale Town Center, but rebranded CityLine Sunnyvale last year.

A development group known as STC Venture, made up of affiliates from Hunter Storm, Sares Regis Group of Northern California and other institutional investors advised by J.P. Morgan Asset Management, took over developing the project in 2016. But construction had already started more than a decade ago under another developer, Sand Hill Property Co.

"This project stopped abruptly at the onset of the great recession in 2008," Dave Hopkins, chief operating officer for



Rents for the nearly 200 units start around \$3,910 per month, according to the leasing website for The Flats. 25 are set to be considered affordable.

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residential development at Sares Regis, said in a statement. "The construction crew left one day and didn't show up the next."

Palo Alto-based Sand Hill Property Co. planned to redevelop the entire project, but stopped because of funding issues during the recession, followed by lengthy litigation of the property that left the site foreclosed and half-finished.

STC Venture bought the land and partially finished development from Wells Fargo in 2016 for \$100 million and started construction again last year. The Flats, a three-building development along Washington and McKinley avenues, started leasing last month. The complex includes one-, two- and three-bedroom apartments filled with amenities.

The developer aimed to create a complex that would "hold its own" with other multifamily developments in the region, including San Francisco or fast-growing downtown San Jose, according to Hopkins.

"Despite inheriting partially completed, dated buildings, we consciously invested in high-quality finishes as a reflection of what we envision downtown Sunnyvale will become," he said.