

**DATE:** June 6, 2023

**TO:** Downtown Committee

**FROM:** John Lang, Economic Vitality Manager

**SUBJECT:** **Economic Vitality Strategy**

---

### **RECOMMENDATION**

Provide feedback on the Draft Vision and Goals for the Economic Vitality Strategy with a focus on downtown.

### **BACKGROUND**

On October 12, 2021, the City Council provided feedback to staff on a scope of work outline related to a Request for Proposals (RFP) for consultant services to aid in the development of an Economic Vitality Strategy for the City of Mountain View. On January 10, 2022, the City of Mountain View posted RFP (R21ED1) for an Economic Vitality Strategy.

The Economic Development team contacted 21 known consultants throughout the United States, advising and encouraging them to respond to the posting of the RFP. The Economic Development team also worked with the members of the Silicon Valley Economic Development Alliance (SVEDA) to share with their professional service contacts the Mountain View announcement.

On February 4, the City received one clarifying question for the RFP. Staff posted the answer online on February 14, 2022, and shared via email with all known interested respondents. An Evaluation Committee (Committee) was comprised of City staff from Economic Development and the City Manager's Office as well as an outside Economic Development consultant. The Committee reviewed and scored each proposal independently to determine the most qualified and suitable firm. Proposals were evaluated with the following objective, qualitative, and quantitative scoring criteria. The final ranking of firms resulted in Community Attributes, Inc., being the first-choice firm.

Community Attributes, Inc. (CAI), is a professional services firm located in Seattle, Washington that supports all phases of community and economic development. CAI currently employs 10 staff members across three main teams focusing on economics, planning, and data systems. They have experience that includes economic development strategies for large and small cities and regions, including places with robust, tech-centered economies, such as Seattle, Washington, and

Boise, Idaho. In addition, they have had recent experience with leading an economic recovery framework for the greater Seattle region, which addressed equity issues head-on by acknowledging the region's challenges and by analyzing how the COVID-19 pandemic has exacerbated them. On May 10, 2022, the City Council [approved an agreement](#) with CAI to assist the City with the development of an Economic Vitality Strategy.

## **ANALYSIS**

CAI has conducted data analysis and research through last summer and fall, resulting in a landscape assessment. The draft Landscape Assessment is available at: <https://econdev.mountainview.gov/home/showpublisheddocument/6217/6382001158737700>.

High-level summary findings from the Landscape Assessment include:

- From 2010 to 2021, Mountain View added eight times more jobs than housing units, contributing significantly to regional housing challenges.
- Unlike other Silicon Valley cities, Mountain View has been increasing its share of regional growth, bucking trends and perceptions of broader out-migration.
- Technology and professional services companies anchor Mountain View's economy.
- Tech layoffs and return-to-office trends are a challenge; jobs in retail and finance, insurance, and real estate are underrepresented in Mountain View.
- Comparative advantages to leverage for growth in AI, autonomous vehicles, sensors and tracking, medical devices, life sciences, biotech, health care, climate and green industries, and R&D.
- Retail sales in Mountain View generally match regional trends, but the daytime population presents unrealized upside opportunity. Some niches are underserved but not gross "leakage" Citywide.

During the research phase, CAI also was conducting stakeholder engagement, including meetings with:

- Advisory Group meeting (City staff, Mountain View Chamber of Commerce, and NOVAworks);
- Council Member and City Manager interviews;

- Orientation interviews with key stakeholders;
- Focus groups (Retail, Brokers, Small Businesses, Property Owners, etc.); and
- Studio sessions (Public Meetings).

Some of the engagement and research findings include:

- Business and community leaders generally aligned in top interests and concerns.
- Housing Availability and Affordability: high-housing costs and a lack of diversity in available housing challenge residents, businesses, and workers alike.
- Downtown: vacancies persist, and stakeholders do not feel like downtown is reaching its potential. Access in and out is difficult; parking and in lieu fees are concerns.
- Retail: stakeholders want additional retail options, but available space may not be aligned with the needs of interested retailers, and permitted uses are unnecessarily narrow.
- Tech: continuing to support major tech employers is essential to Mountain View's economic vitality; opportunities for more industry diversity in tech, and Mountain View could do more to foster growth in startups.
- Brand/Perception of Mountain View: missing opportunity to distinguish the City within the region, and some fear the City's competitive advantages are eroding.
- City Processes: Mountain View's land use and development code is perceived as inflexible, and while permitting and entitlements can be challenging across the region, several other cities in Silicon Valley have a reputation for more flexibility and improved ease of doing business.

Using all the feedback from the stakeholder engagement along with the Landscape Assessment, CAI has drafted a Vision Statement, Goals, and Strategies.

### **Draft Vision Statement**

Mountain View is a vibrant community and home to world-changing and locally rooted companies in the heart of Silicon Valley. The residents and visitors flourish in our diverse neighborhoods, where they live and enjoy convenient shopping and dining. Our business and industrial centers attract skilled and talented workers from across the region, who join iconic brands and start new ventures. The regional workforce and families choose to live in Mountain View for all its neighborhood amenities, with downtown Mountain View as the centerpiece

among them. Quality of life is foundational to Mountain View residents, even as our economy works in global markets to make the world a better place.

### **Draft Equity and Economic Vitality**

Mountain View's Economic Vitality vision requires a commitment to address and eliminate causes of social and economic inequity for any resident and worker in Mountain View. Opportunity and advancement for all requires broad civic and community participation, livable neighborhoods without physical barriers to economic opportunity, and a robust economy that ensures wealth-creation opportunities for all residents and workers. Social and economic equity must be reflected in specific actions throughout our community, including economic development actions outlined in this Plan. Many actions that contribute to equity improvements in the community and local economy are marked with an icon (right). Together, this work presents an explicit commitment for the Economic Vitality Strategy to move the City of Mountain View toward greater social and economic equity.

### **Working Draft Goals**

1. Establish downtown Mountain View as a vibrant center of commerce and community gathering.
2. Grow Mountain View's proven, advanced industries through support for established employers, business attraction, innovation, and entrepreneurship.
3. Help small, local, and independently owned businesses flourish in Mountain View.
4. Optimize Mountain View's planning and development policies and processes to accommodate demand for growth in housing and business.

### **Draft Strategies for Downtown**

**Strategy 1.1 Differentiate downtown's character, mix of uses, and visual appeal to shoppers, visitors, and quality retailers.**

#### **Action Steps for Discussion**

- Prioritize public-realm improvements in downtown Mountain view, including street furniture, lighting, landscaping, and signage, and consider an Enhanced Infrastructure Financing District, or EIFD, to finance them.

- Engage downtown business owners to evaluate the feasibility of the creation of a business improvement district (BID) to maintain cleanliness and safety as well as advertising, promotion, special events, or other activities that promote the downtown.
- Revise the Downtown Precise Plan facade and appearance requirements and increase enforcement.
- Reduce and simplify regulations around business signage and create standards for window coverings during construction and vacancy.
- Encourage utilization of vacant space with temporary storefront uses, pop-up installations, and performing arts.
- Communicate and promote the identity and brand of downtown—and what’s new—to the region at-large.

**Strategy 1.2 Accelerate transition of downtown toward increased walkability and convenient, multi-modal access to daily goods and services.**

Action Steps for Discussion

- Identify funding sources for the construction of an additional public parking structure in downtown.
- Implement Downtown Parking Strategy’s dynamic (demand-based) pricing in downtown public parking spots during peak hours.
- Reinvest paid-parking revenue in enhanced bike and pedestrian access networks and facilities.
- Implement dynamic parking wayfinding system to redirect vehicles to open spaces in other lots at peak times in peak downtown lots.
- Evaluate the feasibility and desirability of reducing or eliminating parking requirements for some new downtown development.
- Complete the planned pedestrian mall and improve the pedestrian experience and connectivity.

**Strategy 1.3 Confront vacancy in downtown and encourage flexible, measured, and diverse growth.**

Action Steps for Discussion

- Explore the viability of a vacant property ordinance or vacancy registry, tax, or other means to aggressively pursue absentee landlords with long-term vacancies in ground-floor, street-facing properties in downtown.
- Explore local funding vehicles to provide matching grants to property owners for storefront buildout with signed tenants.
- Create incentives (reduced tax, fee structure, permitting, or others) for building owners to fill vacancies in street-facing storefronts or create temporary activations.
- Match vacant storefronts downtown with growing local home-based or shared-space businesses to transition them to brick-and-mortar workplaces.
- Consider increasing allowable densities and ensure that development regulations allow and encourage residential and commercial office uses.
- Update the Downtown Precise Plan to include specific absorption targets for commercial and residential growth.

**Strategy 1.4 Support division or modification of existing retail spaces to maximize adaptability to market shifts.**

Action Steps for Discussion

- Develop a business tool kit to include resources for businesses to permit and finance improvements, modifications, and subdivisions.
- Contract with consultancy to identify and target specific retail segments and their space needs.
- Consider allowing limited nonretail uses as permitted uses in some areas of the downtown (financial services firms, recreational uses, or health and wellness, for example).

- Identify pro bono support or provide financial support and connect owners, tenants, and subdividers to design services and consulting. Pro bono support might include university students or professional associations.
- Assign a formal or informal liaison in City Hall for landlords and tenants to move space subdivision, modification, or upgrade projects through permitting more quickly.

~~JL/1/CDD~~

~~819-06-06-23M-1~~