



Date: June 8, 2018
To: Planning Commission
From: Craig Jimenez, Director of Community Development
Subject: PH-3 Station Square South Specific Plan

As we have been discussing for the past year, development interest in Monrovia has never been stronger. The arrival of the Gold Line is a major factor in this heightened interest. However, numerous influences are contributing to this development surge that we affectionately refer to as *Monrovia's Development Renaissance*. It is important to note that Monrovia has been planning and preparing for this for many years. The attached staff report describes the proposed project as well as the entitlement actions in detail. Not specific to any one project, this memo is intended to provide additional information, context and framework in your consideration of these applications as they move forward.

In the beginning...there was a plan

Monrovia in the early 1970s was a very different place than it is today. In 1974, the community elected leaders with a bold and progressive vision and the City developed a plan to implement that vision. Through the years, the leadership of the community has changed, but the vision for a successful Monrovia has remained consistent. This does not mean that the plan is static. Times change; and as needed, the plan is adjusted. That is normal and necessary. What makes Monrovia unique is that the City has not had to waste resources continually "re-planning" the City. This has allowed Monrovia to focus on implementation.

Knowing that growth is going to happen, Monrovia has taken very proactive steps to ensure that it is strategic and in the right places. For the past five decades, the City has been implementing a long term plan to build the Monrovia of the future. What is important to understand is that our long term vision encompasses a balance between growth and preservation. Economic growth is important for maintaining a healthy and vibrant community. It keeps Monrovia vital and relevant, making it a desirable place to live, work and visit.

Preservation on the other hand, nods to the importance and value that the character of our neighborhoods contributes to Monrovia's identity. Several years ago, Monrovia's leaders set into motion a plan to allow growth in targeted areas while preserving those parts of Monrovia that define its character - our neighborhoods. That plan, which has adjusted with the times, still serves as the blueprint. Change is inevitable and planning is not about preventing change, it's focused on managing change.

External Forces

While there has been a great deal of good Planning going on, it is not the only factor driving this development cycle. A continued strong economy, population growth and a pent up demand for housing are all contributing aspects. Part of the consideration of the increase in the



city's housing stock must also factor in external forces that *will* impact our future. Some of the challenges that we face include:

- California is in the midst of a housing crisis. There is a shortage of housing opportunities and the cost of housing is increasing three times faster than household income. Fifty percent of the Californians struggle to afford adequate housing.
- In Monrovia, the average rent is about \$3 per square foot. This means that a two-bedroom, 1,000 square foot apartment is renting for around \$3,000 a month. That's \$36,000 per year.
- Over the next 25 years, southern California's population is projected to increase by over 11 million people. Much of this growth will occur in urbanized areas like Monrovia which creates even greater urgency to the existing housing need.

There are many opinions, ideas and proposed solutions, but the one constant is that there is a need to increase the supply of housing. While Monrovia cannot solve the state's housing crisis, it is well poised to do its fair share; a balanced way, the Monrovia way.

Preparing for the future

Understanding that this development is approaching, the City instituted several new policies and programs to help address potential issues and impacts related to growth; issues that could have the potential to erode the quality of life in our community.

Water. One of the primary comments that staff receives, as I am sure that Commissioners may also hear is "Monrovia should not approve more housing when I have to pay more for my water because we don't have enough." While there is some basis for that opinion, in reality, this is more of a distribution issue than a quantity issue which is why the City is relying more on imported water. Imported water *is* more expensive and has resulted in an increase of Monrovia's water rates. However, using that argument, then the City should not approve any new development that may increase the demand on the water supply (or streets, public services, air quality, etc.). Stopping growth is not the right approach.

In response to this concern, the City recently adopted a New Development Water Rate (NDWR), which requires all new residential projects adding five or more units to pay the full cost of imported water from outside the region for their use. The NDWR policy means that water customers in these new development projects will pay an effective water rate that is 34.4% higher than the water rate that current Monrovians are charged. This policy enhancement will ensure that our existing residents and businesses are not forced to bear the added cost of importing more water into the City to serve a new population base.

Public Services Impacts. Monrovia has adopted a policy that allows the creation of Community Facility Districts (CFD) also known as Mello-Roos. Through this policy, an ongoing revenue source can be generated by an annual assessment through a property tax assessment applied to new development. These ongoing funds will be used to offset the potential increased costs for police, fire and other public services.

Traffic/Circulation/Parking Impacts. Many of the projects in the pipeline are in and around Station Square which puts future residents in close proximity to the Gold Line. Studies show that people that choose to live in transit oriented/transit adjacent developments do drive less. However, this is southern California and it is naïve to think that people will give up driving completely just because they live next to a light rail station.

Understanding that getting around Monrovia in many instances still is more convenient (and realistic) by car, the City recently instituted a new model of suburban mobility that provides Monrovians with simple, easy and affordable public transportation options to combat increasing traffic and parking congestion. GoMonrovia! provides mobility solutions through a City-subsidized partnership with the rideshare service Lyft. The other component is the citywide implementation of LimeBike, a bicycle sharing program that is also an affordable and convenient solution to get around Monrovia without a car. The community has embraced these programs and the City continues to look for other options to encourage people to move about town without using their car. More information about this program is available at www.gomonrovia.com.

While these policies and programs do not overcome every issue and problem facing Monrovia, staff believes that they move the City in a positive direction and all of these components along with new development continue to implement the vision for a vibrant, diverse, and successful Monrovia. We are prepared to meet the future.