

DATE: May 5, 2026

TO: Council Transportation Committee

FROM: Ben Pacho, Transportation Planner
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SUBJECT: **Amend and Add New Sections to Article X (Transportation Demand Management) of Chapter 19 (Motor Vehicles and Traffic) of the Mountain View Municipal Code to Establish a Citywide TDM Program**

RECOMMENDATION

Recommend the City Council adopt an Ordinance of the City Council of the City of Mountain View Amending and Adding to Chapter 19 (Motor Vehicles and Traffic) of Article X (Transportation Demand Management) of the City code to establish a citywide TDM Program and Finding the Amendments to Be Exempt from the California Environmental Quality Act (CEQA) Pursuant to CEQA Guidelines Section 15308, as reviewed by the Environmental Planning Commission, to be read in title only, further reading waved (Attachment 1 to the CTC Staff report).

BACKGROUND

The City has long focused on how to reduce single-occupancy vehicle (SOV) trips on its roadways and provide incentives and opportunities for travelers to utilize alternative transportation methods. Transportation accounts for more than 60% of carbon emissions in Mountain View with drive-alone trips representing the biggest contributor to emissions and pollution.

In 1994, the City adopted a Transportation Demand Management (TDM) Ordinance (Article X) of Chapter 16 (Section 19.120) to comply with Valley Transportation Authority's (VTA) Congestion Management Program (CMP) in accordance with California Statute, Government Code 65088. The CMP's goal is to develop a transportation improvement program to improve multi-modal transportation system performance, land use decision-making, and air quality among local jurisdictions. The City is required to certify annually to the Congestion Management Agency its compliance with CMP legislation. As adopted, the TDM Ordinance provisions set out for requiring TDM programs of larger employers to achieve reductions in traffic and congestion within the City and the region. This Ordinance is still currently in effect.

On [July 10, 2012](#), the City Council adopted the 2030 General Plan identifying key mobility goals to promote effective TDM programs for existing and new development. TDM strategies were deemed necessary to advance the City's goals of managing roadway demand and enhancing mobility by incentivizing alternative transportation options, such as transit, walking, bicycling, and carpooling.

In August 2012, Council approved the [Greenhouse Gas Reduction Program \(GGRP\)](#). The GGRP aims to implement General Plan mobility policies, comply with state climate change legislation (Senate Bill (SB) 375 and Assembly Bill (AB) 32), and comply with regional Bay Area Air Quality Management District (BAAQMD) guidelines. Since transportation-related emissions account for nearly 60% of emissions Citywide, addressing transportation is a major focus of the City's efforts in relation to the GGRP. The GGRP established:

1. Mandatory commute trip reductions for development projects generating new employment;
2. TDM requirements for new development in certain areas of the City; and
3. Planned actions for reducing greenhouse gas emissions, including Measure T-1.1, Transportation Demand Management, which calls for adoption of a Citywide TDM Ordinance with TDM performance reporting requirements, procedures, and funding mechanisms.

Since 2014, Council has also adopted four Precise Plans—San Antonio Precise Plan (2014), El Camino Real Precise Plan (2014), North Bayshore Precise Plan (2014), and East Whisman Precise Plan (2019)—that establish TDM requirements for each Precise Plan area. Additionally, the Downtown Precise Plan (1988) has guidance related to trip-reduction plans. However, TDM requirements are uniform only across Precise Plan areas and not on a Citywide basis.

On [October 22, 2019](#), Council adopted the Sustainability Action Plan 4 (SAP-4) that created a fund to advance sustainability actions, including funding to hire a TDM analyst to support the planned expansion of TDM requirements Citywide. The Public Works Department hired a TDM analyst in January 2022, which allowed work to begin on developing a Citywide TDM Ordinance.

On June 22, 2021, Council adopted Strategic Priorities for Fiscal Years 2021-23, which included developing a Citywide TDM Ordinance to standardize trip-reduction targets across the City and establish uniform TDM monitoring and reporting provisions. On [June 13, 2023](#), Council reaffirmed this item as a Council Priority for Fiscal Years 2023-25 and categorized development of a Citywide TDM Ordinance as one of the City's highest priorities. The intent of the Ordinance

is to build on the demonstrated effectiveness of TDM in the Precise Plan areas and apply its practice more consistently and predictably on a Citywide basis.

On February 20, 2023, the City executed a contract with Steer Davies & Gleave, Inc., to provide professional services to support development of a Citywide TDM Ordinance. The project team has undertaken the following tasks:

- Reviewing and analyzing the regulatory context and existing TDM requirements.
- Defining the vision, goals, and principles for the TDM Ordinance.
- Developing a draft framework for the Citywide Ordinance, including analysis of approaches in peer and best practice cities.
- Engaging an internal Technical Advisory Committee consisting of City staff from Economic Vitality, Planning, Sustainability, Traffic, Transportation, and Land Development.
- Engaging with community members, developers, employers, and property managers, including meetings with the Downtown Business Association on June 13, 2023, Mountain View Chamber of Commerce on June 14, 2023, Mountain View Transportation Management Association (TMA) Board on May 25, 2023 and May 30, 2024, a community meeting on January 21, 2025, and 14 one-on-one conversations with stakeholders.
- Presenting key deliverables and gathering feedback from the following advisory bodies:
 - The Bicycle/Pedestrian Advisory Committee (BPAC) reviewed the project vision and objectives on [October 25, 2023](#) and TDM Policy framework on [January 29, 2025](#);
 - The Environmental Planning Commission (EPC) reviewed the project vision and objectives on [November 1, 2023](#) and TDM Policy framework [February 5, 2025](#);
 - The Council Transportation Committee (CTC) reviewed the project vision and objectives on [January 30, 2024](#) and TDM Policy framework on [March 4, 2025](#); and
 - The City Council held a Study Session on the TDM Policy framework on [June 10, 2025](#).
- Drafting Ordinance language and commencing the TDM cost estimation and implementation planning study.

ANALYSIS

TDM refers to strategies and incentives designed to reduce SOV trips and encourage use of alternative transportation modes, such as transit, walking, bicycling, and carpooling. Common TDM measures include transit subsidies, vanpool and carshare services, commuter incentives, bicycle facilities, and flexible work arrangements. Successful implementation of TDM programs can reduce traffic and congestion, mitigate demand for on-site parking, and achieve transportation mode shift to sustainable travel options.

The City's approach to TDM spans a mix of project size and land use types as shown in Figure 1, where at least 27 entitled development projects in Mountain View have existing TDM requirements as part of their Conditions of Approval. These requirements are supported by broad enabling policies, including the General Plan, Precise Plans, GGRP, and Sustainability Action Plan in addition to state laws and regulations. Within Mountain View, TDM requirements are applied to a wide range of land uses, including office or commercial development (44%), mixed use (19%), Master Plan areas (7%), multi-family residential (19%), hotel (7%), and medical facilities (4%).

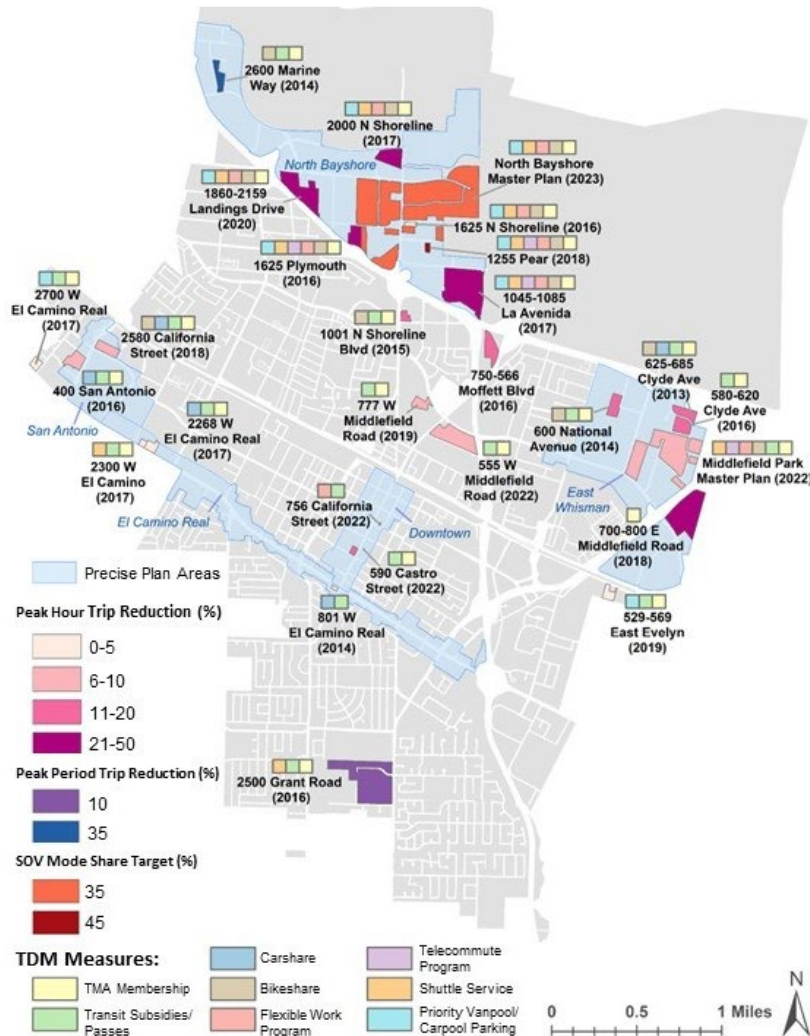


Figure 1: Existing Citywide TDM Requirements

To develop a policy framework for a Citywide TDM Ordinance, the project team synthesized information on existing TDM requirements by conducting community and stakeholder outreach in 2023 to 2025. Staff gathered the following feedback to understand the current state of practice of TDM in the City:

- Stakeholders, such as employers, small businesses, and property managers, indicated that they understand the value of TDM measures in providing benefits to employees or residents in terms of safe, sustainable, and equitable mobility options.
- Employers noted that the City’s TDM requirements provide the basis to support ongoing investment in their commuter programs.

- Stakeholders expressed support for greater standardization of TDM requirements, including a TDM menu of options from which they can select to shape their TDM Plans and meet their transportation goals.
- Several stakeholders requested greater flexibility to update or adjust their TDM Plan following implementation to respond to evolving travel patterns and availability of mobility options and new technologies.
- Employers and developers noted that the current process for including TDM Conditions of Approval could benefit from increased standardization of TDM requirements to increase predictability during the entitlement process.

As such, the following vision for the project was established to shape the development of the Citywide Ordinance based on Council’s original direction as well as the existing conditions analysis and input from community members, stakeholders, BPAC, EPC, and CTC:

“The Transportation Demand Management (TDM) Ordinance seeks to reduce single-occupancy vehicle trips for new development and increase use of multi-modal transportation alternatives that are sustainable, equitable, effective, and respond to changing demands.”

Additionally, the Ordinance framework was informed by the four guiding principles of predictability, effectiveness, sustainable mobility, and equity, as shown in Figure 2.

Predictable	Effective	Equitable	Sustainable Mobility
<ul style="list-style-type: none">• Clear, consistent application• Simple, efficient reporting• Implementable requirements	<ul style="list-style-type: none">• Stakeholder-supported approaches• Flexible, scalable strategies	<ul style="list-style-type: none">• Expands access to affordable, reliable options for all who live & work in MV	<ul style="list-style-type: none">• Reduces VMT, SOV & GHG emissions• Increases multimodal travel & active transportation

Figure 2: Guiding Principles for Developing the TDM Ordinance

Draft Ordinance Framework

The proposed TDM Ordinance establishes standardized guidelines for a Citywide TDM Program applicable to new development, including modifications, change of use, and expansions of existing sites, which would exceed defined trip generation thresholds. Participation in the new TDM Program will be determined by the following components:

- **Applicability:** All projects generating 200 or more net new Average Daily Trips (ADT), including residential, commercial, and mixed-use developments. The TDM ordinance will apply to projects with anticipated net new ADT that fall into the categories specified in Table 1. The size thresholds align with the City’s existing MTA analysis and VMT policy, which is consistent with SB 743 to reduce transportation impacts related to new development. Projects will be categorized as small, medium, or large based on anticipated daily trip generation.

Table 1: TDM Ordinance Applicability Approximate Thresholds by Project Category

Land Use Type	Small <i>200-499 ADT</i>	Medium <i>500-999 ADT</i>	Large <i>1,000+ ADT</i>
Multi-Family Residential	30 < units < 75	75 < units < 150	> 150 units
Single-Family Residential	20 < units < 55	55 < units < 105	> 105 units
Retail	< 10,000 ksf	10 < ksf < 20	> 20 ksf
General Office	20 < ksf < 45	45 < ksf < 90	> 90 ksf
Research and Development Center	20 < ksf < 45	45 < ksf < 90	> 90 ksf
General Industrial	40 < ksf < 100	105 < ksf < 205	> 205 ksf
Warehousing	115 < ksf < 290	290 < ksf < 585	> 585 ksf
Other	Threshold would be based on the most similar land use type and determined in agreement with City staff.		

- **Performance Metric:** ADT will be the primary metric to assess the estimated trip generation rates from development, consistent with the City’s Multi-Modal Transportation Analysis (MTA) Handbook.
- **Trip Reduction Targets:** The proposed ADT reduction targets (see Table 1, below) are based on the City’s existing Precise Plans targets and benchmarking against comparable TDM programs in peer jurisdictions, including San Francisco, San Mateo County, Redwood City, San Jose, Sunnyvale, and Santa Monica, as well as attainable TDM strategies modeled in the VTA Vehicle Miles Traveled (VMT) evaluation tool.

To achieve the necessary trip reductions, staff has developed a TDM Toolkit comprised of measures that reflect varying levels of effectiveness for reducing trip generation. The Toolkit (Attachment 3—Draft TDM Toolkit) is designed to offer a menu of strategies that vary in scale and cost, allowing projects to create site-specific TDM Plans to fit the project.

The TDM measures are grouped into two categories of Core and Auxiliary Strategies. The applicant is required to select the requisite number of Core Strategies in accordance with project size and estimated ADT generation. To support implementation of Core Strategies, the project will be required to implement a set number of Auxiliary Strategies in accordance with the project size. The tiered requirement for Auxiliary Strategies is as follows:

- Small Projects: At least two (2) Auxiliary Strategies.
- Medium Projects: At least three (3) Auxiliary Strategies.
- Large Projects: At least five (5) Auxiliary Strategies.

As shown in Table 2 below, reduction targets scale with project size with adjusted (lower) targets for residential and Transit-Oriented Development (TOD) to reflect their inherently lower baseline trip generation. For the latter, TOD projects are those located in a High-Quality Transit Area, defined as areas where at least fifty percent (50%) of the project area is within one-half (0.5) mile of a high-quality transit corridor or a major transit stop. Such transit facilities may include: (a) an existing rail station or ferry terminal served by bus or rail; (b) a bus stop with peak service frequency of fifteen (15) minutes or less; or (c) a planned rail station or planned ferry terminal served by bus or rail, as defined in California Public Resources Code [Section 21155\(b\)](#).

Table 12: Proposed ADT Reduction

Project Size	ADT Generation	ADT Reduction Target	
		Non-residential & Non-TOD Projects	Residential & TOD ¹ Projects
Small Project	200-499	30% reduction	20% reduction
Medium Project	500-999	40% reduction	30% reduction
Large Project	1,000+	50% reduction	40% reduction

- **TDM Plans:** Subject projects will submit and adopt a TDM Plan prior to project approval. The TDM Plan will include selections from a menu of strategies available in the TDM Toolkit (Attachment 3—TDM Toolkit) that encompass a mix of Core and Auxiliary Strategies. Projects will be required to adopt the requisite number of Core Strategies consistent with

¹ “Transit-Oriented Development (TOD)” means projects where at least 50% of the project is located within one-half (0.5) mile of high-quality transit as defined in California Public Resources Code, Section 2115(b) and Section 21064.3, as may be amended.

their ADT reduction target. Core Strategies will offer an array of flexible and proven trip-reduction strategies that applicants may select from to develop a TDM Plan. Additionally, “Auxiliary Strategies” are those that may not have significant trip-reduction potential as stand-alone strategies but supplement the implementation of Core Strategies. Finally, a TDM Agreement will be executed by the developer prior to entitlement to formalize the adoption and intent to implement the approved TDM Plan.

- **Monitoring and Reporting:** To demonstrate compliance and provide data on effectiveness of TDM efforts, all projects will be required to submit ongoing standardized annual reporting following the first year of postoccupancy, consistent with their project size:
 - Small Projects (200 to 400 ADT): Annually for three (3) years.
 - Medium Projects (500 to 999 ADT): Annually for ten (10) years.
 - Large Projects (1,000+ ADT): Annually for twenty (20) years.

Additionally, for nonresidential projects:

- Annual reporting will include assessment of the project’s performance in achieving its trip cap, supported by commute travel surveys and driveway count data.
- **Enforcement:** All projects subject to the TDM Ordinance are required to comply with the provisions of the Municipal Code. Noncompliance will be enforced pursuant to [Section 1.7](#) (Article 1, Violations) and [Section 1.17](#) (Article 2, Administrative Penalties) of City’s Code Enforcement regulations.

Examples of violations of the TDM requirements may include, but are not limited to:

- Failure to submit required annual TDM monitoring reports or updates to the TDM Plan.
- Failure to implement or maintain approved TDM measures and strategies.
- Failure of nonresidential projects to achieve the required ADT reduction target or exceeding an established site-specific trip cap.

Projects found to be out of compliance may be subject to administrative penalties and other enforcement actions in accordance with the Municipal Code.

TDM Policy Framework

The proposed Ordinance reflects several changes to the TDM Policy framework, which have been incorporated based on feedback from key stakeholders since the Council Study Session on [June 10, 2025](#). To support successful implementation of the TDM Program, the proposed changes will:

- **Implement Program 1.2(c) and Program 1.3(d) of the Sixth Cycle 2023-2031 Housing Element**, which requires the City to adopt a TDM Ordinance, study the cost of TDM requirements on typical residential developments, and allow residential developers to meet TDM goals through lower-cost options. To support this, the proposed Ordinance will allow residential parking reductions and exemptions from parking requirements for projects proposing to use enhanced features of a TDM Plan, which achieve a higher level of trip reduction than the minimum requirement.
 - To satisfy the enhanced TDM criteria for exemption from the minimum parking standard, a residential project must either: (1) exceed its applicable ADT reduction target by at least five percent (5%); or (2) adopt one (1) additional Core Strategy and two (2) additional Auxiliary Strategies over the minimum required number.
 - The enhanced TDM criteria are intended to incentivize higher levels of trip reduction and reduced parking demand while increasing mobility options for residential projects as well as support the City’s broader goals related to expanding affordable housing.
 - The TDM toolkit has been updated with additional lower-cost strategies to provide more flexibility for residential projects of all sizes to comply with TDM requirements. Additionally, the ADT targets for residential developments match those of TOD projects, given their lower baseline trip generation rates and effectiveness to reduce local and regional single occupancy trips.
 - Based on feedback received from EPC on April 15, 2026, the proposed ordinance will be structured to allow both reduced parking and unbundled parking strategies for residential projects to meet the enhanced TDM criteria for parking exemptions and reduced parking minimums.

- **Provide specific exemptions for “patron-driven uses”** under applicability standards:
 - Development consisting of patron-driven uses less than net new 100,000 square feet will be exempted from the TDM Program. Patron-driven uses are defined as nonresidential uses whose trip generation is primarily patrons, rather than

employees. Examples include child-care centers, religious institutions, retail (general merchandise, grocery, and similar), restaurants, entertainment, medical, and other personal services. Such uses are local-serving and support economic vitality by attracting and retaining retail and other service-oriented mixed uses.

- **Monitoring and reporting provisions for residential and patron-driven uses:** All residential and patron-driven uses will be exempted from site-specific trip caps and associated ADT reduction target requirements, including provisions requiring travel surveys and driveway counts. The exemptions reflect existing conditions and local and state regulations, which seek to reduce financial costs and administrative burdens related to delivering more affordable housing and local-serving uses. However, these projects will still be required to adopt and implement a TDM Plan and provide ongoing annual TDM reporting in accordance with project size.
- **Required TDM Strategies: Mountain View Transportation Management Association Membership.** As a private nonprofit membership organization, the TMA is funded by Mountain View businesses and property owners to address transportation challenges for the benefit of the community. The MVgo shuttle service, which provides fare-free last-mile connections between the Transit Center and main employment hubs, is administered and funded by the TMA's Board of Directors. While the TMA assesses fees of its members to fund MVgo operations and similar TDM programs, there is risk of potential violation of Proposition 218, which was adopted in 1996 to ensure that all taxes and most charges on property owners are subject to voter approval. As such, establishing a Property-Based Improvement District (PBID) is a remedy to ensure an equitable means of assessing membership fees to fund MVgo and other TMA-provided services in the future.
 - The TDM Policy Framework adopted last June included the TMA membership requirement for medium and large nonresidential projects and large residential projects only. Due to the issues noted above, the proposed Ordinance will not require projects of any size to join the TMA. Membership in the TMA will be optional and included in the TDM Toolkit, incentivizing new projects to join as a way to satisfy their TDM requirements and trip-reduction goals.
 - While TMA membership will not be required, staff with the TMA, will explore the process of establishing a PBID in Mountain View following adoption of the Ordinance. Similar to other jurisdictions, such as the [City of Emeryville](#), the goal of establishing the PBID will be to provide a long-term and scalable approach to funding TMA-provided services, including the MVgo shuttle. A PBID in Mountain View would also support growing membership in the TMA by clearly defining the structure for governance and assessment of member fees.

- **Enforcement and Penalties:** The proposed Ordinance seeks to align the enforcement provisions under [Section 1.7](#) (Code enforcement—Violations) and [Section 1.17](#) (Administrative penalties) of the Mountain View City Code. This approach is consistent with neighboring jurisdictions that situate violations of TDM noncompliance under municipal code sections in accordance with administrative citations. Where the project is not at fault for noncompliance, the assessment of penalty fees may be waived under certain circumstances, such as unavailability of a TDM service provider, high vacancy, or economic hardship. Additionally, the City Code enforcement provisions will consistently apply to all projects subject to the Ordinance rather than specific project Conditions of Approval. Staff will work with existing projects who request to opt into the Citywide TDM Ordinance in order to benefit from this streamlined enforcement approach.

FISCAL IMPACT

To support effective implementation of the TDM Ordinance and ensure long-term program sustainability, the City has hired a consultant to support cost estimating and an implementation planning study. This study will evaluate the range of City staff time and administrative resources required to administer the Ordinance, including TDM Plan review during entitlement, ongoing monitoring and reporting, compliance and enforcement activities, program evaluation, and maintenance of any supporting software platforms. The findings will inform consideration of a potential annual TDM fee, intended to recover a portion of the City's ongoing costs associated with administering and enforcing the Ordinance. The study will account for efficiencies gained through standardized reporting, automation, and potential partnerships, with the intent of helping align any future fee with the level of effort required to support participating developments over time. Following completion of this fee study, staff will draft a resolution for the City Council to review and adopt.

As part of developing a TDM Toolkit, staff has identified a range of flexible and affordable options for applicants to choose from based on cost-effectiveness and trip-reduction potential. The TDM Toolkit benchmarks the TDM measures along the expected cost level for implementing a prospective strategy. For example, strategies will range from as low as (\$0 to \$5,000), medium cost (\$5,000 to \$50,000), and high (\$50,000 and above), or cost-neutral. Actual costs may vary by project according to scale of proposed measure(s), subsidy, and participant coverage, which would provide needed cost elasticity to projects implementing a TDM program.

ENVIRONMENTAL REVIEW

The City Council finds, pursuant to Title 14 of the California Code of Regulations, Section 15307, that this Ordinance is not subject to the California Environmental Quality Act (CEQA) because it is an action undertaken by a local agency for the purposes of protecting natural resources. The City Council also finds that, on a separate and independent basis, pursuant to Title 14 of the California Code of Regulations, Section 15308, that this Ordinance is not subject to the California Environmental Quality Act (CEQA) because it is an action undertaken by a local agency for the purposes of protecting the environment.

ENVIRONMENTAL PLANNING COMMISSION REVIEW

On [April 15, 2026](#), the Environmental Planning Commission (EPC) reviewed the draft TDM Ordinance, Draft TDM Program Standards, and Draft TDM Toolkit and provided the following input on these items.

- Broad support of staff's approach to establish a flexible structure through enforceable ordinance requirements and adaptable TDM program standards.
- Proposed redlines to the Draft TDM Program Standards to ensure consistent language with the ordinance regarding the exemption for Very Small Projects; and provide further clarity on where annual TDM fee details will be documented in the Standards document.
- Majority support to recommend additional strategies be considered in the future for residential projects, including:
 - Tiered parking reductions for residential projects, recognizing deeper reductions with greater TDM credit
 - Encourage delivery of mixed-use projects that result in internalization of trip demand and reduce net new ADT.
 - Consideration of adding design-based strategies within the Toolkit that improve walkability and pedestrian access.
- Broad support of staff to advance the ordinance as proposed, recognizing it as an important policy step for achieving key citywide goals.
- Recommended the evaluation of projects that may not fall discretely into the size thresholds and ADT targets as described in Table 2.
- Proposed modification to the Definitions section to include classification of Autonomous Vehicles (AVs).

- Recommended the future evaluation of TDM requirements from which projects might request concessions and waivers granted under the State Density Bonus Law.

NEXT STEPS

Following CTC review, the proposed ordinance and the CTC comments will be forwarded to the City Council at a public hearing tentatively scheduled for May 12, 2026. If approved by the City Council in June, a second reading of the Ordinance will occur June 9, 2026, and the proposed Ordinance would be effective 30 days after the second reading. Once adopted, implementation steps will include:

- Development and refinement of the TDM Program Standards and a TDM Toolkit;
- Update Precise Plans and the City Code to implement Housing Element action items and Ordinance provisions;
- Present an annual TDM fee resolution to Council for review and adoption;
- Explore feasibility of establishing a Property-Based Assessment District Citywide;
- Integration with the City's permitting and entitlement processes;
- Establishment of ongoing monitoring and reporting systems, including identifying technology solutions/providers; and
- Coordination with stakeholders and regional partners.

Staff anticipates final adoption of the Ordinance by summer 2026.

CONCLUSION

The proposed TDM Ordinance provides a consistent, Citywide approach to TDM program implementation that will inform future updates to Precise Plans and ensure alignment between development standards and transportation impact analyses. Adoption of the Ordinance represents a key step in advancing the City's efforts to reduce single-occupancy vehicle trips for development and increase use of sustainable travel options. The proposed Ordinance also fulfills a key Council Strategic Priority of the General Plan and Sustainability Action Plan intended to bolster more healthy, sustainable patterns of transportation and planned growth.

PUBLIC NOTIFICATION

The meeting agenda and staff report were posted on the City's website and distributed to interested stakeholders, including community groups, business organizations, and individuals who have requested notification on TDM-related topics.

PWK/BP-05-05-26M

- Attachments:
1. Draft Citywide Transportation Demand Management Ordinance
 2. Draft TDM Program Standards
 3. Draft TDM Toolkit
 4. [Environmental Planning Commission Report dated April 15, 2026](#)