

Council Questions

April 23, 2024 - City Council Meeting

ITEM 7.1 Economic Vitality Strategy

1. The Draft Economic Vitality Strategy names downtown “Retail vacancy and depreciation” as a top community concern. I know about downtown vacancies, but please tell me more about downtown depreciation.

Depreciation is referencing the general look and feel of the buildings within downtown.

2. The Draft Economic Vitality Strategy says, “Research and development space and other office spaces combined account for 16% of the city’s land. Six percent of the city’s land is occupied by retail uses. Residential uses account for the largest share (42%) of land in Mountain View.” Isn’t the City, through our streetscapes, parks, etc., a top landowner as well? What about other public jurisdictions and government entities like the school districts, the hospital district, Caltrans, etc.? Do they own significant portions of our land? Do we think about that when we think about land use?

The City does own a substantial amount of land across various uses. The uses include Institutional (City Hall, Senior Center, other government agency land, etc.), Park (parks and open spaces), and roadways/freeways which would be unclassified. These uses add up to 23% of which the City’s land would be a subset. Additional land uses, including education and hospital, are broken down in a table referenced from the Landscape Assessment which is Appendix D of the Economic Vitality Strategy.

EXHIBIT 48. MOUNTAIN VIEW PARCEL LAND USE

Land Use	Acres	Percent Makeup
Residential	2679	42%
Park	717	11%
R&D Office	714	11%
Retail	361	6%
Institutional	342	5%
Office	296	5%
Agriculture, Conservation	246	4%
Educational	216	3%
Industrial	158	2%
Transportation	80	1%
Recreation	67	1%
Hospital	54	1%
Vacant	30	0.5%
Hotel	27	0.4%
Unclassified	405	6%

Source: Mountain View Open GIS Portal, 2019; CAI, 2023.

The right mix and balance of land uses for each city is different based upon their own geography and priorities. Mountain View is generally consistent in the breakdown of its uses of space compared to other Silicon Valley cities.

3. The staff report says, “There may be opportunities to draw increased customer traffic away from corporate campuses into Downtown and / or neighborhood commercial nodes.” Is the traffic the City would like to draw largely food-oriented or are there other sectors?

Mountain View is fortunate that its population grows during the day (in other words, we have a large daytime population). We want to create attractive opportunities that invite employees from our large tech campuses to either purchase their goods or dine while here in Mountain View rather than on campus or in their home city. The ability to capitalize on daytime population is important to the health and sustainability of customer-facing businesses - it is what makes Mountain View attractive for future retail businesses. Looking for opportunities to be inviting and welcoming and providing ease of access for patrons to experience commercial centers and downtown is important to the long-term success of retail businesses generally.

4. The Draft Economic Vitality Strategy says, “Housing prices and shifting demand are putting more pressure on low- and middle-income households, and current interest rates are prohibitive to many buyers.” Please expand on what the report’s concept of shifting demand means for housing in Mountain View.

The shifting demand refers to the housing product type that is being constructed which has been market rates that supports households with higher incomes and does not support the lower-income employees working for service-based businesses. Within the City of Mountain View, there is a rise in the number of households spending more than 30% of their income on housing affecting retention of employees.

5. The staff report says, “the region lost residents while Mountain View grew in population, bucking the regional trend and indicating other underlying factors may be making the city more attractive as a place to live. Mountain View in 2022 had 83,900 residents. If it maintains its current growth rate, Mountain View is projected to grow by 11,000, or around 550 residents per year, by 2040.” I have read different accounts of the city’s population growth. Did we lose or gain population between 2020 and 2024? A quick glance at Census data online tells me that the City had 82,534 residents in 2020 and 81,059 in 2022 for a 1.8% drop, but I know the data gets adjusted over time and staff may have access to better information.

The data that was utilized for the analysis relied on the State of California’s Department of Finance population estimates for the period of 2010-2022. It indicates that the City population grew from 82,173 in 2020 to 83,856 in 2022.

6. The staff report says, “Local employers broadly cite housing that is affordable to their workforce and employee’s income levels is the greatest concern.” Which local employers said this? Tech? Schools and other government? Restaurants? All the above?

This feedback came from a range of business stakeholders and was shared across all business types.

7. Regarding the topic of Measures in the staff report, why are most of the measures focused on downtown &/or retail? Should there be measures regarding tech retention or other industry sectors?

Measures about vacancy in the office marketplace are a good proxy for measuring both office and technology retention. An additional measure regarding vacancy concerning industrial could be added to address R&D and manufacturing as a way to measure other industry sectors.