



COUNCIL REPORT

DATE: December 6, 2022
CATEGORY: Public Hearing
DEPT.: Community Development
TITLE: **Downtown Precise Plan Update (Phase 1)**

RECOMMENDATION

1. Adopt the Addendum to the 1999 and 2004 Downtown Precise Plan Initial Study/Negative Declarations and the Mountain View 2030 General Plan and Greenhouse Gas Reduction Program Final Environmental Impact Report, in compliance with the California Environmental Quality Act Guidelines Sections 15162 and 15164 (Attachment 1 to the Council report).
2. Adopt a Resolution of the City Council of the City of Mountain View Amending the Downtown P(19) Precise Plan to Update Design Standards and Guidelines in Areas A, G, and H and Disallow Administrative Office Use in Ground Floors of Castro Street and Side Streets of Area H, to be read in title only, further reading waived (Attachment 2 to the Council report).

OVERVIEW

In 2019, the City Council endorsed a two-phased approach to updating the Downtown Precise Plan (DTPP) and added Phase 1 to the Council Fiscal Year 2020-22 Work Plan. The DTPP Amendment Phase 1 focused on limited topics related to historic preservation, design standards, and ground-floor uses in Areas A, G, and H. Council also discussed reviewing land use, design, and parking standards in the entire DTPP area as a second phase in the future.

BACKGROUND

The intent of the DTPP is to provide a coherent framework for downtown development and preservation and guide future private-sector actions. The DTPP includes a range of development objectives and land use policies, including, but not limited to, the following:

- Emphasize qualities that contribute to the “community character” of downtown, including preservation of historic structures and design elements.

- Concentrate pedestrian-oriented uses along Castro Street and cross-streets and extending one block on either side of Castro Street. Create a distinctive, destination-oriented image for the street.
- Promote economic diversification, including opportunities for a variety of retail tenants, including those that are larger than currently available, while preserving pedestrian-scale design.
- Create a distinctive destination-oriented image and identity for downtown by encouraging high-quality development and public improvements.

The DTPP is composed of 10 specific areas (A through J) with each area differentiating in allowed uses, allowed building height, design requirements, and other development standards. The Phase 1 amendments limit ground-floor administrative office and adopt quantitative standards that reinforce the City's historic character and only apply to Areas A, G, and H (several blocks near the Transit Center). A map of the focused area is shown in Figure 1. Area H, the "Historic Retail District," includes the six blocks along Castro Street closest to the Transit Center. Area A constitutes one block immediately west of Area H, between Villa Street and Evelyn Avenue. Area G constitutes one and one-half blocks immediately east of Area H, between Dana Street and Evelyn Avenue.

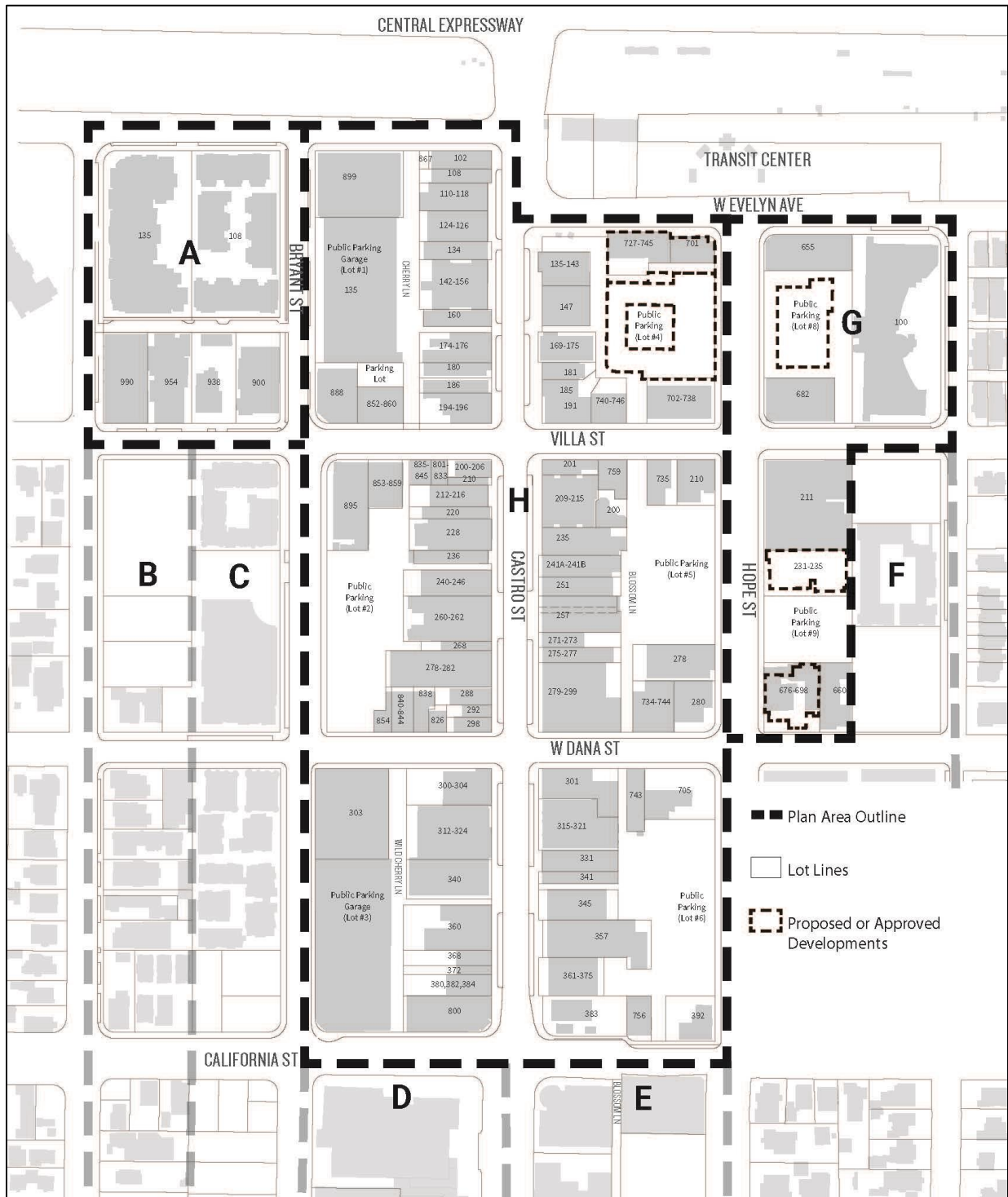


Figure 1: Downtown Precise Plan Area A, G, and H (Source: VMWP Consultant)

Public Outreach – Phase 1

The DTPP outreach process included two main phases. The first phase involved three meetings with stakeholders, held virtually:

- February 1, 2021—business owners, property owners, the Downtown Business Association, and Chamber of Commerce;
- February 11, 2021—development community; and
- February 15, 2021—neighborhood groups.

Each meeting had structured questions focused to target stakeholders. Input from the meetings was used to develop design standards, to understand viability of retail and other activating uses for Area H, and to understand the overall economic conditions of downtown during the COVID-19 pandemic. The data gathered in the first outreach phase was presented to the Environmental Planning Commission (EPC) on May 5, 2021 and the City Council on June 8, 2021. More information is provided below in the Prior Meetings section.

Phase 2 of the outreach followed the Council Study Session direction. Its purpose was to publicize Council direction and to ensure stakeholders were aware of the effort and how to stay informed. It included two open house events: one was held on August 12, 2021 at Don Giovanni restaurant, and the other was held on September 7, 2021 at City Hall Plaza. Both outreach events were held in person and highlighted the direction received at the Study Sessions, the draft design standards, next steps, and provided an opportunity for the public to engage and ask questions.

On August 22, 2022, the draft Precise Plan amendments were posted to the City’s website and publicized broadly to stakeholders and interested parties. Since the posting, staff received an email from a property owner in Area H. Staff met with the property owner and answered questions mainly pertaining to what area would disallow administrative office.

In addition, several additional minor cleanups were made to the standards since public posting, including:

- Note was added in Area H for administrative office on Evelyn Avenue west of Castro Street.
- Add a Building Material standard in Area H.
- Updated decorative roof treatment wording in Area G.
- Remove “secondary material” note in all areas.

- Rearranged figure to increase legibility in Area H.
- Updated wording in all areas to ensure consistency.

A presentation on the draft updates was given to the Downtown Committee on September 6, 2022. More information on this meeting is provided below.

Prior Meetings

The DTPP Phase 1 project has been reviewed by Council and the EPC several times. Council direction and EPC recommendation have been incorporated into the final recommendation.

City Council Project Scope Approval—December 3, 2019

On [December 3, 2019](#), the City Council discussed the scope of work for this DTPP update, which is intended to be Phase 1 of a two-phase approach.

Specifically, Council directed the Phase 1 scope to:

- Limit focus to Areas A, G, and H;
- Analyze historic preservation (since modified; see Downtown Historic Approach);
- Develop policies and standards to maintain the current look and feel of downtown; and
- Promote and encourage ground-floor activation.

City Council Study Session—June 8, 2021

On [June 8, 2021](#), the City Council held a Study Session to review recommendations from the EPC and to discuss and provide direction on three questions pertaining to historic preservation, development character and design, and active uses.

- *Council indicated support for protecting downtown by prioritizing work on updating the City's Historic Ordinance, including creating incentives and issuing a Request for Proposals to select a consultant to work on identifying specific buildings for historic status and a historic district designation for downtown.*
 - At the [April 12, 2022](#) meeting, the City Council approved the proposal from Page & Turnbull to update the City's Historic Preservation Ordinance. Planning staff and the consultant are actively working on modifications to the Citywide Historic Preservation Ordinance.

- *Council supported the Development, Character, and Design staff recommendation to update Areas A, G, and H standards and/or guidelines and include objective standards (such as floor area ratio (FAR)) as well as landscaping and streetscaping requirements and to clarify design expectations in Area H.*
 - The updates to the DTPP (Attachment 3) include objective standards, promote activation, and guidelines that promote landscape. The ongoing Castro Street Pedestrian Mall project will also introduce new streetscapes into downtown with new landscaping potential to further activate downtown.
- *The City Council supported the active ground-floor uses staff recommended to prohibit ground-floor administrative office uses.*
 - The updates to the DTPP would disallow administrative offices on the ground floors of Castro Street and side streets of Area H. See the Specific Amendments section below.
- *The City Council also directed staff to look at economic vitality strategies to help property owners and businesses deal with the challenges of vacant storefronts by helping to recruit active uses, including temporary uses, such as pop-ups, and exploring grants.*
 - The economic analysis memo (Attachment 8) highlights current trends in the retail market and how it impacts Areas A, G, and H. It also provides analysis that can help inform the ongoing Citywide Economic Vitality Strategy.

Downtown Committee—September 6, 2022

On [September 6, 2022](#), the Downtown Committee heard a presentation by City staff on the draft amendments to the DTPP. The Downtown Committee inquired about the timing of the Phase 2 amendments and had no other comments.

Environmental Planning Commission—September 21, 2022

On [September 21, 2022](#), the EPC held a public hearing to review and provide a recommendation to the City Council on the DTPP amendments (Attachment 6).

There were three public speakers:

- One speaker highlighted the importance of incorporating dark-sky-compliant lighting; and

- Two other speakers asked for more aggressive administrative office measures to phase out the use.

The EPC unanimously supported the staff recommendation with two modifications. More information is provided below.

ANALYSIS

Overview of Amendments

The purpose and goals of these DTPP Phase 1 Amendments include the following:

- Provide clearer direction to applicants regarding Council expectations for historic design principles and interest, including use of traditional materials and composition.
- Ensure projects are consistent with community vision with objective design standards.
- Encourage active uses that promote economic diversification and preserve the look and feel of downtown.
- Strengthen the downtown pedestrian-level experience.

In addition to new standards and guidelines, the “Introduction” text in each of the affected subareas has been modified for better consistency with the new standards and current City policies. The following formatting changes have been made for each of the affected subareas, which can be used as a template for future amendments to other subareas:

- The permitted and provisional uses and several of the major quantitative standards have been reformatted into user-friendly tables, which is more consistent with the Zoning Ordinance and other Precise Plans.
- New numbering has been included to help support references and document organization.
- New figures are included illustrating existing and proposed standards.

Attachment 2 includes the recommended Precise Plan Amendment language. Attachment 3 highlights the new and modified standards and guidelines with red-lined text.

Specific Amendments

The following are summaries of key draft amendments to the development standards and guidelines in Areas A, G, and H.

1. Prohibit Administrative Office Uses on Ground Floors

<p><i>Description:</i> No new administrative office or R&D office will be allowed on ground-floor Castro Street or cross-streets in Area H, except Evelyn Avenue west of Castro Street. Existing administrative office uses will be allowed to continue. New offices that are not administrative offices, such as law firms, architects, and other local services, will continue to be allowed with a Provisional Use Permit if they can generate pedestrian activity and streetside interest.</p>	
<p><i>Purpose:</i> This ensures the ground floors are made available for retail/commercial and other uses that can demonstrate pedestrian activation.</p>	<p><i>Previous Standard/Guideline:</i> None.</p>
	<p><i>Areas Implemented:</i> Area H fronting on Castro Street and cross-streets, except Evelyn Avenue west of Castro Street.</p>

2. Maximum Office FAR

<p><i>Description:</i> New buildings may not build more than 2.75 FAR office in Area H.</p>	
<p><i>Purpose:</i> This encourages upper-floor step-backs, plazas, and ground-floor retail by limiting the amount of office floor area that can be built.</p>	<p><i>Previous Standard/Guideline:</i> None.</p>
	<p><i>Areas Implemented:</i> Area H only.</p>

3. Heights Measured in Feet

<p><i>Description:</i> Maximum building heights will be measured in feet, previously measured in number of stories. In addition, in Area H, the 100 to 200 block, height was increased by 5', from 45' to 50', to support taller ground floors that are needed for modern retail, restaurant, and other desired ground-floor uses.</p>	
<p><i>Purpose:</i> This provides more flexibility for residential development (especially in Area H, where five stories are feasible in the previous maximum height), greater predictability of form, and clearer direction to applicants.</p>	<p><i>Previous Standard:</i> Maximum building height measured in stories for Areas A and G, and in feet <u>and</u> stories in Area H.</p>
	<p><i>Areas Implemented:</i> Areas A, G, and H.</p>

4. Transitions to Historic Buildings

<p><i>Description:</i> New buildings and modifications that increase height adjacent to historic buildings can be up to 10' taller than the historic building, at which a minimum 10' step-back is required.</p>	
<p><i>Purpose:</i> This provides objective standards to preserve the visual prominence of historic resources.</p>	<p><i>Previous Standard/Guideline:</i> None.</p>
	<p><i>Areas Implemented:</i> Areas A, G, and H.</p>

5. Maximum Building Widths and Character Changes

<p>Description: New buildings or major modifications to existing buildings must provide a character change at minimum every 75' and/or a massing break. In addition, buildings along Castro Street in Area H are limited to 125' in width, which prevents buildings that are far outside the rhythm and scale of downtown, even if there is a large consolidation of parcels.</p>	
<p>Purpose: This ensures that new large buildings maintain the scale and rhythm of downtown's historic fabric (Figure 2).</p>	<p>Previous Guideline: Various guidelines to break up roof forms, change compositional elements, etc., every 25' to 50'.</p>
<p>Areas Implemented: Required character changes in Areas A, G, and H. Maximum building width along Castro Street in Area H only.</p>	

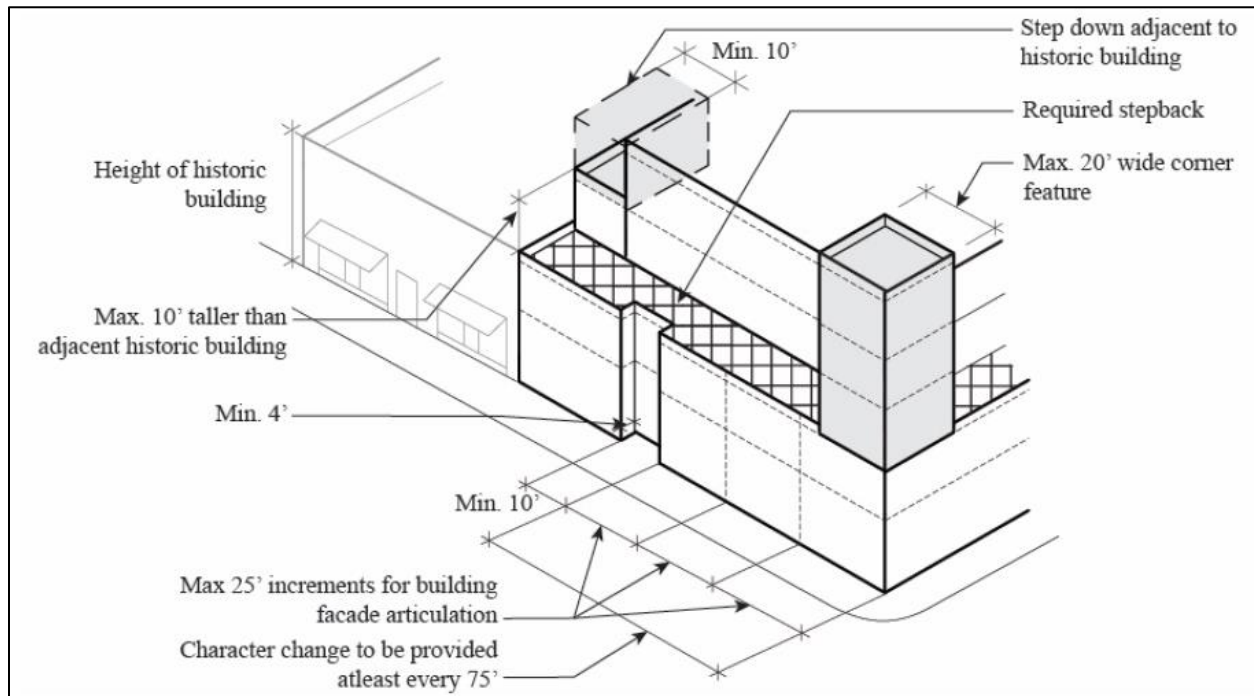


Figure 3: Building Width and Character Change Standards (Source: Updated Precise Plan)

6. Ground-Level Treatment

<p><i>Description:</i> New building or major modifications to street and public open space-facing facades require articulation in increments of up to 25' width.</p>	
<p><i>Purpose:</i> This helps activate the frontage and provide an engaging pedestrian experience.</p>	<p><i>Previous Guideline:</i> Various guidelines to break up roof forms, change compositional elements, etc., every 25' to 50'.</p>
	<p><i>Areas Implemented:</i> Areas A, G, and H.</p>

7. Entrances and Storefront Transparency

<p><i>Description:</i> New buildings or major modifications will require buildings to provide primary pedestrian access to street-facing ground uses along the public street, and entrances shall be recessed from the building facade to create an entry alcove. Building bases in Areas G and H require minimum storefront visibility.</p>	
<p><i>Purpose:</i> Updated standards support pedestrian interest.</p>	<p><i>Previous Guideline:</i> The previous guidelines (recommendations) have been converted to standards, which are mandatory.</p>
	<p><i>Areas Implemented:</i> Areas G and H with a standard related to entrances in Area A.</p>

8. Windows

<p><i>Description:</i> New buildings or major modifications will require buildings to adhere to a range of maximum window sizes and dimensions as well as window inset standards.</p>	
<p><i>Purpose:</i> These standards ensure buildings have a more traditional “punched-window” appearance instead of a more modern “glass curtain wall” appearance and supports fewer blank walls, synchronized design, and shadow detail.</p>	<p><i>Previous Guideline:</i> The previous guidelines (recommendations) have been converted to standards, which are mandatory.</p>
	<p><i>Areas Implemented:</i> Areas A, G, and H.</p>

9. Roof Treatment

<p><i>Description:</i> New buildings or major modifications to the roof area will require rooflines to be broken up at minimum increment of 75’ and development standards for parapets, cornices, and rooftop equipment.</p>	
<p><i>Purpose:</i> These standards ensure buildings provide architectural interest at the roof.</p>	<p><i>Previous Guideline:</i> The previous guidelines (recommendations) have been converted to standards, which are mandatory.</p>
	<p><i>Areas Implemented:</i> Areas A, G, and H.</p>

10. Walkway Dimensions

<p><i>Description:</i> Each subarea already included minimum open space requirements, but new standards were added for minimum walkway dimensions and associated landscaping.</p>	
<p><i>Purpose:</i> This provides functional open space, activation, and visual interest.</p>	<p><i>Previous Standard/Guideline:</i> None.</p>
	<p><i>Areas Implemented:</i> Areas A, G, and H.</p>

11. Building Material

<p><i>Description:</i> New buildings or major modifications to street-facing and public open space-facing building facades shall provide one primary material that has a traditional appearance, such as stone, brick, stucco, or wood.</p>	
<p><i>Purpose:</i> This will maintain downtown’s historic and traditional character.</p>	<p><i>Previous Standard:</i> The previous guidelines (recommendations) have been converted to standards, which are mandatory.</p>
	<p><i>Areas Implemented:</i> Areas A, G, and H.</p>

12. Solid Waste Service

<p><i>Description:</i> New food service uses and new buildings shall provide trash enclosures within the envelope of the building, and all trash service and loading access shall be off an alley, if available. If not available, it shall be in a well-screened location away from residential uses.</p>	
<p><i>Purpose:</i> This provides objective requirements to limit noise and odor impacts from solid waste collection areas.</p>	<p><i>Previous Standard/Guideline:</i> None.</p>
	<p><i>Areas Implemented:</i> Areas A, G, and H.</p>

Pipeline Provision

To grant flexibility to projects that may have invested design work under the previous standards, project applications received before September 15, 2022 are exempt from the new DTPP Phase 1 standards and guidelines. By timing the cutoff date before EPC, applicants will not have the opportunity or incentive to submit grossly incomplete applications to vest their project.

EPC Recommendation

The EPC recommended approval of these amendments on September 21, 2022. The EPC recommendation also included two modifications:

- Require the most activating uses be located at the corners of blocks (i.e., prohibit office lobbies in these locations, specifically for Castro Street in Area H). This was previously an Area H Design Guideline.

Staff Response: A new standard is included in Attachment 2, Exhibit A (see S5, Page 82).

- Prohibit nonconforming admin office uses after a period of vacancy, to be recommended by staff (e.g., one or two years), unless staff feels that more outreach would be necessary.

Staff Response: Staff's analysis is that more outreach would be necessary. In addition, only four properties, all off Castro Street, were identified as admin office uses in the affected areas (excluding lobbies). This minimal amount would not result in a significant benefit from phasing out admin office uses in these spaces. The draft language has not been changed in Attachment 2, Exhibit A.

Economic Analysis

Downtown has desirable characteristics but faces challenges pertaining to vacancies in a highly competitive retail market. At the June 8, 2021 Study Session, the City Council asked for an economic analysis, including strategies to help property owners and businesses deal with the challenges of vacant storefronts and add uses that could support more activity. The attached memo (Attachment 8) has several main goals:

- Overview of retail market, including viable uses that can contribute to ground-floor vibrancy and activity.
- Analyze effects of proposed standards.
- Identify constraints preventing reoccupation of vacant tenant spaces and upgrades of building facades.
- Identify City interventions that could support greater occupancy and building upgrades.

These findings are summarized in Attachment 8. This analysis is not intended to be a staff recommendation or City strategy. It is a first step/consultant high-level analysis that can be more fully developed through the Economic Vitality Strategy and DTPP Phase 2 amendments.

The following are key findings from the DTPP economic analysis:

- Downtown has desirable characteristics from a retail perspective, but it competes within a mature, well-developed, and highly competitive regional retail market.
- Aging and outdated commercial spaces are difficult to fill with new tenants.
- High-quality building renovation could generate higher rent in downtown, but retail rents would need to be above current rental rates to amortize significant exterior or interior improvements.
- Retail rents do not typically cover retail development and parking cost in Silicon Valley, but new residential or office uses on the upper floors could help pay for the provision of retail on the ground floor and generate new potential customers for downtown businesses.
- Eating establishments and personal fitness are growing their share of sales and space within the traditional “brick and mortar” retail environments.
 - Areas A, G, and H currently allow for these growing uses if they demonstrate pedestrian activation.
- Property owners in downtown Mountain View and shopping centers should consider leasing space to quasi-retail or nonretail uses, such as personal and financial service firms, recreational uses, medical service providers, and other health and wellness providers. While these uses do not typically generate significant taxable sales, they would increase customers to downtown who may combine trips to shop or dine at nearby establishments.
 - Area A, G, and H currently allowed the above-mentioned uses if they can demonstrate pedestrian activation.

Downtown Precise Plan Amendments Phase II—Next Steps

On November 2, 2022, the EPC reviewed and made recommendations on a potential Temporary Office Cap in the DTPP area. This item and a related item to prioritize the DTPP Phase 2 will be postponed until Council discusses its 2023-25 work plan in early 2023. The DTPP Amendments Phase 2 will include a review of land use, development standards, parking requirements, and revisions to the downtown permit parking program.

ENVIRONMENTAL ANALYSIS

The proposed DTPP Phase 1 amendment is in compliance with the provisions of the California Environmental Quality Act (CEQA) as an addendum was prepared pursuant to CEQA Guidelines

Section 15162 and Section 15164. The addendum found that no new significant impacts would occur and no previously examined significant effects would be substantially more severe than disclosed in the adopted 1999 City of Mountain View Downtown Precise Plan Initial Study/Negative Declaration (IS/ND), adopted 2004 City of Mountain View Downtown Precise Plan IS/ND, and certified 2012 Mountain View 2030 General Plan Environmental Impact Report (General Plan EIR).

FISCAL IMPACT

The proposed Phase 1 amendments affect the physical character of buildings in relatively built-out areas (Areas A, G, and H of the DTPP). The main standards that would affect developability include the prohibition of ground-floor office on Castro Street and the maximum FAR for office. These are minor changes that are not expected to significantly change the development pro formas for property owners in this area but could reduce the scale or likelihood of development by a small and unknown amount, potentially reducing property tax growth. On the other hand, by encouraging retail and restaurant uses in ground-floor spaces, the City may increase sales tax growth potential by a small and unknown amount.

CONCLUSION

Staff and EPC recommend the City Council adopt the DTPP amendments attached to this report.

ALTERNATIVES

1. Approve the Downtown Precise Plan Phase 1 Amendments with modifications.
2. Do not adopt the Downtown Precise Plan Phase 1 Amendments.

PUBLIC NOTICING

The City Council agenda is advertised on Channel 26, and the agenda and this report appear on the City's internet website. All property owners and tenants, including apartments, within a 750' radius and other interested stakeholders were notified of this meeting.

Prepared by:

Edgar Maravilla
Senior Planner

Eric Anderson
Advanced Planning Manager

Approved by:

Aarti Shrivastava
Assistant City Manager/
Community Development Director

Kimbra McCarthy
City Manager

KP-EM-EA/6/CAM
808-12-06-22CR-1
202024

- Attachments:
1. Addendum to Negative Declarations and EIR
 2. Resolution for Precise Plan Amendments
 3. Redlined Draft Precise Plan Amendments
 4. [Council Report Dated December 3, 2019](#)
 5. [Council Report Dated June 8, 2021](#)
 6. [Downtown Committee—September 21, 2022](#)
 7. [EPC Report Dated September 21, 2022](#)
 8. Economic Analysis