



COUNCIL REPORT

DATE: March 10, 2026

CATEGORY: Consent

DEPT.: Community Development

TITLE: Updates to the Facade Grant Program

RECOMMENDATION

Approve the proposed modifications to the Facade Grant Program to replace the tiered funding structure with a broader range of eligible projects; increase the City's matching amount from 50% to 75%; expand eligibility to include street-facing office and nonprofit uses; and establish a standalone mural option.

BACKGROUND

On [May 9, 2023](#), Council approved the small business Facade Grant Program (Program) to support investment in local commercial properties in the City. Launched in July 2024, the Program currently provides a 50% matching grant ranging from \$5,000 to \$15,000 based on a three-tier system of improvements:

1. Tier 1: Nonarchitectural improvements (signage and awnings)—\$5,000 maximum grant.
2. Tier 2: Painting (exterior painting, murals/art)—\$10,000 maximum grant.
3. Tier 3: Architectural improvements (windows, doors, historical features)—\$15,000 maximum grant.

A business or property owner can pursue a one-time, one-tier grant for a single improvement project (including design, materials, construction, and permit costs). Applications must be for a commercial storefront property in Mountain View serving retail use, food service use, or personal service use; and applicants must be a Mountain View small business owner or Mountain View commercial property owner.

To date, the Program has supported 14 total facade improvement projects (nine completed, five in progress), providing over \$80,000 in financial support. Grant recipients are spread throughout the city, with the majority of projects in Downtown Mountain View (seven projects). Other project locations include El Camino Real, the Village at San Antonio, Grant Park Plaza, and Old

Middlefield Way. Of the 14 projects initiated, the Program has funded a variety of improvements, including six Tier 1 projects (nonarchitectural improvements), two Tier 2 projects (painting), four Tier 3 projects (architectural improvements), and two design-services-only projects.

ANALYSIS

Since the Program's implementation in 2024, staff has monitored its effectiveness in encouraging property improvements. While initial participation was strong, current Program constraints, specifically the tiered funding model and narrow eligibility criteria, have limited broader Program utilization. Staff recommends replacing the structure of the existing Facade Grant Program with the following program structure to address these barriers and maximize the Program's positive impact on the City's commercial corridors:

- **Transition to a Flat Matching Structure:** The current tiered structure (described above) creates restrictive funding caps that discourage comprehensive renovations. For example, a property owner needing both exterior painting (Tier 2) and structural window repairs (Tier 3) may feel forced to choose one or the other to stay within a single tier.

Staff recommends replacing the tiers with a flat 75% matching grant up to \$15,000 and allowing projects to consist of any elements allowed within the Facade Grant Program's current tiers. This will enable businesses to address multiple needs, such as signage, lighting, and Americans with Disabilities Act (ADA) improvements, simultaneously and without the limitations of arbitrary tiers that limit the scope of work. To ensure high project outcomes, the Program will continue to offer 100% reimbursement for design services up to \$2,500, in addition to the \$15,000 matching grant, for a maximum total grant opportunity of \$17,500. The requirement would remain that applicants be a Mountain View small business owner or a Mountain View commercial property owner. Projects with a total project cost of \$15,000 or more will remain subject to prevailing wage requirements.

- **Expand Eligibility for Street-Facing Uses:** Currently, the Program is limited to retail, food service, and personal service uses. The exclusion of nonprofits and office uses has left prominent storefronts unaddressed, thereby detracting from the overall streetscape continuity. Staff recommends expanding eligibility to any street-facing commercial space to ensure that high-visibility spaces can be improved regardless of the specific business use.
- **Create a Standalone Mural Option:** Previously, muralists were subject to public project licensing requirements through the Contractors State License Board that hindered participation. With the passage of Senate Bill 456 (effective January 1, 2026), muralists are exempt from these specific requirements.

Staff recommends creating a standalone mural option to expand opportunities for public art in commercial areas across the City. The new mural option would offer a 75% match up

to \$15,000 and would establish artists as eligible applicants (with property owner authorization required). Considering that beautification of commercial areas is a core objective of the Facade Grant Program, the creation of a standalone mural option would provide a unique opportunity for the City to support the creation of murals on private property as a complement to the City's public art investments in parks and as part of other City-funded projects.

By removing limitations and expanding eligibility, a revised Program would better position participants to pursue comprehensive, high-impact upgrades that enhance accessibility, activate street-facing spaces, support property reinvestment, and expand public art. Importantly, these changes directly advance key actions in the City's Economic Vitality Strategy by supporting ADA improvements (Action 1A.5), enabling matching grant opportunities for storefront buildouts tied to active tenancies (Action 1C.1), and creating more flexible incentives to reduce vacancies and encourage activations in prominent commercial locations (Action 1C.3). Collectively, these refinements will help ensure the Program remains a responsive, results-driven tool for supporting businesses and strengthening Mountain View's commercial corridors.

FISCAL IMPACT

The proposed modifications do not require additional funding or a new appropriation at this time. The Facade Grant Program has been funded since Fiscal Year 2022-23 using Limited Period funding as part of the Citywide Facade and Storefront Window Activation Program. An initial allocation of \$200,000 was approved in Fiscal Year 2022-23, and any remaining balances have been reappropriated annually to continue to supporting physical improvements and storefront activation efforts that help businesses attract customers and enhance commercial spaces.

LEVINE ACT

California Government Code Section 84308 (also known as the Levine Act) prohibits city officials from participating in any proceeding involving a "license, permit, or other entitlement for use" if the official has received a campaign contribution exceeding \$500 from a party, participant, or agent of a party or participant within the last 12 months. The Levine Act is intended to prevent financial influence on decisions that affect specific, identifiable persons or participants. For more information see the Fair Political Practices Commission website: www.fppc.ca.gov/learn/pay-to-play-limits-and-prohibitions.html.

Please see below for information about whether the recommended action for this agenda item is subject to or exempt from the Levine Act.

EXEMPT FROM THE LEVINE ACT

☒ General policy and legislative actions

PUBLIC NOTICING

The City Council agenda is advertised on Channel 26, and the agenda and this Council report appear on the City's website. City staff has also notified the Chamber of Commerce and the Downtown Business Association of the proposed Program modifications.

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