DATE: November 7, 2023

TO: Honorable Mayor and City Council

FROM: Diana Pancholi, Principal Planner

Eric Anderson, Advanced Planning Manager Aarti Shrivastava, Assistant City Manager/ Community Development Director

VIA: Kimbra McCarthy, City Manager

TITLE: Downtown Precise Plan Comprehensive Update,

Scope of Work, and Determination of Temporary

Office Cap



<u>PURPOSE</u>

Introduce the Downtown Precise Plan Comprehensive Update to the City Council and receive direction on the potential scope of work and key topics for the project and on the related temporary office cap.

BACKGROUND

Originally adopted in 1988, with subsequent amendments in years 2000, 2001, 2004, 2015, 2018, and 2022, the Downtown Precise Plan (DTPP) has served as a foundational framework for guiding both private development and public improvements within the City's core. The Plan has been instrumental in shaping the evolution of downtown, characterized by a vibrant mix of civic functions, cultural events, a thriving residential community, and a historic commercial district.

Over the past 25 years, downtown has undergone significant transformations driven by shifts in economic markets and changing urban dynamics. Concurrently, the City's priorities and vision have evolved, necessitating a comprehensive reevaluation of the goals and policies outlined in the Downtown Precise Plan.

A comprehensive update to the Downtown Precise Plan—P(19) is an integral part of the City's ongoing focus on downtown-related issues.

Downtown PP Update Phase 1—In 2019, the City Council endorsed a two-phased approach to updating the DTPP and added Phase 1 to the Council Fiscal Year 2020-22 Work Plan. The DTPP Update Phase 1 focused on limited topics related to Precise Plan Subareas A, G, and H regarding design guidelines and minimal ground-floor land use changes. Phase 1 updates were adopted in December 2022. At the adoption hearing, the City Council discussed reviewing land use, design, and parking standards in the entire DTPP area as part of Phase 2 updates in the future.





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Downtown Precise Plan Update Comprehensive Update (Phase 2)—The project is included in the City Council's <u>Fiscal Year 2023-25</u> Work Plan outlining key projects aligned with their Strategic Priorities, including "Intentional Development and Housing Options." This priority focuses on themes such as increasing the quantity and diversity of housing options and planning for neighborhoods with nearby transit, jobs, and amenities that balance density with livable, green, mixed-use development.

Downtown Precise Plan

The DTPP covers approximately 100 acres and includes the historic retail core of the City as well as a mix of office, residential, and civic uses. It is anchored by the Transit Center at the north end of the Plan area and stretches to El Camino Real in the south. The Plan also includes properties one to two blocks from Castro Street, accomodating residential transition areas between the commercial core and the largely single-family neighborhoods that surround it. The Precise Plan area also includes the Parking Assessment District, which allows for the collection of assessments to fund the maintenance and construction of the City's downtown public parking facilities. The current Precise Plan area is shown in Figure 1. The Precise Plan area is divided into 10 planning subareas (A through J) and includes specific development and design frameworks, characteristics, and development potential specific to each subarea.

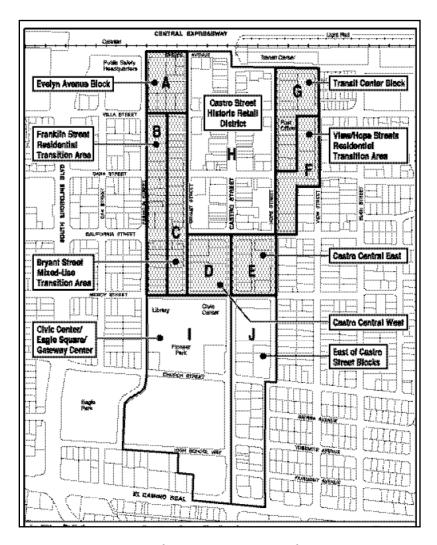


Figure 1: The Current Precise Plan Area

Past Council Direction Related to the Downtown Precise Plan Comprehensive Update (Phase 2)

Through the review of numerous development proposals and recent economic vitality strategy discussions, Council has expressed interest in updating different sections of the Precise Plan to address current development trends and the community's vision. Topics that have been articulated by Council as potential areas for study include: appropriate and updated mix of land use categories; parking; heights and intensities; historic preservation; architectural design; and permit processes.

Specific direction from the City Council on three recent and ongoing policy projects related to this comprehensive update project are listed below.

A. <u>Downtown Parking Strategy</u>—<u>City Council Adoption Hearing, November 9, 2021</u>

- 1. Update Precise Plan Parking Standards.
- 2. Update the Parking District boundary and fees.
- 3. Expanded Access to Existing Parking Supply.
- 4. Draft and adopt a Citywide TDM Ordinance, including downtown.
- 5. Adopt new Citywide bicycle parking requirements, including downtown.
- 6. Implement new Downtown Permit Program. Launch affordable parking program.

B. <u>Downtown Precise Plan Update Phase 1—City Council Adoption Hearing, December 12, 2022</u>

The following items were comments directly relating to a comprehensive ("Phase 2") update to the Precise Plan:

- 1. Review wider sidewalks and internal pathways, particularly where taller buildings are allowed.
- 2. Follow up for ground-floor windows: Review whether standards can be added to help with activating windows of vacant spaces and to discourage mirrored windows on the ground floors of existing buildings.
- 3. Address lighting for security in public areas and review new security lighting and Dark Sky requirements in the comprehensive update. Staff notes that the Dark Sky Ordinance is a Council work item that will be followed up separately and will be applicable Citywide, including the DTPP area.
- 4. Review limits on the width of ground-floor lobbies along the Castro Street frontage with the intent to ensure an active streetscape.
- 5. Evaluate disallowing nonpublic food uses on the ground-floor street frontage along Castro Street and key streets.
- 6. Evaluate requirements for building entrances and ground-floor uses along the street to be at, or generally near, grade level.

C. <u>Economic Vitality Strategy</u>—<u>City Council Study Session, September</u> 26, 2023

1. Add Placemaking as a goal and strategy—Branding differentiation for downtown and other Village Centers and new districts created in recent Precise Plans and include upgraded signage, facade improvements, and design assistance.

- 2. Evaluate best practice tools to deal with blight related to vacant properties, ranging from incentives, or "carrots," such as providing consultation/grants for storefront window treatment and/or facade improvements to stricter measures, or "sticks," such as code enforcement, vacancy tax, or other options.
- 3. Prioritize creation of a Rapid Response Team to help small businesses with permitting.

Housing Element Programs

While the <u>Housing Element</u> does not mandate new densities downtown, there are several programs in the Housing Element related to downtown:

- Program 1.1: The Downtown Transit Center must be rezoned to allow at least 75 dwelling
 units per acre by December 2025. The Transit Center is within the Evelyn Station Precise
 Plan but is adjacent to the DTPP. This rezoning will happen separately from the DTPP
 comprehensive update to ensure that it can be completed by the deadline.
- Program 1.2: The DTPP must be amended to remove minimum parking requirements for
 residential developments by December 2024. This amendment will be separately conducted
 to ensure that it can be completed by the deadline and will include other areas identified in
 the Housing Element where minimum parking requirements for residential developments
 are to be removed.
- Program 4.5: At least 65 units of affordable housing must be generated downtown within
 the Housing Element cycle. If these units are not proposed through the BMR program, the
 City will issue an RFP for an affordable housing project on a City-owned site by December
 2027. During the comprehensive update process, the City will evaluate options for
 affordable housing sites.

PROJECT OVERVIEW

The DTPP comprehensive update project will update the vision for downtown and amend standards, processes, and guidelines within the existing Precise Plan document. This update will focus on fostering a vibrant and sustainable development environment in downtown, aligning it with the evolving needs and preferences of the community and ensuring that it remains an attractive and functional core of the City for years to come.

At this stage of the process, staff is requesting feedback and direction from the Council regarding the scope of work that will shape the work plan and outreach strategy. Therefore, this Study Session memorandum introduces essential subject areas without delving into detailed

discussions. A more in-depth exploration of these topics will occur, and Council's direction on these areas will be solicited during subsequent Study Sessions. These sessions will be organized in response to insights gained from public outreach, engagement, analysis, and reviews conducted by the Environmental Planning Commission (EPC). A draft for the Council's final consideration will be formulated upon the conclusion of the Study Sessions.

DISCUSSION

Scope of Work

Based on previous Council direction and experience with preparing other Precise Plans, staff has identified the following topics, elements, and deliverables in Table 1 to include in the project scope. Staff is seeking Council input on key topics listed below to define the Precise Plan Update's focus and scope of work. In the course of this project, the staff will concentrate on evaluating the downtown experience for visitors, residents, pedestrians, bicyclists, and business owners. The aim is to explore how the various topics mentioned below can enhance the overall downtown experience.

Table 1: Scope of Work

	Topic	Elements	Deliverables
1.	Land Use Mix	Update land uses to reflect business needs and community vision such as increasing housing opportunities, reducing vacancies, serving as a hub for the City and region.	 Retail/restaurant/ services/experiential retail demand study Density prototype analysis, focused on
		Require and promote active, customer- oriented commercial businesses along	small parcels
		Castro Street.	Development feasibility analysis
		Revise development densities and intensities.	
		Revise development standards.	
2.	Objective Development Standards	Establish clear and objective development standards to provide consistency and transparency in the development review process.	Character and massing studies

Topic		Elements Deliverable	
3.	Streetscape Standards	Enhance and update streetscape standards and develop a comprehensive program for pedestrian and bicycle access into, out of and within downtown, while also considering the needs of other modes.	Circulation plansStreetscape diagrams
4.	Design Standards	Create objective design standards to clarify requirements and ensure that development contributes positively to the public realm and downtown's traditional and historic character.	 Architectural styles and themes study Pattern book¹
5.	Parking and TDM Regulations	Revise parking regulations to comply with recent State Legislation (such as AB 2097) ² and include elements from the Downtown Parking Strategy and TDM Ordinance to manage public parking resources efficiently, assure there is an adequate number of public electric vehicle supply equipment installed parking spaces and parking spaces that are accessible to persons with disabilities when a property owner is allowed to pay in-lieu fees instead of installation of these types of parking spaces per AB 2097, reduce the reliance on single-occupancy vehicles, and increase alternative transportation options.	 Parking demand analysis based on proposed land uses Maximize effective and efficient use of public and private parking Downtown tripreduction strategies
6.	Signage Regulations	Maintain a visually appealing and navigable pedestrian-oriented, urban environment, ensuring businesses can	Best practices, signage type/style options that are appropriate

A pattern book is a document containing the different patterns and components that create the fabric and context of an area and identifies the elements necessary for retaining and enhancing its character as new development, improvements, and changes are considered.

² AB 2097 is a California law that prohibits public agencies or cities from imposing a minimum automobile parking requirement on most development projects located within a one-half-mile radius of a major transit stop, starting January 1, 2023.

Topic		Elements	Deliverables
		convey their messages while preserving the character and aesthetics of the district.	for downtown environments
7.	Other Development Strategies	Explore other development strategies to achieve community goals, such as Bonus FAR for community benefits or a jobs-housing linkage strategy.	 Various strategy approach analyses similar to those used in other Precise Plans Economic feasibility
8.	Permitting Process	Streamline permitting processes to support desired uses and development and add transparency and clarity to the process.	analysis Benchmarking, best practice, and development review process options
9.	Public Art and Placemaking	Consider public art and placemaking strategies to allow and support engaging, interactive, and varying experiences that will draw visitors and help define the City's identity.	Public art and placemaking study, focused on Mountain View's downtown and civic identity and best practices for activating public and private spaces
10.	Cultural/Ethnic Diversity	Provide for cultural/ethnic diversity and inclusivity, including small business retention	Best practice studies and policy options that encourage incorporation of cultural and ethnic diversity and focus on the needs of small businesses
11.	Landscaping, Trees and Open Spaces	Standards for both public and private property and the streetscape to encourage increasing tree canopy, native and drought-tolerant landscaping, and create and enhance open spaces and connections throughout downtown.	 Tree canopy analysis Analysis to provide/ encourage a variety of open space types that enhance connections and recreation opportunities.

	Topic	Elements	Deliverables
12.	California Environmental	Conduct environmental review as required under State Law and to	Environmental documents
	Quality Act	facilitate and streamline subsequent developments.	Utility studies
			Other studies as necessary

Project Boundary

The DTPP includes one to two blocks on either side of Castro Street, roughly covering the transition to the surrounding single-family neighborhoods between Evelyn Avenue and El Camino Real. The DTPP area has a unique character which is very different from surrounding Precise Plans and Planned Community (P) Districts (see Figure 2—Downtown Vicinity Map). The adjacent Evelyn Avenue Corridor Precise Plan area is primarily residential and commercial with different characteristics from the downtown and is largely built out. The El Camino Real Precise Plan also went through a separate planning process and is currently being implemented through development projects since its adoption in 2015. Therefore, staff is not recommending a change in the DTPP area boundary at this time; however, there may be an opportunity to modify the boundary of the Precise Plan through this process. For example, the Precise Plan may incorporate the Transit Center (after it has been rezoned pursuant to the Housing Element) or the Public Safety Building. These options may be further studied during the DTPP comprehensive update process.

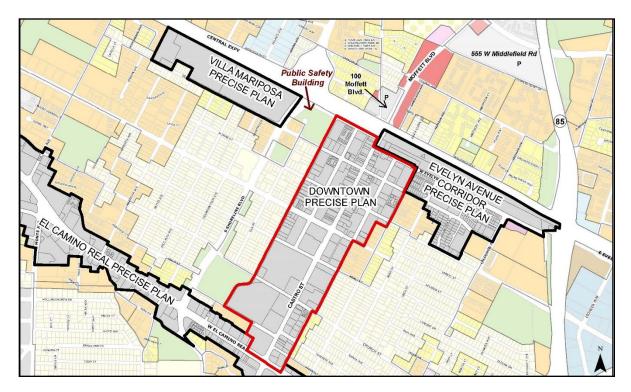


Figure 2: Downtown Vicinity Map

Question 1: Does Council agree with or wish to revise either of the following:

- a. Scope of Work in Table 1; or
- b. Precise Plan boundary?

Benchmarks

Staff will also provide benchmarks and comparisons on what other cities are doing as they update their development requirements and processes to revitalize their downtowns and address new State laws. Currently, many other cities in the area (e.g., Campbell, Redwood City) are facing issues similar to those in Mountain View. The benchmarks will compare strategies related to revising land uses, standards, design requirements and process. Furthermore, staff will examine the strategies employed by other municipalities to tackle the challenge of parking supply and the funding of public parking districts when private development is no longer mandated to provide parking due to the passage of AB 2097 in 2022.

Outreach and Engagement Process

Outreach Strategy

Given the significant importance of downtown and the widespread community interest in this project, a robust community outreach effort will be a foundation of this update project. The aim is to ensure that input is gathered from all corners of the City and its diverse population. This outreach effort will encompass the following key elements:

- <u>Inclusive Stakeholder Engagement</u>: Engagement will be inclusive, involving various stakeholder groups such as neighborhood associations; the business community; property owners; Spanish, Chinese, and other language groups; and other organizations actively engaged in the City.
- Regular Updates and Dialogue: Continuous communication and engagement will be maintained with key bodies, including the Downtown Committee, Environmental Planning Commission (EPC), and City Council. This will ensure that the project remains aligned with community goals and is informed by the expertise of these bodies.
- <u>Citywide Public Notices</u>: Key milestones will be widely noticed throughout the City. This
 will encourage residents from all neighborhoods to participate in the discussions and
 contribute their insights.
- <u>Community Workshops and Forums</u>: To facilitate meaningful dialogue, community workshops and forums will be organized to provide residents and stakeholders with opportunities to express their ideas, concerns, and vision for downtown.
- <u>Project Website</u>: In addition to in-person and virtual meetings, the City has also established
 a <u>project webpage</u> to provide regular progress updates and information related to
 upcoming meetings and events related to the project.
- Other Efforts as Needed: Other outreach could include information booths at popular locations and events, opportunities for staff to answer questions and hear concerns, informational materials available in multiple languages, at multiple locations, and with multiple media.
- <u>Advisory Working Group Option</u>: One of the options in the public outreach toolbox includes
 establishing an ad hoc advisory working group of key stakeholders representing various
 interested groups. Establishing an advisory working group can be helpful when a
 multifaceted planning project involves a wide range of stakeholders, complex issues, and a
 need for local expertise. This approach fosters a consistent feedback mechanism, ensuring

that the resulting plan is well-informed and representative of diverse perspectives. A recent example is the advisory working group established for the El Camino Real Precise Plan, which consisted of 24 people. The advisory group was not a voting body but focused on providing continued input on key topics in the Precise Plan. The group participated in approximately four meetings which helped in the development of the draft document that was brought forward for EPC and Council consideration.

<u>Tentative Outreach Schedule</u>: Community outreach meetings will be conducted at various stages throughout the update process targeting a broad spectrum of stakeholders. The estimated outreach effort plan is listed below:

Table 2: Outreach Details

	Outreach Effort	Intent	Key Stakeholders
1.	Pre-project Kick-off Outreach (<i>Complete</i>)	Establish initial connections with key community groups, gather early input, and create awareness about the project. See Attachment 3 for a brief summary of key themes identified in two initial outreach meetings with Chamber of Commerce and Old Mountain View Neighborhood Association.	Chamber of Commerce and Old Mountain View Neighborhood Association (OMVNA)
2.	Outreach After Consultant Selection	Broaden engagement to include a wider array of stakeholders after selecting a consultant. Gather diverse perspectives and input during early plan development phase.	* All stakeholders and interested parties.
3.	Outreach Prior to Presenting Alternatives to City Council	Ensure that the broader community is informed and engaged before specific alternatives are presented to the City Council. Generate awareness and gather preliminary input.	* All stakeholders and interested parties.

	Outreach Effort	Intent	Key Stakeholders
4.	Outreach During Development of Preferred Alternatives/Draft Precise Plan	Gather input during the critical phase of developing preferred alternatives and the draft Precise Plan. Engage stakeholders to shape the Plan in alignment with community needs and values.	* All stakeholders and interested parties.
5.	Ongoing—Topic-Specific Outreach Efforts	Address specific issues or aspects of the plan as they arise. Ongoing outreach focused on particular subjects as needed.	Varied, depending on specific topics being addressed.

^{*}NOTE: Include neighborhood associations, business associations, Downtown Committee, property owners, Youth Advisory Committee, Historical Association, school districts, tech companies, local developers, other advocacy groups and organizations, non-English-speaking groups, and interested parties.

Question 2:

- a. Does Council have feedback regarding the proposed outreach approach?
- b. Is Council interested in an advisory working group for this project? If so, does Council have feedback on the composition of the group?

If Council is interested in this approach, staff will bring back options for an advisory working group based on Council feedback.

Downtown Temporary Office Cap

The City Council Fiscal Year 2023-25 Work Plan includes a Priority A project to "explore implementing a temporary downtown office cap on new development." Council discussion related to office development for past projects such as 590 Castro Street have included a focus on achieving a more balanced jobs-housing ratio, mitigating parking spillover into neighborhood streets, promoting ground-floor activation, preserving the visual and aesthetic character of the downtown, and providing support to small businesses. The short-term limit on office development is intended to offer time to allow for the implementation of the DTPP, which will address these issues. Staff would bring options for Council consideration related to the temporary office limit at a Study Session in 2024.

Currently, there are several office projects in the development /building permit review pipeline, as shown in Table 3.

Table 3: Office Projects in the Pipeline

Address	Office	Status
	Square Footage	
Hope Street Lot 8	49,000	Approved, building permits under review
701-747 West Evelyn	28,000	Approved, revision with Development
Avenue		Agreement to be heard at this meeting
676 West Dana Street	2,000	Approved
747 West Dana Street	7,000	Approved, building permits under review
756 California Street	5,000	Approved
590 Castro Street	85,000	Approved
705 West Dana Street	15,000	Under review, tentatively scheduled for
		November 14, 2023 Council meeting
194-198 Castro Street	6,000	Under review

Key elements of the Downtown Temporary Office Cap will include: (i) timeline of the temporary cap; (ii) project size threshold (smaller projects can be exempted); and (iii) pipeline exemptions (to allow projects already in the review pipeline to move forward). Staff will also conduct stakeholder outreach, including property and business owners, the Chamber of Commerce, residents, and developers. Staff is seeking Council input prior to bringing the item back for a discussion at a Council Study Session.

Key stakeholders, including the Chamber of Commerce, have raised reservations regarding the proposed temporary office cap office. They are concerned that this measure could be seen as an impediment to development and might hamper other investment opportunities, especially in the retail and restaurant sectors. Moreover, the current economic conditions and the vacancies in the office sector have decreased the potential for new office development projects.

In light of these considerations, staff is requesting direction from the City Council on whether to proceed with this project.

Question 3: Does Council support:

- a. Removal or delay of the temporary office cap item in the Council work plan?
- b. Or, alternatively, does Council wish to move forward with the temporary office cap item as a priority item in the current Council work plan and schedule the item for discussion at a future Study Session?

Internal City Coordination

There are currently a number of significant City-led projects that are ongoing in parallel with within or immediately adjacent to the downtown area (refer to Figure 2). Staff is, therefore, working in coordination to maintain internal consistency within various City policies, project efficiency, coordinated outreach, and effectiveness in achieving the City's overall goals and vision for the downtown.

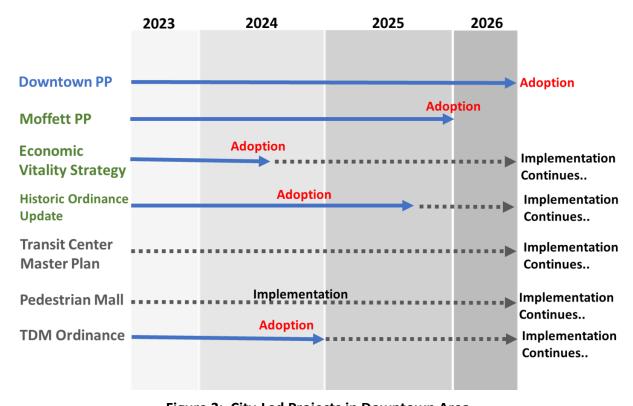


Figure 3: City-Led Projects in Downtown Area

There are two Planning processes occurring in parallel with the Downtown Precise Plan Comprehensive Update, both with the potential to inform and be informed by this project:

• The Moffett Boulevard Rezoning/Precise Plan is a separate effort for the Moffett Boulevard Change Area of the General Plan, north of the Transit Center. The City Council is tentatively scheduled to provide a direction on the scope of that project at their November 14, 2023 meeting. Staff intends to issue both requests for proposals at the same time, as there may be efficiencies identified by consultants in conducting both projects at the same time. However, staff notes that the Moffett Boulevard project will have to be completed by the Housing Element deadline of December 2025. The DTPP may take longer.

- The **Historic Preservation Ordinance and Register Update** began in 2022 and will include:
 - An update to the Ordinance, which will create new Citywide historic resource preservation processes and standards;
 - An updated local Register of Historic Resources, which will identify and protect
 Citywide historic resources that meet criteria for significance and integrity;
 - New criteria and procedures for a downtown Historic Preservation District based on historic and contributing buildings. The Historic Preservation Ordinance and Register Update can inform anticipated growth and preservation areas, transition standards, and other development policies related to historic preservation in the DTPP. A Study Session regarding this project is tentatively scheduled for December 12, 2023; and
 - While the Historic Preservation District will be focused on buildings that are identified as historic and "contributing buildings" that support the character, the DTPP will focus on the character and design of buildings which are not identified as historic or contributing buildings. The goal is to ensure that all buildings support the character and aesthetics of the district.

PROJECT TIMELINE

The estimated project timeline for the plan update spans across 28 months, commencing the end of 2023 and with final adoption hearings in 2026. This timeline allows for comprehensive planning thorough community engagement and careful consideration of various aspects of the update. An outline of the timeline is provided in Table 3.

Table 3: Project Timeline

Item	Task/ Topic	Tentative Schedule
Initial Outreach	Informal kick-off outreach to few key stakeholders for initial input on vital themes for Scope of Work preparation	September–October 2023
CC Study Session—This meeting	Scope of Work Direction	November 2023
RFP and Consultant Selection		Q1 2024
CC Authorization	Scope of Work Approval and Consultant Agreement	Q1 2024
Existing Conditions Report and Outreach	Data collection to prepare existing conditions repot and begin formal outreach on key topics	Q2-Q3 2024
EPC and CC Study Sessions	Discuss draft alternatives	Q3 2024
EPC and CC Study Sessions	Discuss preferred alternatives	Q1 2025
CEQA Kickoff/ Draft Precise Plan Preparation	Begin EIR Preparation, Outreach on key topics, and Precise Plan preparation.	Q2 2025-Q2 2026
EPC and CC Public Hearing	Precise Plan Adoption	Q3 2026

RECOMMENDATION

Provide direction on:

Question 1: Does Council agree with or wish to revise either of the following:

- a. Scope of Work in Table 1; or
- b. Precise Plan boundary?

Question 2:

- a. Does Council have feedback regarding the proposed outreach approach?
- b. Is Council interested in an advisory working group for this project? If so, does Council have feedback on the composition of the group?

If Council is interested in this approach, staff will bring back options for an advisory working group based on Council feedback.

Question 3: Does Council support:

- a. Removal or delay of the temporary office cap item in the Council work plan?
- b. Or, alternatively, does Council wish to move forward with the temporary office cap item as a priority item in the current Council work plan and schedule the item for discussion at a future Study Session?

NEXT STEPS

Following tonight's City Council direction on key scope of work topics, staff will proceed with consultant selection for preparation of the Precise Plan Update through the City's Request for Proposals process and return to Council with the scope of work, consultant agreement, and other information as directed in Q2 2024.

PUBLIC NOTICING

The Council agenda is advertised on Channel 26, and the agenda and this Council report appear on the City's website. All interested stakeholders were notified of this meeting, including the nearby neighborhood association (Old Mountain View Neighborhood Association). Meeting information was also posted on the City's project website: https://mountainview.gov/dtppcomprehensiveupdate.

DP-EA-AS/4/CAM 807-11-07-23SS 203289

Attachments: 1. <u>Downtown Precise Plan—P(19)</u>

- 2. Council Priority Work Plan, Fiscal Year 2023-25
- 3. Summary of Pre-project Outreach Meetings