

## Technical Assistance Panel (TAP) Program

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## Los Angeles

## About the ULI Los Angeles Technical Assistance Panel

In keeping with the Urban Land Institute mission, Technical Assistance Panels are convened to provide pro bono planning and development assistance to public officials and local stakeholders of communities and nonprofit organizations who have requested assistance in addressing their land use challenges.

A group of diverse professionals representing the full spectrum of land use and real estate disciplines typically spend one day visiting and analyzing the built environments, identifying specific planning and development issues, and formulating realistic and actionable recommendations to move initiatives forward in a fashion consistent with the applicant's goals and objectives.

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## Executive Summary

Station Square, in the City of Monrovia, is the future stop along of the Los Angeles County MTA's Gold Line Foothill Extension. This phase of the Gold Line extension has been envisioned by the City of Monrovia as an opportunity to create an innovative transit-oriented development, integrating the Metro Gold Line with the city. During the Gold Line's proposal, design and approval process, community and civic leaders transformed the area into an attractive business center in anticipation of the railway build out, without compromising the community's values, vision, or quality of life. The addition of the proposed station is seen by both community and civic leaders as the next phase of their collective vision, increasing the economic and civic potential for the immediate area and the City of Monrovia. In January, 2010, The city of Monrovia engaged ULI's Technical Assistance Panel to help gain further insight into how to develop the site most effectively and appropriately, which is the subject of this report.

The city of Monrovia's current conceptual plan for the Station Square Transit Village includes a mix of uses, ranging from retail shops and restaurants to high-tech research and development office space, and upscale multifamily housing. It is the Panel's concern, however, that in today's market these plans are not feasible over the next 2-3 years, when the station is projected to open. Cognizant of current economic challenges, the Panel explored what might make the site marketable to potential tenants and developers in the current economic climate. While difficult to predict future development patterns, the Panel agrees that the City of Monrovia should take a more pragmatic approach and focus on implementing a framework that will attract development in the next 3-5 years.



For this reason, the Panel recommends concentrating its efforts on first creating an armature, or foundation, based on the site's principal asset, the Gold Line. While it has the opportunity to connect the site to the local community, the Station Square Transit Village also has the opportunity to connect Monrovia to the larger region. This connection creates augmented opportunities for economic development, jobs, and housing.

Given the unpredictability of the market, creating an infrastructure-driven development framework provides greater flexibility for the city to respond to emerging economic and development trends. In addition, given the timing of the Foothill rail extension, a strong focus on public amenities and smaller developable parcels will be critical in providing the appropriate level of flexibility. Flexibility in land use and size is crucial, as it will start to generate development momentum in and of itself, and warrant the highest and best use of the site.

In moving the specific plan forward, the Panel recommends giving precedence to the site's position as a transit-oriented, as opposed to transit-adjacent, development project and to focus on creating a well integrated intermodal station connecting Monrovia with the region by bus and rail. This concept is important to plan now, as this activity forms the vital epicenter of the Station Square Transit Village.

Having reviewed the history and goals for the site, the Panel recommends the City of Monrovia focus efforts to create a strong sense of place: a center of activity that creates a natural draw from the immediate and surrounding communities. This will be created from the site's transit-oriented nature that is different in quality and character from that which was created along the City's main street, Myrtle Avenue. Station Square must be equally prosperous, safe, and desirable as Downtown Monrovia, but also distinct in and of itself. Because Station Square is severed from the activity that is occurring in Downtown by the 210 Freeway, the Panel recommends creating two centers of activity- a dumbbell effect- so that Downtown and Station Square Transit Village can be autonomous in function and appeal, yet benefit from the secondary demand that can and will evolve from each other, with the opening of the Gold Line Extension.





The historic Monrovia train station is an asset for future redevelopment

# Assignment & Process

## Key Issues

Redeveloping areas of Monrovia south of the 210 Freeway presents an opportunity to build a transit-oriented development that could serve as a model for transit development in Southern California. Renamed Station Square Transit Village, the City's vision for this area is to:

- Create a comprehensive public realm plan that enhances the public right-of-way and guides the development pattern referenced below, Exhibit 2-1 Conceptual Plan
- Ensure high-quality design for high-density, sustainable, mixed-use development that will create a major regional destination over time that responds to changing market demands and provides a variety of housing types
- Create a pedestrian-friendly outdoor shopping environment and amenities for residents and visitors that complement uses in Old Town Monrovia
- Create parks and open spaces that serve as outdoor gathering places for passive and active recreation for residents and visitors

- Restore the 1920s era Santa Fe Railroad Depot as a complement to the Gold Line Foothill Extension light rail station
- Provide adequate parking in attractive structures that complement the architecture and landscaping of accompanying development
- Maximize the use of roadway infrastructure to the maximum extent possible and provide new roadways as needed to enhance internal circulation.

## Key Questions

The City of Monrovia requested the ULI Panel review the City's existing planning efforts and provide feedback and further direction to achieve the City's goal - a model plan enabling Transit-Oriented Development. Issues addressed during this effort include the following:

1. What are the appropriate land uses (long term vs. short term, and regional-serving versus local-serving) that should be encouraged?
2. What is the short-term outlook (next five to 10 years) to attract these uses from a market perspective?
3. Given the high costs to create developable land (land assemblage costs and extensive public infrastructure), how adequate are existing public sector funding strategies to implement the plan and attract private sector investment? What changes are necessary, if any?

4. Considering the above, what changes should be made to existing plans that would facilitate their implementation consistent with the aspirations of the Vision? How should the project be phased? What further steps (next three years), if any, should the City take to “ready” the plan for implementation?

### TAP Process

ULI representatives met with representatives from the City of Monrovia to determine the scope of the panel assignment. The panel was selected based upon their ability to address the stated objectives for the program provided by the client. Prior to the program, panel members reviewed background materials prepared by the City.

The TAP process is a day-long event. In the morning panel members tour the study area with representatives and later meet with key stakeholders, work through an intensive analysis of the specified issues, and present their findings to the general public.



The panel's board the bus for a tour of the study area



Panel members tour the study area for a better understanding of the issues

### TAP Panel of Experts

ULI convened a panel of professionals who represented a variety of disciplines connected with land use and real estate development, such as architecture and design, real estate development, economic analysis, and development financing methods. Members were selected based on their professional expertise relevant to the City's objectives for the study. All members have local working knowledge of the sub-region where the study site is located. All panel members were volunteers and were not compensated for their time.

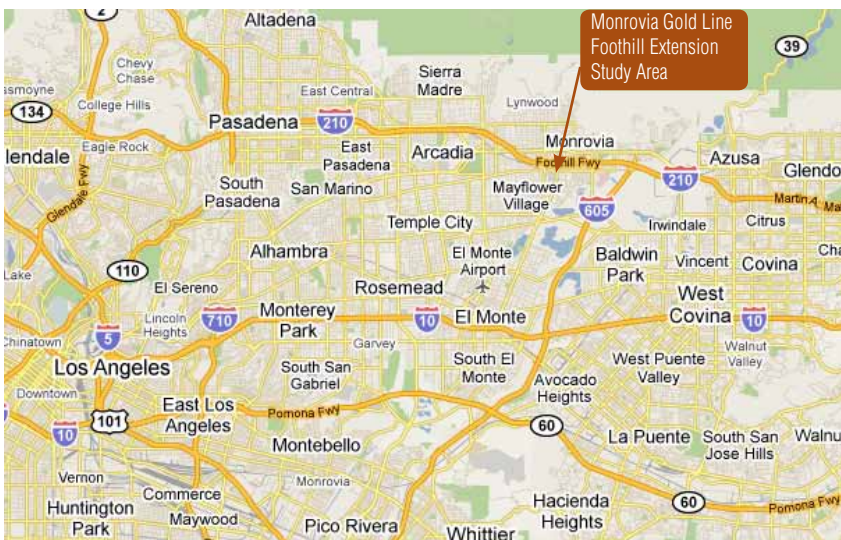




Monrovia Station Square study area

## Background

The City of Monrovia lies within the San Gabriel Valley in Los Angeles County, along the base of the San Gabriel Mountains. The City covers approximately 14 square miles and is home to nearly 39,000 residents. Bounded by Arcadia to the west, Angeles National Forest to the north, Bradbury and Duarte to the east, and unincorporated Los Angeles County and Irwindale to the south, Monrovia is a charming, progressive city with the amenities and characteristics of a small town. The City has a strong community identity, which resonates in its desire to preserve its small town character,



Regional location of Monrovia study area



Panelists are briefed on the issues by various city leaders and stakeholders



Panelists discuss the study area during a site visit

enhanced by its craftsman, Victorian, and Spanish-style homes.

However, this was not always the case.

In the early 1970s, Downtown Monrovia was impacted by a weak business climate and the opening of the 210 Freeway, which led to high commercial vacancy rates; an influx of bars, adult entertainment, low-end retail; and high crime rates. In response, the City created its Redevelopment Agency in 1973. With an agency established and a redevelopment district defined, a plan evolved that set Monrovia on a path for community renewal and economic prosperity. Today, the City's Downtown, or historic core, is booming with pedestrian activity, locally owned businesses, a brand new public library, and additional multi-family housing and mixed-use projects which have successfully been integrated into the existing urban fabric.

In 2002, the City's Redevelopment Agency amended its boundaries to include the proposed Transit Village area, where a planned station for Metro's Gold Line Extension would be placed, providing the City with another pivotal opportunity to enhance Monrovia's economic prosperity at both the local and regional scale. In 2003, cognizant of the development's potential, the Redevelopment Agency contracted with the Urban Land Institute's



National Advisory Services to perform an assessment of the proposed Transit Village project. By the end of 2009, the Panel's concluding recommendations had been codified in what is known today as the Station Square Specific Plan.

The Station Square Specific Plan provides parameters for the development of Phase I of the Transit Village, a 25 acre portion of the plan area. The plan proposes that the space be developed with a complementary mix of open space, residential, retail, and office uses. The plan allows for development of up to 450,000 square feet of office space, up to 40,000 square feet of retail space, a maximum of 700 residential rental units, along with the potential incorporation of an existing service station. The heart of the development is the historic Santa Fe Depot, on the site since 1926. The City plans to restore and reopen the Depot as a transit store, restaurant or other public use.

The parameters of the Specific Plan for Phase I of the Station Square Transit Village planning area were developed during different economic times. The housing and commercial office markets were vibrant and there was no hint of an economic downturn. While the recent recession has delayed the development of Station Square, it does provide the City an opportunity to reevaluate if the proposed plan is appropriately aligned with the realities of a tougher development environment. With this in mind, the City has engaged ULI Los Angeles to analyze the feasibility of the current specific plan given the current market dynamics.

## Location

The Monrovia Station Square Transit Village site is located in the southeast part of the city bounded by the 210 Freeway to the north, Duarte Road to the south, Myrtle Avenue to the east and Magnolia Avenue to the west. The site will serve as the future home for the Monrovia stop along the 24-mile Metro Gold Line Foothill Extension. Construction of the light rail extension is underway. A portion of the site is home to the historic Santa Fe Depot. Built in 1925, the train station previously welcomed passengers traveling from San Bernardino to Los Angeles. The adjacent land uses vary widely and include medium-density residential, manufacturing, school, business enterprise and planned development.

## Demographics



Today, Monrovia is socioeconomically and ethnically diverse. The City's population has risen by about 4.9% from 2000-2006, from 36,929 to 38,736, according to U.S. Census Bureau figures. During the same period, the number of households in the City increased 3.7% to 13,995, 51% of which are renters and 47% homeowner. Based on Census Bureau data, population growth is projected to continue at this rate and rise to 40,509 by 2011, an additional 4.6%. Monrovia's population is predominantly white, with an average and median age of 35 years. In 2006, the City's median home value was \$461,327. While this value has somewhat declined due to current market conditions, the majority of Monrovia's housing stock values have stabilized.

## Transportation

In addition to private vehicular transit options including the 210 Freeway, the site is served by several types of public transit that allow for excellent circulation within the community. Five Foothill Transit bus lines (184, 187, 494, 690, and 492) and four Metro bus lines (270, 264, 78, and 378) alleviate increased levels of traffic, in addition to the local Monrovia Shuttle that is available to residents and visitors Monday through Friday. The intersection of Duarte Road and Myrtle Avenue provides a key crossroads between Metro and Foothill Transit Lines that connect Monrovia to the greater region.

## Open Space

Monrovia is extremely passionate about preserving the San Gabriel Mountain Foothills which lie to the north of the City. In 2002, the citizens voted to impose a tax generating \$10 million to purchase land to create the Hillside Wilderness Preserve. While still a community asset, the hillsides are not considered a park amenity that residents utilize on a day-to-day basis.

Comparatively, there is a dearth of public open spaces within the project area. Open space is limited to the Santa Fe Middle School to the south and Live Oak Cemetery to the southeast; hence a concern that there is a lack of parks and public green spaces in the communities south of Huntington Drive.



New residential development in Monrovia outside of the TOD study area

## Analysis

### Regional Context

The City of Monrovia is located within the San Gabriel Valley along the 210 Foothill Freeway, 8 miles east of Pasadena and immediately west of the city of Duarte, and has a population of approximately 39,000 residents. Incorporated in 1887, the City of Monrovia has continued to focus on its own economic development over the years as transportation means and methods have developed and changed. The Gold Line, which currently carries approximately 900,000 passengers per month from its eastern terminus in Pasadena to downtown Los Angeles, will be extended 24 miles to the east through the City of Monrovia (current phase is a 12-mile extension to Azusa, and Phase II from Azusa to Montclair).

High housing costs within the San Gabriel Valley have promoted consistent growth of lower cost housing to the east. This continues to impact overall traffic congestion and quality of life as population growth takes place at the region's eastern fringe. Recent studies indicate that due to this growth, higher levels of traffic congestion are forecasted for the 210 Freeway. By 2035 the population of the San Gabriel Valley is estimated to be 2.5 million, a 600,000 person increase over the current 1.9 million – the equivalent of 4 cities the size of Pasadena. This further necessitates the demand for additional housing, services and denser development. In 2005, there were 122,500 jobs within two miles of planned Gold Line stations. By 2035, an additional 49,000 new jobs are expected to come to the corridor– a 40% increase, according to a study commissioned by the Gold Line Authority, and led by Irvine-based IBI Group.

### Industrial

Monrovia is considered part of the Foothill Freeway submarket in the San Gabriel Valley market area (Colliers International). This submarket also includes Arcadia, Azusa, Duarte, Irwindale, Monrovia, Sierra Madre, Pasadena, Glendora, San Dimas, and La Verne. The Foothill Freeway submarket has approximately 26.9 million square feet of industrial space. The vacancy rate in this submarket is approximately 5.5% at present, up from a low between 1% and 2% in the first quarter of 2008. Rents

have declined from a peak of around \$0.60 PSF in the first quarter of 2009 to about \$.48 PSF currently. Despite the deterioration of the San Gabriel Valley industrial real estate market in 2009, the area has fared better than infill type markets such as Central Los Angeles and the Mid-Counties. This area, however, is losing tenants to lower priced space in the Inland Empire.

Property owners and developers report that there continues to be a demand for space in Monrovia and the immediate vicinity due to its desirable location between the engineering/science hub in Pasadena (Cal Tech and JPL) and the healthcare industry cluster around the City of Hope. Build-to-suit opportunities may exist for industrial/R&D space in Monrovia due to the limited amount of vacant land, though demand will be weak in the near term due to current economic conditions. Negative absorption of industrial space has placed a greater abundance of large-block, competitive space on the market further weakening the demand for new construction. Some of this space will need to be absorbed before demand strengthens for space in the Monrovia market.

### Retail

Retail lease rates for shopping centers in Monrovia range from \$2.00 to \$3.00 PSF for community centers, and \$1.60 to \$2.95 for neighborhood centers. Rates for street retail, which is concentrated along Myrtle Avenue in the Old Town area, range from \$1.00 to \$2.50 PSF, with a weighted average of \$1.87 PSF. The vacancy rate for retail space in the Old Town area is reported to be over 20% as compared to an overall vacancy rate of 14% for greater Los Angeles. Although there have been some recent transactions for both small users as well as discount retailers, demand for retail space is expected to remain soft in the near term.

### Apartments

Monrovia has traditionally been a bedroom community comprised primarily of single family homes. As a result, the supply of modern apartments available for lease in the city is limited. The Arcadia-Duarte-Monrovia apartment market includes roughly 14,000 apartment units, 88% of which were constructed before 1980. The vacancy rate for apartments in this market (as of December 2009) was 6.6% (Reis Inc.).

The successful lease-up of recently completed new apartments in the Old Town area indicates a positive demand for new housing near amenities, such as shopping and entertainment, despite the fact that there has been a negative absorption of -465 units in the Arcadia-Duarte-Monrovia market since 2008. The new apartment developments in the Old Town area (ex. Paragon at Old Town) are generally 3-4 stories wrapped around parking. This configuration

generally allows the most cost effective and efficient use of the smaller sites generally available within urbanized areas. Rents for the new apartments in Old Town are in the \$2.00 PSF range. This compares favorably from the owners perspective to the average rent of approximately \$1.36 PSF for the greater Arcadia-Duarte-Monrovia market area and the \$1.88 PSF average in the San Gabriel Valley. Developers also report, however, that based upon the performance of other TOD projects, tenants are not willing to pay a premium just to be near transit: a TOD must be near other amenities attractive to renters. This creates a challenge for the TAP Study site as it is not adjacent to any existing amenities.

### Office

The current recession has created an extremely soft demand for office space. It is expected that these conditions will continue for a number of years due to the existing vacancy rates within the San Gabriel Valley market combined with a lack of significant job growth and the predicted slow recovery. In the long term, as growth returns, the City of Monrovia is well positioned to capture businesses seeking a transit-oriented location within a business friendly city.

The City of Monrovia is located within the San Gabriel Valley submarket as defined by CB Richard Ellis. The San Gabriel Valley office market contains 12.5 million square feet and as of fourth quarter 2009 stood with 13.0% vacancy, or 1.6 million square feet. Further defining the City of Monrovia's location within the submarket, the 210 Corridor office market with a total inventory of nearly 2.3 million square feet stands at 24.8% vacant (567,000 sf). With this amount of

vacancy among the existing product, new office development is extremely difficult to justify from an economic perspective. Further impacting the City's opportunity for office development is competitive availability in the City of Pasadena (covered within the neighboring Tri-Cities submarket) which currently has 1.2 million square feet vacant with an overall inventory of 8.58 million square feet, or 14.6% vacant.

Although there has not been positive net absorption of office space in the market in 14 consecutive quarters, historic net absorption in the 210 Corridor/Pasadena is approximately 200,000 SF per year. At this historic rate, there are still 6 to 8 years of supply available within the corridor, thereby making new office development opportunities limited. Further complicating matters, rental rates continue to show declines and are now in the \$2.10-\$2.50/mo/sf full service.

On the brighter side, the City of Monrovia has continued to attract larger floor plate, cost sensitive businesses to the community. Many of these companies focus on high-tech and bio-tech industries as well as new energy and sustainable technologies. It is likely that the City will continue to compete closely with neighboring communities for these types of businesses in the coming real estate cycle. The ability for the City to make the best use of the transit systems and focus efforts on build-to-suit opportunities will be instrumental in marketing the location to potential customers.

### Transit – Intermodal

Although not covered specifically within a typical market analysis of product types, it is important to note the opportunity for Station Square to become a regional transportation hub. In the long term, as the transit station opens for operation, population grows and vehicular travel time increases on the 210 Freeway, the site's demand from transit users will grow. This demand, although challenging to quantify at this early stage, must be addressed in the overall master plan. This will include the need for bus and trolley stops as well as layover stalls and bicycle storage. The master plan will also need to address the requirements of transit riders from the local and regional lines as well.

### Summary

Overall, the market conditions within the current recessionary environment create a challenge in the short term but an opportunity going forward for the City of Monrovia. Residential needs will continue to exist and grow substantially with overall population growth. The opportunity at Station Square will be to create a place that is special, different and has its own identity from the existing residential opportunities within the City. Industrial space will continue to be in demand with the focus primarily on light industry and research and development. This type of use at Station Square is likely not the highest and best use, nor the most compatible with a transit-oriented development.

Retail uses at the site should be focused upon service oriented retailers to meet the needs of the expected residents, transit patrons and office workers, and likely be limited to no more than 30,000-40,000 square feet total. The retail uses should not detract from the concentration of retail which the City has already focused on West Huntington and on Myrtle. From an office development perspective, the market is extremely challenged in the short term and the focus should remain on a long-term strategy of attracting large floor plate technology companies who have already positioned the City well for future growth. Finally, there is a market opportunity to take advantage of the transit-oriented nature of the property and embrace the use and need with additional amenities.



Existing office space located within the TOD study area





The width of Vermont Avenue provides an opportunity for streetscape enhancement

## Findings

During the course of the technical assistance Panel, the Panelists had the opportunity to tour the site and surrounding community, as well as interview elected officials, city staff, business owners and local residents of the City of Monrovia. This process allowed the Panel to get a better understanding of the existing strengths and weaknesses and the opportunities and threats for development for the future. This analysis yielded the following results:

### Strengths

*Effective municipal planning abilities-* The City of Monrovia has a proven track record in its capital and development programs. The City's solid financial condition has created an attractive environment for private-sector investment. The city's helpful staff and pro-business attitude have helped attract new businesses while retaining existing ones. All of these reasons explain why Monrovia has fared better than other nearby cities in the most recent economic downturn.

*Strong municipal relationships with local business and community-* This record of success is illustrated in the redevelopment of Myrtle Avenue. Several years ago, local businesses fled the downtown area, leaving only bars and low-end retail behind. Through its business friendly policies and willingness to work with business owners, the city government and redevelopment agency successfully attracted local businesses back to the area. Although at times understated, strong community engagement and support can make or break the success of a redevelopment project.

*Efficient transit network and access-* With its existing bus lines (Metro, Foothill Transit, and Monrovia Transit) and the future light rail station along the Gold Line Foothill Extension, the City is poised to become a regional transportation that serves the community and greater Los Angeles. In addition, easy access to the 210 Freeway allows the city to benefit local businesses, residents and workers who commute within the region.

*Large amounts of contiguous land-* There is flexibility afforded to a transit village in its amenities and offerings because it is a large block of contiguous land and its strategic location is in proximity to a large and diverse number of users. Strong community engagement for this project ensures fewer development hurdles while providing an amenity that the community feels invested in. As market viability continues to improve, the fact that this project is an entitled plan means that the City will be ready to develop the station site along with Metro in a proactive manner.

### Weaknesses

*Division of municipal space by 210 Freeway-* An area of concern is the fact that the 210 Freeway acts as a barrier between the northern and southern portions of the City, creating a separation from the critical mass of the Old Town/Downtown area. From interviews, the Panel heard that most people living north of the 210 Freeway rarely felt a need to venture to the other side.

*Current economic climate-* Monrovia, like many other municipalities, faces very difficult short-term economic challenges. Real estate and financial market conditions have shifted in ways that may not support Station Square's current plan and proposed building types.

*Limited connectivity-* The current plan lacks the critical integration of transit and parking. There is minimal intermodal interface (bus, bike, walking) and limited connectivity to the rest of the City.

*Lack of open space, scale and density issues-* From a contextual level there are several weaknesses that are challenges for the site, including the lack of open space, the scale and density of surrounding development, and the neighboring redevelopment uses which are undefined - making it difficult to discern a cohesive land use pattern. Although the current entitled plan encompasses 25 acres of contiguous assembled land, a lack of context exists with the adjacent parcels that are characterized by a variety of uses with respect to condition and scale.



Residences are in excellent condition with character contributing to the attractiveness of Monrovia



## Opportunities

*Good space and redevelopment potential-* With Old Town exemplifying the rich and charming history of Monrovia, Station Square could symbolize the next phase of Monrovia's renewal. With its successful redevelopment track record, the City has an opportunity to truly create a strong sense of place at the site.

*Potential for a transit village or intermodal hub-* The Panel identified several opportunities that the City could leverage to create a more unified transit village including the creation of an intermodal center. An opportunity exists to recognize the Gold Line Extension and emphasize its presence as a transit hub. By creating an intermodal center, Station Square would utilize its advantage of having the Gold Line station as well as provide connectivity to the San Gabriel Valley and greater Los Angeles area. The station will be a major transportation node and has the opportunity to enhance Monrovia's image.

*Potential for diverse parcel usage-* In light of current market conditions, it is prudent to plan for a diverse range of uses, allowing for the project to be phased and developed in smaller parcels. This type of land-use plan will attract a more diverse set of potential tenants and users.

*Cross-freeway connections-* Opting for a comprehensive plan that includes the east side of Myrtle and dedicating space to create a park, may encourage more people to travel to this site, particularly those living or working north of the 210 Freeway. In addition to the current 25 acre assemblage, inclusion of these parcels would create a more cohesive development.



The panel considered the division of municipal space by the 210 Freeway to be a weakness of the area

*Public sector funding-* As a transit-oriented development site, Monrovia also has the opportunity to secure public sector funding to subsidize the development portions of the infrastructure, parking garages, and intermodal transportation station.

*Ability to attract regional institutional tenants-* Furthermore, given its strategic location within the San Gabriel Valley, the proposed Gold Line station, and the City's ability to assemble land, Monrovia should engage a number of the larger regional institutional users of space, including JPL, Cal Tech, nearby universities/community colleges, the City of Hope, etc.

## Threats

*Continuation of economic conditions-* The development of the Transit Village plan is threatened by the continuing depressed economic condition of the region. With foreclosures and unemployment rates remaining high in the San Gabriel Valley and Greater Los Angeles area, weak real estate and financial markets will certainly impact the project's viability.

*Local economy-* Since the City began the planning process for the Transit Village, many factors have changed in the local economy. The previous plan does not respond to the realities of the current economic climate. Whether it is competition from large scale lifestyle centers or other TOD station developments along the Gold Line, or the City's restricted financial capabilities (due to budget reductions), Station Square needs to plan for this type of market by allowing for a more flexible and phasable development scheme.

*Timing and funding of Gold Line expansion-* Station Square's success also is closely linked to the time line for the completion of the Gold Line Extension. If timing is delayed, many of the proposed uses may not be market or financially feasible. Its impact could cripple the project's success and lessen Station Square's ultimate potential.



## Recommendations

### Vision and Goals

The Station Square Transit Village's proximity to the future Metro Gold Line Foothill Extension is an asset no other parcel in the City of Monrovia possesses. Maximizing the intermodal potential of this asset to improve regional connectivity for residents, workers and visitors should be a primary objective. Now is an opportune time to plan for the potential integration of light rail service with Metro, Foothill Transit, Duarte Transit and Monrovia Transit bus services, as well as park 'n' ride commuters and pedestrians. Getting the transit infrastructure in place as a basic framework supports the future development of commercial retail, residential, and office space in this portion of the "high-tech corridor." Providing multiple layers of regional connectivity increases the value and desirability of Station Square Transit Village.

Connecting the site with the historic downtown core is challenging for a few reasons. First, the walking distance may be too far for most, and the site is separated from the downtown area by the Foothill Freeway (I-210) which acts as both a visual and physical barrier. For the past three decades, the City of Monrovia has steadily worked to rebuild the historic downtown core. These efforts have resulted in a family-friendly downtown that is alive with pedestrian activity, locally owned shops and restaurants and the recently completed Public Library. New infill housing development is coming to market along Myrtle Avenue and serves as a testament that people want to live along this increasingly vital downtown corridor. The development of Station Square Transit Village must be undertaken in a manner that allows the downtown revitalization to continue.

The Panel recommends that the City continue to study the Station Square development site and focus its efforts on creating a sense of place, a reason to be there. This can be from the transit-oriented nature of this development but should also include strategies that differ from that which was created in Old Town. Old Town will need to stand on its own just as Station Square will. They cannot rely upon each other to create demand but can create secondary demand from each other.

In light of current market conditions, the Panel also recommends considering a richer mix of program land uses for Station Square. An opportunity exists to create better connectivity to a broader range of potential users by planning with a flexible framework that allows for phasing. It is prudent to plan for a diverse market, allowing for smaller "bite size," flexible parcels.

For these reasons, the TAP collaboratively developed the following guiding concepts for the Station Square Transit Village:

- Be transit-oriented instead of transit-adjacent
- Create its own Sense of Place, giving people reason to be there
- Be based on a strategic infrastructure framework that allows market driven development
- Multiple phases to allow development to occur over time

### Development Strategies

The Panel's vision and recommendation for the development strategy of the Station Square property can be implemented by means of five key development strategies:

- Establish strong connections through transit
- Open space opportunity for the southern side of the City
- Infrastructure improvements
- Market driven and flexible implementation
- Phase-able and cost effective development approach to meet demand

### Transit-Oriented Development

Create an intermodal transportation hub that integrates the Metro Gold Line with regional, commuter, local, and airport shuttle bus services, bikeways and good pedestrian connections. Existing bus transit routes should be studied and realigned as necessary to integrate the light rail station with the bus route structure. To reduce the number of potential conflicts between rubber tire vehicles and train movements, consider locating transit facilities (e.g. bus bays, commuter parking, kiss 'n' ride) north of the rail alignment. It is recommended to locate the intermodal station along Myrtle Avenue Positioning the station along Myrtle Avenue does not burden the major intersections and allows direct transportation access to the freeway.

In the past the Gold Line's extension into the project site has been viewed as an adjacency that previously did not



have a distinct time horizon for implementation. Now it is clear that the Gold Line will be constructed and moreover will be one of the first, if not the first new development at the Station Square site. As such, the Panel recommends that the City embrace and orient the development around the transit opportunities which this presents. In the long term the property can serve not only the immediate area, but can also become an intermodal transportation hub of activity connecting light rail with trolley, bus, bicycle and pedestrian uses. The site should be planned today to incorporate space to accommodate these future needs and capitalize upon these strengths. They may not be readily apparent now or even in the next 3-5 years, but the site must accommodate these needs for the next 50-100 years as well.

### Open Space

The Panel recommends that the Station Square development plan reduce some of the existing plan's components and incorporate additional usable, recreational open space. Through the Panel study and interview process, a common theme was that of the need for quality, usable open space in the southern part of the City. Incorporating shared green space into the plans will activate the site and allow for civic based uses such as sporting events, farmers' markets, live entertainment, and potentially even a community center. This open space will help to create a better sense of place at Station Square that does not exist at the site or in other parts of the City. When planning this space, extra care should be taken to assure public safety by reducing the potential for conflicts between green space users and light rail vehicle movements.

Additional housing can be planned at the future development site facing Duarte Road. Building larger scale, multi-family housing at this location is consistent with the larger buildings that already exist in this particular area.

### Infrastructure Improvements

In focusing efforts to create truly transit-oriented development, it is important to note the need for additional infrastructure improvements. The City has already made good progress to plan for the widening of Myrtle Avenue and the associated infrastructure at the street level. To further the process, the City should continue this endeavor and seek any potential state or federal ARRA stimulus funds for further expansions of the infrastructure to ready the site for market rate development.

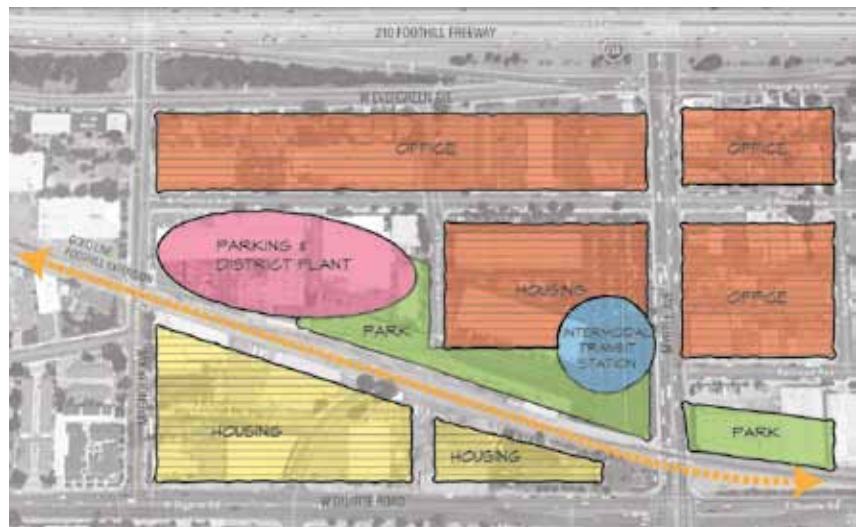


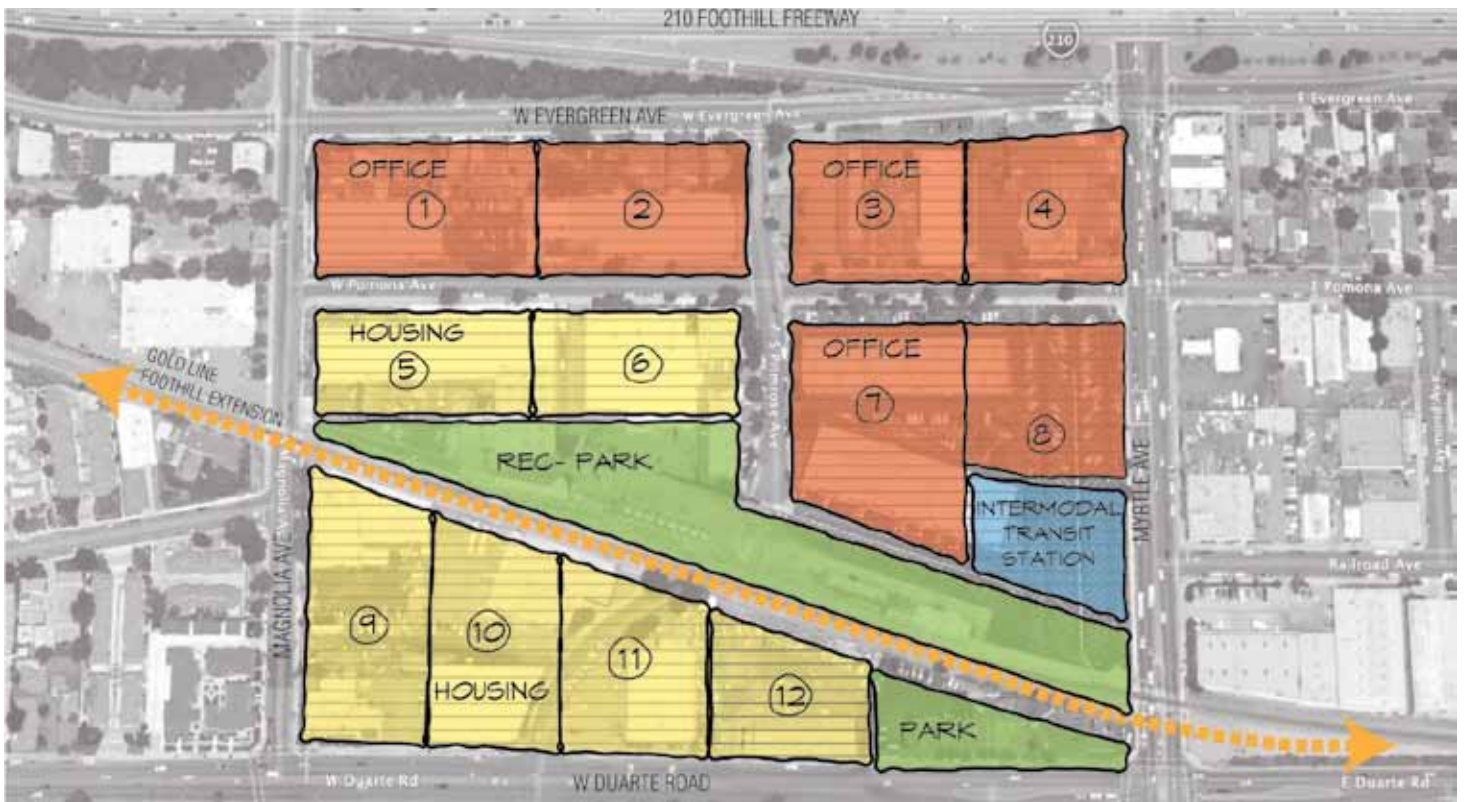
The Panel recommends the continued study to re-develop the east side of Myrtle Avenue directly across from the site. There is a strong desire to pursue improvements on these parcels concurrent with the development of the station and intermodal transportation hub, as it will be a primary arterial and entryway to the Station Square Transit Village.

Consider implementing Station Square Transit Village "District-wide" sustainable infrastructure strategies that would be desirable and increase the potential of attracting new "green technology" jobs to the High Tech Corridor. These strategies may include maximizing the availability of transit to reduce reliance on single occupancy vehicles, car share programs, shared parking facilities, a portion of district power supplied by photovoltaic arrays or self-generation incorporated into all buildings, district chilled water loop, live/work development, increased bicycle and pedestrian access, etc.

#### Example:

Create an incentive for developers to come to the site by creating the infrastructure that will reduce production costs. For example, create a LEED platinum or better intermodal parking facility and district plant that provides energy to its buildings and houses creative, incubator environments attractive to emerging green technology industries, e.g. inventors at Cal Tech. Models to emulate are Ithaca, New York, Santa Clara in Northern California, and perhaps the Downtown Los Angeles Clean Tech Corridor.





### Market Driven Development Plan

Given the current market challenges for both residential and office development demand, the Panel recommends that the site be parcelized in order to make efficient, bite-sized development parcels with flexible entitlements. Development should be focused upon cost-effective construction types including residential rental units in a “wrap” configuration rather than a more costly podium configuration. This configuration will also permit a smaller, more phase-able approach to the development.

The Panel recommends further analysis to validate the type and density of residential development. The Panel expressed concerns with the proposed density and configuration (i.e. podium parking). In the future, the market would likely respond to lower density rental housing wrapped around above-ground structured parking. Similarly, office development should continue to focus on cost effective construction types with above-grade parking solutions which can be screened and wrapped. Retail uses will continue to be service oriented and smaller in scale. Ultimately these types of land use, configurations will result in less dense land use thereby necessitating slightly lower land values, but could result in more timely implementation of the development strategies.

#### Example:

The open space and intermodal station create an armature to develop flexible, “incremental innovative use development parcels.” The City can develop individual parcels that are flexible enough in size to accommodate office, commercial, housing, or build-to-suit uses. The main focus or amenity is the park and the intermodal transportation hub.

### Phase-able Approach

In order to implement the strategies outlined above it is important that the overall development site be parcelized into smaller and flexible sites which can be acquired, financed and developed as market conditions warrant. The days of oversized, complex and highly costly development are behind us for the time being, and going forward the City should focus efforts on the small victories. In order to do so, design guidelines should be incorporated but should provide flexibility as market demands return.

#### Example:

Develop office space in manageable, phase-able blocks most likely between two to three stories with structured parking. They can then be developed either independently or in conjunction with one another to maximize efficiencies. These additional parcels can be sold individually or in bundles to prospective developers, and can include a linear park that interfaces with the Gold Line and an intermodal station. Consistent with the Land Use Plan, the Panel agreed that this development should occur on parcels nearest the Foothill Freeway (I-210).





# Implementation A Road Map for Success

## Introduction - Phasing Strategy

### Implementation

It is the Panel's vision that Station Square will act as the southern anchor to the City's main street. And while challenges do exist, Monrovia is led by civic leaders dedicated to the City's continued success.

In today's market, the City of Monrovia must direct their efforts toward making the site a marketable product. Creating a flexible development framework will spread the risks of developing Station Square among the most qualified local and regional developers. While it is difficult to forecast what the next real estate cycle will look like, or when it will occur, the Panel suggests the following implementation steps:

### Phase I: Years 0-3

The planning and processing stage to prepare the site for the ultimate development implementation work. That would include further refinement of the strategy, parcelization and phasing process.

- Intermodal transportation planning with the surface transportation nodes
- Begin laying out the parcel maps
- Prepare the infrastructure for development
- Create sustainable/integrated design strategies for the parcels
- Research publicly financed parking to serve the entire project
- Prioritize the formation of an economic development corporation to drive demand and promote Monrovia in the tenant/owner marketplace (with existing staff)

# Implementation

## Phasing Strategy- Continued

### Phase II: Years 3-5

Commencement of implementation of the physical development, on a phased basis and based upon market conditions. The Panel focused upon the need to meet the market conditions for the uses, therefore the timing will be such that it meets the market needs rather than a fixed timeframe.

### Phase III: Years 5-10

Implementation of the site area and the surrounding areas and working to better integrate the existing context into the overall development program and ultimately complete the project.

Monrovia has capitalized on being a small town with an urban character, distinct from that of its larger neighbor, Pasadena. Now Monrovia faces the challenge of taking those next steps that will allow it to build on its own successes. The Panel suggests selecting members of the existing staff and creating an economic development corporation to spearhead an enterprising task to lure big power users in the San Gabriel Valley to Station Square. Members of this task force can reach out to prospective, large business owners and see what it will take to move their operations to Monrovia. A potential prospect would be a department at Cal Tech that needs a site and is attracted to the build-to-suit parcels, hence the build-to-suit development opportunity. In order to make the most of the development opportunities and benefits presented by the Gold Line light rail that will arrive in the next 2-3 years, the City of Monrovia must be proactive in finding the most efficient regional institutional users of space that will position the City for future economic growth.





## Summary

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The development strategies for the Station Square site are far reaching and must be addressed in total with a master plan to incorporate all uses but remain flexible as to the timing of the ultimate implementation in order to meet market conditions and demand. The site should continue to re-focus efforts to be transit-oriented rather than simply transit-adjacent. The site will need to “make a place,” a reason to be there, which can be achieved by pursuing a master plan that incorporates significant open space and further expands the infrastructure improvements in and around the property. Finally, the development parcels must be made scalable and flexible to meet the current market demands and product types which are financeable.

# Funding Sources



## Funding Sources

It is critical to utilize as much federal, state, county, and municipal funds to move this vision forward. In terms of the intermodal transportation hub, state funding under Proposition 1B is available, as well as federal money and federal transit dollars via the stimulus bill. Prop 84 state funding sources are potential sources for the open space and park opportunity.

The Station Square site falls within a New Markets Tax Credit eligible census tract, which is potentially a great benefit to assist in stimulating private investment within the area. The transportation hub, park, and parking structures to serve the Gold Line are all new market eligible projects. Additionally, coordinated site efforts between the City and private developers can provide the opportunity to consolidate the transit and office parking into one structure. A publicly financed central office parking structure presents an opportunity for the structure to be a public subsidy source that takes the costs of parking out of a developer's pro-forma, therefore incentivizing private investment office development to occur. Also, potential residential development funding sources are tax exempt bonds, available redevelopment

funds, as well as 4% tax credits.

The above mentioned are probable leads, and are in no way inclusive of the available funds apt to move the development plan forward.

Additional funding sources to consider are:

- Metro Annual Call For Projects
- SCAG Compass Blueprint (Planning Studies)
- Redevelopment Financing
- State funding (Proposition 1B & Proposition 84)
- New Market Tax Credits
- Renewable Energy Tax Credits
- Land Write Downs
- Other Federal Funds
- Other State Funds
- Foundation Funding
- Conventional Debt and Equity



## Acknowledgements

The Panel wishes to thank the City of Monrovia Planning Department including Steve Sizemore, Planning Division Manager, for his commitment and support to this program. The panel is also thankful for the participation of the following community members and stakeholders:

- Tom Adams, Mayor PRO TEM
- Joe Garcia, City Councilman
- Scott Ochoa, City Manager, City of Monrovia
- Alice Griselle, Director, Community Development, City of Monrovia
- Ron Bow, Public Works Director, City of Monrovia
- Kevin O'Brien, Manager, Redevelopment Division Manager, City of Monrovia
- Craig Jimenez, Principal Planner, City of Monrovia
- Darlene Sanchez, Project Manager, City of Monrovia
- Paul Kalemkiran, Business Owner
- Tim Shea, Historic Preservation Commission
- Sam Genneway, Hogel Ireland
- Blaine Fetter, Samuelson & Fetter
- Dan Diebel, Urban Housing Group

## Acknowledgements



# Panel Members

## Panel Chair

### **Peter Belise**

#### **Chairman, Project & Development Services, Jones Lang LaSalle**

Mr. Belise is President of Jones Lang LaSalle's Project and Development Services group for the Americas. In this capacity, he oversees a staff of over 1,300 professionals handling an estimated annual project volume in excess of \$13 billion. He also provides guidance to Jones Lang LaSalle's Mexico and South America Project and Development Management teams. His responsibilities include client relationship management, fiscal performance accountability, and strategic leadership for all initiatives across the United States. Current clients include Microsoft, Sun Microsystems, Host Marriott, Abbott Corporation, Bank of America and Kaiser Permanente. Mr. Belise received an M.B.A. in real estate and finance from The Anderson School at the University of California, Los Angeles (UCLA), as well as a Bachelor of Science degree in Civil Engineering from UCLA. Mr. Belise is registered, as an Engineer in Training (E.I.T.), is a Council Member of the Urban Land Institute (ULI), and a member of the American Society of Healthcare Engineers (ASHE) and CoreNet Global.

## Panel Members

### **Denise Bickerstaff**

#### **Principal, Keyser Marston**

Ms. Bickerstaff joined the Keyser Marston Los Angeles office in 1994 and has played an integral role in the redevelopment specialty practice. Keyser Marston provides highly individualized redevelopment project support and detailed analyses, helping clients to get the job done right. Denise has managed numerous redevelopment plan adoption and amendment projects on behalf of clients throughout California and Nevada. Denise's unique combination of skills and experience enable her to successfully lead KMA clients through what could easily be described as a complex and daunting process. In addition to overseeing redevelopment adoption assignments, Denise has also managed the developer solicitation process for various consulting assignments for public and private sector clients throughout California.

### **Donald Brackenbush**

#### **Principal, Public Private Ventures**

Mr. Brackenbush has participated in developing and implementing asset development plans for the new California State University, Channel Islands Campus in Camarillo, the asset development program for Cal Poly Pomona, as well as the plan for College Park (Chino, California)—a new community that incorporates a new Chaffey Community College District campus. With PPV, Donald has been a key participant and manager in all PPV asset development programs. Donald is PPV's lead principal relating to the planning, design, and engineering aspects of this work. Donald is presently managing the site searches for and planning for new campuses for the Kern Community College District in Bakersfield and the College of the Desert in the Coachella Valley.

### **Noel Cabello**

#### **Senior Analyst, Westfield**

Mr. Cabello has advised clients on making market-driven real estate investments via development strategy, financial analysis, land valuation, market feasibility and fiscal impact studies for all land uses. Specific areas of specialization include urban infill development; large-scale, mixed-use projects; and master-planned communities. Mr. Cabello has also worked in commercial real estate brokerage for Marcus and Millichap in San Francisco, specifically multifamily and net-leased investments. In this role, he participated in sales and marketing of 300-plus units and \$50 million. Noel holds a Bachelor of Science degree in Industrial Engineering and Operations Research from the University of California, Berkeley and is a member of the Urban Land Institute (ULI).

### **Charles Loveman**

#### **Executive Director, Heritage Housing Partners**

Mr. Loveman is the Executive Director of Heritage Housing Partners (HHP), a non-profit affordable housing developer based in Pasadena, CA. HHP's mission is to create affordable housing and neighborhood revitalization by providing home ownership opportunities to low-and moderate-income first-time homebuyers. To date, HHP has development 52 units of affordable homeownership housing, with another 93 units in its development pipeline. Mr. Loveman is active in community housing and historic preservation organizations. Mr. Loveman's educational background includes an undergraduate degree from Stanford University, a Master's degree in City Planning from Harvard University, and an MBA from UCLA.

### **Jose Palacios**

#### **Principal, AECOM**

Mr. Palacios is a Principal for AECOM, overseeing the design of projects for the firm's Los Angeles studio. Originally from Ecuador, Mr. Palacios' interests and studies varied from physics and mathematics to philosophy and architecture. He spent nearly nine years in academia in various institutions in South America, Europe and eventually the United States where he graduated with honors, earning both a Bachelors and Masters of Architecture from Texas A&M University. The outstanding body of work (currently in excess of 35 million square feet) completed by José Palacios in just 24 years of professional practice is remarkable. In less than two decades, José Luis Palacios has earned 18 prestigious project awards and has completed work for many prominent clients including RAND, British Petroleum, BMC Software, American Airlines and Hewlett Packard. These clients have benefited from his artistic and original designs, his methodical and pragmatic approach and, above all, the precision of detail that characterizes his work.

# Panel Members

## **Todd Osbourne**

### **Director, Aviation + Transportation, Gensler**

Mr. Osbourne is a registered architect with nearly twenty years of architectural experience in many project types and all phases of project development, including programming, conceptual planning, preliminary design, construction documents and construction administration. Over the past decade, his experience has been focused on transportation architecture and includes airport terminal planning, rail systems, inter-modal terminals, bus transfer stations, and airport people mover systems. His work demonstrates an ability to create architectural solutions with sensitivity toward enhancing a project's "fit" within multiple contexts: aesthetic, functional, sociopolitical, economic and environmental.

## **Tom Wulf**

### **Senior Vice President, Lowe Enterprises Real Estate Group**

Mr. Wulf is a shareholder and Senior Vice President responsible for commercial property acquisitions and development management in Southern California. Recently Mr. Wulf completed the Exchange, a 1.8 million square foot mixed-use development in Hawthorne, California. Mr. Wulf also directed the development of the 210,000sf, three building office campus at Calabasas Commerce Center and the 140,000sf, Santa Monica located, Arboretum Courtyard. He is a member of Urban Land Institute, the International Council of Shopping Centers, the USGBC, and currently serves on the Board of Directors of NAIOP SoCal. Mr. Wulf is a USGBC LEED Accredited Professional. Education: University of Southern California, B Arch; University of Southern California, MRED.



TAP Panelists (Left to Right)- Noel Cabello, Todd Osbourne, Charles Loveman, Peter Belise, Denise Bickerstaff, Jose Palacios, Tom Wulf, Donald Brackenbush.

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