

**MEMORANDUM**

Community Development Department

**DATE:** May 20, 2025

**TO:** City Council

**FROM:** Amanda Rotella, Acting Economic Vitality Manager  
Christian Murdock, Community Development Director

**VIA:** Kimbra McCarthy, City Manager

**SUBJECT:** **Downtown Vitality Update**

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**INTRODUCTION**

This memorandum provides an update on the City's Downtown vibrancy efforts, which are being coordinated by the Economic Development team in collaboration with an interdepartmental Downtown Staff Working Group and guided by the Downtown Leadership Team. The updates in this memorandum are focused on the Downtown and are intended to supplement the forthcoming annual report on implementation of the Economic Vitality Strategy, which includes Downtown as one of its five goals. The highlights below demonstrate how City efforts in communications, business support, programming, infrastructure, and planning, provide significant, ongoing support to create and sustain a thriving Downtown.

**PROJECT UPDATES****Vacancy Reduction**

Addressing vacancies in the Downtown continues to be a top priority for City staff, leadership, and the community. Current vacancy rates in the Downtown are at 23% for office and 6.8% for retail, improving modestly compared to the same period last year (25% office / 8.5% retail). Each vacancy in the Downtown represents a unique set of challenges and opportunities. While some vacant properties are awaiting tenants or going through regulatory processes, others are tied to larger market trends, like redevelopment plans or evolving tenant expectations. Addressing these vacancies requires a collaborative approach, with both the public and private sectors playing distinct but complementary roles:

City's Role	Property Owner's Role
<ul style="list-style-type: none"><li>• Establishing clear permitting processes</li><li>• Facilitating zoning changes in response to market demands</li><li>• Developing incentive programs</li><li>• Investing in public amenities</li><li>• Enforcing City Codes</li></ul>	<ul style="list-style-type: none"><li>• Actively marketing spaces</li><li>• Upgrading properties to meet tenant needs and demands</li><li>• Improving spaces to meet code requirements</li><li>• Offering flexible leasing options and rates</li></ul>

In addition to the interim and forthcoming comprehensive amendments to the Downtown Precise Plan, small business grants, and pedestrian mall investments described later in this report, the City has implemented a number of efforts focused on reducing vacancy in the Downtown.

***Pedestrian Mall Storefront Activation Program:*** The City Council Work Plan for Fiscal Years 2025-26 and 2026-27, scheduled for adoption as part of the annual budget process, includes development and implementation of a new Pedestrian Mall Storefront Activation program. As currently envisioned, the item will define storefront display and pop-up activation guidelines, including both requirements and incentives for storefront maintenance and aesthetics. In this “carrot and stick” approach, the City will explore potential penalties for property owners who do not comply with the new program requirements.

***Permitting Improvements:*** To improve responsiveness and streamline the path to tenancy, the City has made notable investments in staff capacity and customer service tools over the past several years. This includes expanded staffing in both Economic Development and Building divisions, as well as the launch of new platforms such as [ePermitsMV](#), which allows 24/7 access to a wide range of permitting services—including Planning, Public Works, Building, Fire, Heritage Tree, and Outdoor Patio Licenses. In 2024, the City also launched a [Development Permits Specialty Website](#), created in collaboration with stakeholders to offer centralized information on fees, timelines, and requirements for opening or improving a business in Mountain View. Features like the "Permit Finder" tool simplify navigation for property owners and entrepreneurs alike.

The City introduced the Business Ambassador Program (BAP), a cross-departmental team that provides a first point of contact and helps new and existing businesses understand permitting requirements and navigate the process. The City has also launched ExpressPermitsMV, which provides an expedited review path for small retail and office uses. Applicants can meet with City reviewers during the initial three-week review period to discuss comments and minimize the need for multiple rounds of permit review.

**Interim Downtown Precise Plan Updates:** One of the most effective permit process improvements the City can undertake for small businesses is to eliminate unnecessary permitting requirements entirely. On September 10, 2024, Council approved minor amendments to the Downtown Precise Plan (DTPP) to help Downtown businesses respond to evolving retail trends and enhance opportunities for new businesses to locate in Downtown. These interim amendments come in advance of the larger DTPP comprehensive update, which will take approximately three years to complete.

The interim amendments focused on aligning permitted uses across Castro Street, from Evelyn Avenue to El Camino Real, ensuring consistency and flexibility for businesses. Key changes included eliminating the provisional use permit (PUP) requirement and allowing restaurants, including those serving alcohol ancillary to food service, as a permitted use, reflecting regional best practices and facilitating economic growth. Additionally, the amendments allowed indoor recreation as a permitted use to complement the existing dining and retail mix in Downtown. The PUP process typically requires several months of processing time and thousands of dollars in added costs for businesses. Eliminating the PUP requirement by allowing desirable permitted uses eliminated the cost and uncertainty associated with potential approval by the City.

**Expert Analysis:** In July 2024, the City engaged a retail specialist to conduct an in-depth analysis of Downtown retail vacancies. The study examined the local trade area, interviewed property owners and brokers, and identified factors contributing to prolonged vacancies. The report highlighted the strong retail market in Downtown Mountain View with visitor demographic data, spending habits, and foot traffic patterns. Figure 1 shows that Downtown Mountain View serves as a vibrant economic hub, drawing visitors from across Silicon Valley and beyond. Consumer visitation patterns reveal that the district attracts not only local residents but also high-earning professionals from a broad regional area. The study also offered recommendations related to tenant recruitment, property improvements, and stronger coordination between brokers, property owners, and City staff. The Economic Development team is actively using this insight to inform strategic outreach and provide direct support to prospective tenants.

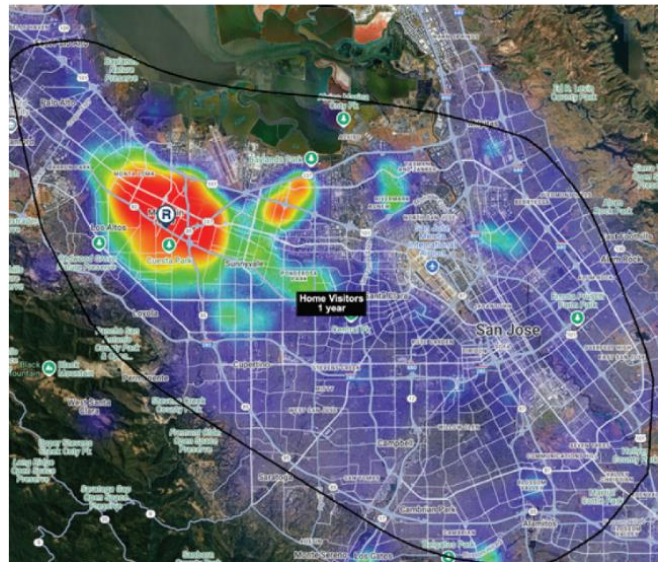


Figure 1- Consumer Visitation 100-300 Blocks of Castro St.

**Broker Breakfasts:** As part of continued outreach and relationship building, staff has relaunched biannual broker breakfasts—gatherings to connect property owners, leasing professionals, and City staff. These events provide a platform to discuss market trends, share updates on City

policies and initiatives, and promote Downtown leasing opportunities. At the broker breakfast on May 15, staff highlighted the recent listing of 360-368 Castro Street (former locations of Maru Ichi and New China Delight) for sale earlier this year. Staff has proactively engaged the seller's broker and purchaser brokers to invite conversations regarding any potential redevelopment proposals.

Combined with the above tools and a renewed focus on visitor experience, the City remains committed to reducing Downtown vacancies and creating an environment that supports long-term business success.

### **Downtown Parking Administration and Strategies**

The 2021 Downtown Parking Strategy studied parking supply, demand, utilization, and management practices in Downtown. The final report included a comprehensive toolkit of recommendations—ranging from updated parking regulations and pricing strategies to shared parking opportunities, transportation demand management (TDM), City Code changes, development standards, and organizational improvements. Staff is currently collecting and analyzing updated data on current Downtown parking conditions (the last parking data were collected prior to strategy adoption in 2021). Implementation of the Downtown Parking Strategy was delayed due to other, more immediate economic development priorities during the pandemic including Downtown business support and preparation and adoption of the Economic Vitality Strategy. Due to staff capacity limits on the relatively small Economic Development team, the City has onboarded a parking program management firm to assist in moving forward with the strategy's recommendations.

### **Visitor Experience Improvements**

Creating a welcoming, enjoyable, and aesthetically pleasing Downtown is critical to the City's efforts to make it a prime destination. With this in mind, a number of efforts have focused on better upkeep of City parking facilities as well as various activities to enhance the visitor experience in the Downtown.

***Parking Facility Improvements and Cleaning:*** An interdepartmental staff team is coordinating on enhanced maintenance and cleaning of Downtown parking facilities, including more frequent deep cleaning (including power washing of stairwells and parking decks), graffiti abatement and elevator repairs, to form a positive first impression for Downtown visitors arriving by automobile.

***Wayfinding:*** Staff is in the process of developing a pedestrian wayfinding and signage program for the Downtown. The goal is to create a welcoming environment with signage that helps Downtown visitors easily find points of interest and introduce them to new locations that may not have previously been on their radar. Staff is working to finalize designs for three different sign types: larger directional signs, smaller walking maps, and parking identification signs. The unique and beautiful design of the wayfinding signs include images that reflect Mountain View's

rich agricultural, technological, and natural history. Installation is planned for late 2025. The next phase of the wayfinding project will include installation of two digital directories cataloging and promoting Downtown businesses and events, and is expected to be implemented in 2026 (contingent on identifying funding).

***Umbrella Share:*** Beginning in Winter 2024, the City introduced a Downtown Umbrella Share program to make it easier for visitors to spend time Downtown during the winter rainy season. A key goal of the program is to support a welcoming and active Downtown year-round. Umbrella stations were available at more than a half-dozen participating business and civic locations, allowing visitors to borrow an umbrella as needed and return it when finished.



*Figure 22- Umbrella Share Program*

***Social Zones and Programming:*** The City has implemented new programs and activation efforts to establish the Castro Street Pedestrian Mall and reinforce Downtown as a premier regional destination. The Community Services Department (CSD) has taken the lead in maintaining lush seasonal landscaping and activating social zones with colorful seating and activities. Currently on the 100, 200, and 300 blocks of Castro Street, visitors can be found playing cornhole, ping pong, connect four and foosball.

In addition to the everyday activities, there are a number of summer events returning to Downtown, including:

- Concerts on the Plaza—The weekly concert series is held June through September from 6:00 p.m. to 7:30 p.m., prior to performances held at the Mountain View Center for the Performing Arts. These events typically bring several hundred people Downtown.
- Music on Castro—This weekly music series returned to the 200 block of Castro Street in April, and features singers/songwriters and small musical acts to create a lively atmosphere for those shopping and dining in the Downtown.
- KidStock—This kid-friendly music series is held the third Saturday of the month May through July from 10:00 a.m. to 12:00 noon at Civic Center Plaza. This series attracts families with preschool-aged youth to enjoy live children’s music performances and arts and crafts.
- Cornhole League – Piloted in 2024, the adult cornhole league will return to the 300 block of Castro Street on Thursday evenings starting in June. Last year, registration for this

league sold out, and CSD is exploring adding a second evening of play to accommodate more participants.

**Placemaking:** As part of the City’s ongoing commitment to creating a distinct and inviting sense of place and enhancing the pedestrian experience along the Castro Street Pedestrian Mall, staff has pursued several projects to improve the look and feel of Downtown.

- Decorative Street Treatment – A vibrant “Ribbons” design was installed along the central walkway on the 100, 200, and 300 blocks of Castro Street between California Street and Evelyn Avenue. The design, selected in 2024 with input from the Visual Arts Committee and the Council Transportation Committee, brings color, movement, and visual interest to Downtown while reinforcing a welcoming and pedestrian-friendly atmosphere.
- Bollard Art – To complement the decorative street treatment, 20 concrete safety bollards at key intersections have been painted to match the “Ribbons” decorative street treatment design. These bollards—originally installed to protect pedestrian walkways, social zones, and outdoor patios—serve both a safety and aesthetic function. An additional 12 bollards will serve as canvases for original public art by local artists. This creative element is intended to bring added character and interest to the Downtown experience. The installation of this art is currently on hold due to a complication regarding State contractor requirements. The City is supporting legislation to resolve this complication so that staff can move forward with implementing this artistic enhancement as envisioned.
- Outdoor Patio Program – The Outdoor Patio Program, launched Fall 2023, contributes to the vibrancy of Downtown by allowing businesses to extend operations into the public right of way (on Castro Street and/or sidewalks). Forty businesses across the Pedestrian Mall have active patio licenses, with the majority of restaurants on the pedestrian mall participating in the program. Licenses are renewed annually, and staff is currently working with businesses on their FY 2025-26 licenses.

**Public Safety:** Safety in Downtown remains a top priority, with residents and businesses emphasizing the importance of a strong police presence to address key issues like property crime, challenges related to unhoused individuals, and alcohol-related incidents. The Mountain View Police Department (MVPD) has implemented several focused initiatives to enhance visibility and support in the area. From dedicated Downtown patrol shifts to community outreach programs, these efforts reflect a comprehensive approach to maintaining a safe, welcoming environment for all who live, work, and visit Downtown.

- Enhanced Downtown Patrols – For roughly the past year, MVPD has dedicated overtime patrol shifts specifically to the Downtown area, focusing on locations with high-traffic and high-call volumes. These shifts include foot patrols, proactive checks, and prompt responses to service calls, all aiming to improve safety, reduce crime and conduct outreach with businesses.

- Downtown Ambassador Program – The Downtown Ambassador program, staffed primarily by Police Assistants and Community Service Officers, serves as a visible safety presence. Ambassadors provide visitors with crime prevention tips, including reminders not to leave valuables in cars, while acting as a deterrent to potential crime in the area.
- Parking Enforcement Assistance – Daily parking patrols by Police Assistants help maintain a steady flow of visitors in the Downtown area by enforcing parking limits. Parking enforcement supports the positive objective of enabling accessible parking for all patrons.
- Business Outreach and Engagement – In response to concerns and questions from the business community about retail theft in the Downtown, Economic Development and Police Department staff hosted a Business Retail Theft Discussion with Downtown Businesses in Fall 2024. Police Chief Canfield and Lieutenant Crowl were present to address questions and provide insights.

### **Business Support**

Closely related to the above-mentioned visitor experience improvements, several efforts have focused on helping Downtown business owners enhance the quality of their physical spaces while also increasing the cohesiveness of the Downtown environment.

***Small Business Grant Programs:*** The Economic Development team has two small business grants programs focused on supporting small business recovery and growth.

- Facade Improvement Grant Program – This citywide program is designed to stimulate investment in commercial buildings with first floor storefront retail, restaurant, and personal service businesses. The City shares the costs of improving and enhancing commercial facades with grants of up to \$17,500 for projects that meet the eligibility criteria (up to \$15,000 for physical improvements and \$2,500 for design services). Five Downtown business are in contract to receive grants (out of nine total facade grant contracts citywide) and staff is working with an additional six Downtown applicants to explore façade improvements.
- Small Business Outdoor Furnishings Grant Program – In 2023, the City initiated this pedestrian mall-focused program to help address the lingering impacts of COVID-19 on the Mountain View small business community. Eligible businesses can apply for a one-time grant of \$5,000 for the purchase of outdoor furnishings. To date, 30 business have been approved to receive grant funding. An important outcome of this grant program is improved quality and cohesiveness of outdoor seating areas along the pedestrian mall.

### **Communications**

Critical to all of the City's efforts Downtown, communication with residents, business owners, visitors, and other stakeholders is a top priority. The City uses many platforms to share information about routine and strategic efforts in the Downtown.



***Routine Outreach and Communication:*** To ensure all of the City's important constituencies remain informed about Downtown programs and initiatives, staff has launched a suite of multi-channel communication tools:

- Downtown Webpage – The City's dedicated [Downtown webpage](#) serves as a centralized hub for all Downtown-related information. Staff regularly updates the site with current projects, upcoming initiatives, and long-term efforts, organized by category for ease of navigation.
- Downtown Digest – Launched in March 2024, the *Downtown Digest (Digest)* is a bimonthly digital and print newsletter designed to provide consolidated, accessible, and visually engaging updates. As of April 2025, nine issues have been published. Subscriber numbers have grown from 185 to nearly 1,000, and email open rates average 70%, significantly above industry benchmarks. Staff also distributes over 100 printed copies of each issue to Downtown businesses and gathering places.
- On the Town Video Series – As a companion to the *Digest*, the *On the Town* YouTube video series highlights featured stories and interviews. For example, as a companion to the November 2024 *Digest* focus on public safety, the City produced a video interview with a Downtown Police Officer. The video series has garnered over 600 views since its launch.
- Business Outreach – Staff regularly partners with the Mountain View Chamber of Commerce and conducts in-person, door-to-door outreach to provide timely updates and gather input from the Downtown business community.
- Downtown Committee – The Downtown Committee receives regular updates on development activity, public safety efforts, and event activations within the Downtown. A new joint ad hoc committee with the Visual Arts and Performing Arts Committees has been formed to explore Downtown cultural opportunities and strengthen the connection between the Civic Center and broader Downtown.
- Downtown Business Association – Staff attends the monthly meeting of the Downtown Business Association (DBA), and brings updates on key initiatives, programs, and projects. Recently the DBA has received updates on the Wayfinding project, decorative street treatment installation, Downtown Market Analysis, and the new Police Transparency Dashboard.

***Strategic Communications:*** In anticipation of multiple overlapping public and private construction projects in Downtown Mountain View in the coming years (see Attachment 1), the City has retained a strategic communications firm to develop and implement a comprehensive communications plan and toolkit. The goal is to keep the community informed, minimize disruption, and support Downtown businesses throughout any construction periods. Key deliverables include the development of visual assets and messaging templates, a coordinated content calendar with regular updates across platforms (e.g., social media, newsletters, website), and narratives that emphasize the long-term benefits of the projects.



The consultant will also create business-focused materials and promotional concepts to help merchants communicate with customers and maintain foot traffic during construction. In addition, the City will work with the firm to develop a broader promotional campaign that highlights Downtown Mountain View as a vibrant destination – encouraging continued visitation and investment.

### **Comprehensive Precise Plan Update**

In support of the multiple lines of effort described above, the City is actively working on an update to the Downtown Precise Plan, which will include the first comprehensive update to the plan in nearly 40 years and set the vision for what the future of Downtown should be. The plan will include an updated vision for land use, redevelopment, and tenant mix in Downtown. Stakeholder engagement will be a priority in this process to ensure alignment between City goals and private-sector opportunities, and the City has budgeted for up to 40 stakeholder engagements during the update process. Additional information and updates on engagement opportunities are available on the [City's project webpage](#).

### **Host City 2026**

In anticipation of the 2026 Super Bowl and FIFA World Cup events, staff is working with the Bay Area Host Committee to explore opportunities to leverage these global events to increase tourism, promote Downtown businesses, and elevate Mountain View's profile. A City working group will be formed with key departments and the Mountain View Chamber of Commerce to coordinate efforts and support business and community-led events.

### **New Businesses**

As one measure of the City's success from its concerted efforts in the Downtown, a dozen new businesses have opened or decided to continue operating following a change in ownership in the last year (listed below). New and expanded businesses bring with them added investment and energy, further enriching the diversity and vitality of our Downtown.

- Joyous Cuisine (100 block)
- Sushi Arashi (200 block)
- InOrbit (200 block) - expansion
- Ice Cream Kween (200 block) - rebrand
- Nick the Greek (200 Block)
- WeFashion (200 Block)
- XO9 Noodle house (200 Block)
- Halal Street (100 Block)
- Mr. Bao (300 Block)
- Steins Beer Garden (895 Dana) – under new ownership

- Ludwigs (300 Block) – under new ownership.
- Vida (100 Block) - launch of new restaurant concept

### **NEXT STEPS**

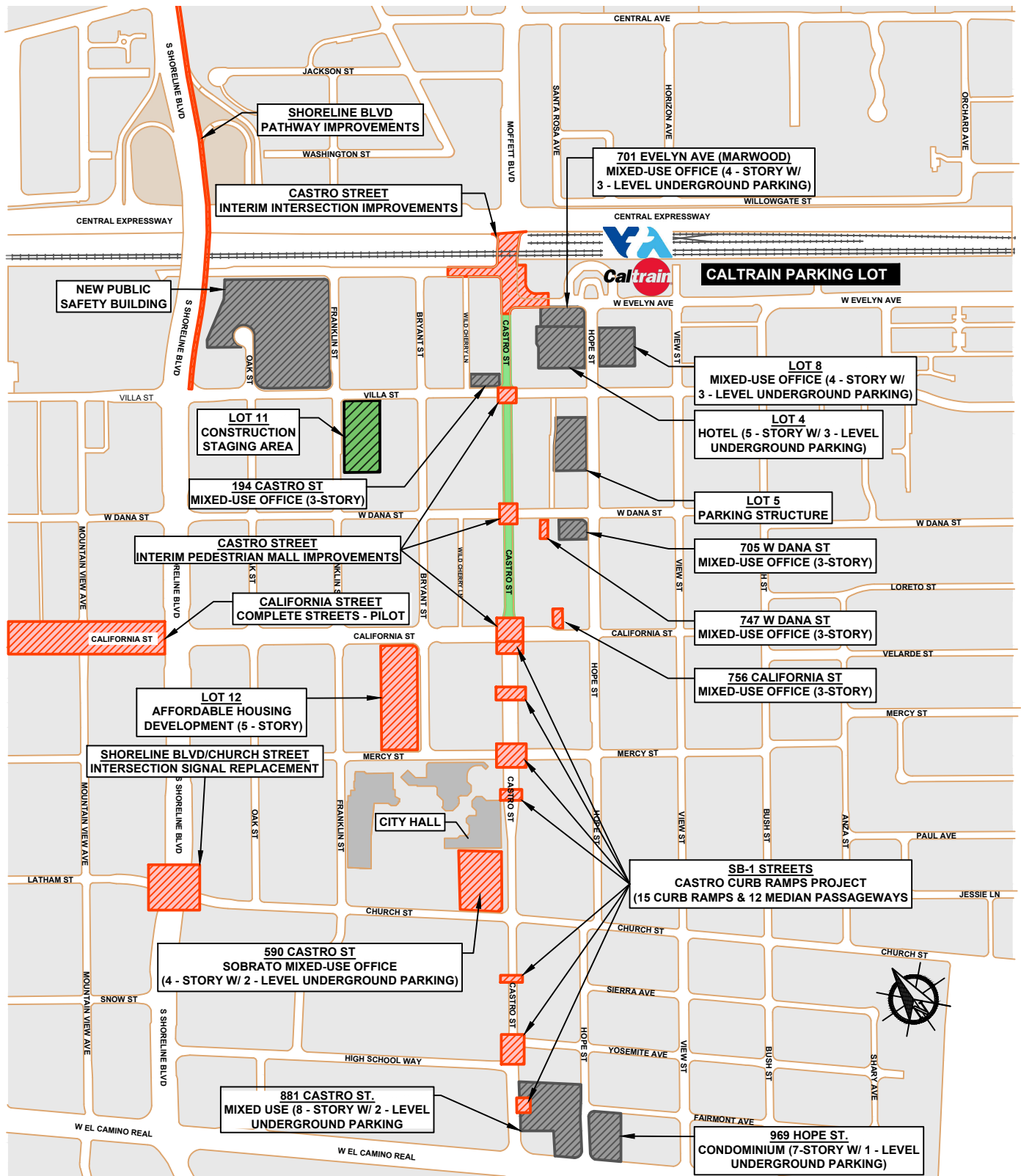
Staff will continue to collaborate across City departments and with business and community partners to support the continued and improved vitality of Downtown. Priority actions include:

- Continuing public engagement on the Downtown Precise Plan Update
- Continuing implementation of the Economic Vitality Strategy
- Advancing small business support and grant programs
- Implementing next phases of the Downtown Parking Strategy
- Initiating the Strategic Communications Work
- Preparing for regional celebration of national and international sporting events in 2026
- Initiating Phase 2 of the Pedestrian Wayfinding Project

Attachments: 1. 2025-2027 Downtown Construction Projects Map

# **ATTACHMENT 1**

# DOWNTOWN CONSTRUCTION PROJECTS



- PEDESTRIAN MALL
- CONSTRUCTION STAGING
- PARTIAL PARKING LOT CLOSURE 2025-2026
- FULL PARKING LOT CLOSURE 2027-2029
- UNDER CONSTRUCTION 2025-2027
- UNDER CONSTRUCTION 2027-2029

- VTA STATION
- CALTRAIN STATION
- CIVIC CENTER

REVISION DATE:  
01-13-2025