



CITY COUNCIL AGENDA REPORT



DEPARTMENT: City Manager's Office

MEETING DATE: April 16, 2019

PREPARED BY: Oliver Chi, City Manager /
Lauren Vasquez, Deputy City Manager

AGENDA LOCATION: AR-1

TITLE: Parking Lease Agreement with Monrovia Lime, LLC

OBJECTIVE: To approve a parking lease agreement with Monrovia Lime, LLC, to procure public access to two parking lots on Lime Avenue east of Ivy Avenue to add around 150 spaces to the supply of publicly-accessible parking for Old Town Monrovia

BACKGROUND: During the past several years, staff has been engaged in discussions with representatives from Monrovia Lime, LLC, regarding the redevelopment of the current Frontier building located at 115 – 127 East Lime Avenue into a mixed-use self-storage facility. The adaptive reuse of the building would include 4,470 square feet of ground floor retail / commercial space and 1,247 square feet of ground floor office space. The latest rendering of the proposed project is shown below, and the project is expected to be presented to the Development Review Committee in May / June 2019 for consideration.



Monrovia Lime, LLC, also owns two additional parcels located on Lime Avenue just east of Ivy Avenue, showed in the map below in yellow. The smaller of the two lots is located between First Indonesian Baptist Church and the George Anderson House Museum. The larger of the two lots is just east of the Anderson House.

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After more than a year of dialogue, Monrovia Lime, LLC, has agreed to lease the two sites to the City for use as public parking lots. The two sites total more than 40,000 square feet, and could facilitate approximately 150 new public parking spaces, depending on how the lots are reconfigured.

ANALYSIS: The parking lease agreement that has been developed with Monrovia Lime, LLC, would add approximately 150 new public parking spaces in Old Town.

The agreement would allow the City to lease the two parking lots for \$12,250 per month, with a 10% increase every five years (equivalent to a 2% increase per year). In addition, Monrovia Lime, LLC, has agreed to lease the property on a long-term basis, for up to 35 years.

Of note, in order to facilitate procuring access to the two parking lots as soon as possible, staff has negotiated an interim license agreement with Monrovia Lime, LLC, that would allow for the City to take control of the parking lots on May 1, 2019. Subsequently, staff will work with Monrovia Lime, LLC, on the development of the 35-year lease. The long-term lease will require additional land-use approvals that could take several months to finalize, as we will need to have the lease considered by the Planning Commission for conformity to the General Plan.

If approved by the City Council, staff also plans to coordinate several minor improvements at the parking lot sites, including removal of the weeds from the vacant lots, restriping the parking stalls, and updating all parking signage. Additionally, staff has been evaluating lighting upgrades in both of the parking lots.

FISCAL IMPACT: If approved, the agreement calls for the City to pay Monrovia Lime, LLC, \$12,250 per month, with a 10% increase every five years, until the end of the 35 year agreement (as shown below), in exchange for 150 new public parking stalls in Old Town.

Period	Monthly Amount
Years 0-5	\$ 12,250.00
Years 5-10	\$ 13,475.00
Years 10-15	\$ 14,822.50
Years 15-20	\$ 16,304.75
Years 20-25	\$ 17,935.23
Years 25-30	\$ 19,728.75
Years 30-35	\$ 21,701.62

Funding for the initial license agreement, and the eventual lease agreement, with Monrovia Lime, LLC, is available in the City's existing budget. Furthermore, funds are available for the minor capital improvements and ongoing maintenance in the City's Public Works Department budget.

ENVIRONMENTAL IMPACT: None.

OPTIONS: The following options are presented for City Council consideration:

1. Approve the City's plan to increase public parking in Old Town through the following actions:
 - a. Authorize staff to enter into an interim license agreement with Monrovia Lime, LLC, to procure access to the two parking lot parcels, effective May 1.
 - b. Authorize staff to develop and enter a long-term lease with Monrovia Lime, LLC, pursuant to the terms outlined in this report, pending all of the requisite land-use approvals for conversion of the parcels into public parking lots.
2. Do not approve the Parking Lease Agreement with Monrovia Lime, LLC, and provide staff with additional direction.

RECOMMENDATION: Staff recommends Option 1, thereby approving the Parking Lease Agreement with Monrovia Lime, LLC.

COUNCIL ACTION REQUIRED: If the City Council concurs, the appropriate action would be to authorize staff to enter into an interim license agreement with Monrovia Lime, LLC, to procure access to the two parking lot parcels located on Lime Avenue, effective May 1; authorize staff to develop and enter into a long-term 35-year lease with Monrovia Lime, LLC, pursuant to the terms outlined in this report; and authorize the City Manager or his designee to execute the necessary documents in forms approved by the City Attorney.