





# 5 ECONOMIC DEVELOPMENT

## Introduction

The Monroe 2044 Comprehensive Plan’s Vision and Guiding Principles describe a thriving historic downtown and business district, supporting locally owned businesses and locally sourced products. An assessment of the current economy, including present and future employment needs empowers the City and the public to make well-informed decisions about economic development in Monroe.

The Economic Development Element briefly describes Monroe’s current demographic and economic conditions and presents goals, policies and actions to support achieving the Monroe 2044 Comprehensive Plan’s Vision and Guiding Principles. Engagement surrounding Monroe’s economic strengths, weaknesses, opportunities and threats reveal the following themes: The Monroe 2044 Comprehensive Plan’s Vision and Guiding Principles describe a thriving historic downtown and neighborhood business district that support locally owned businesses and locally sourced products. **Figure 5.1** describes the strengths, weaknesses, opportunities and constraints in Monroe related to the local economy.

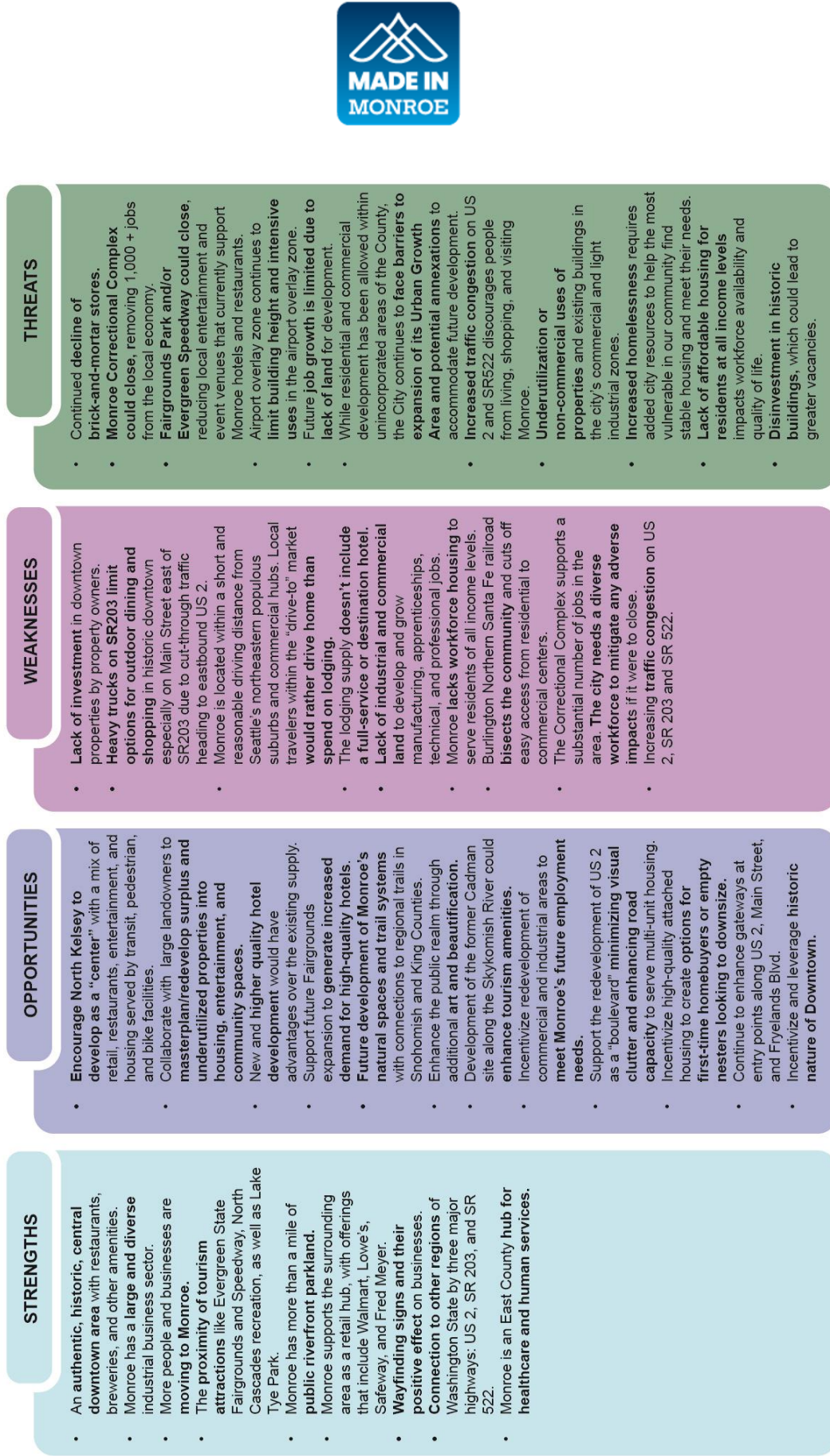
Additional analysis of existing conditions for Monroe’s economy and economic development can be found in **Appendix 5-A**.



Monroe Farmer’s Market  
Source: City of Monroe

This element identifies a combination of strategies to support a thriving local business community, ensure broad and durable access to economic opportunity, and maintain a high quality of life for Monroe residents and workers through economic stability, access to services and amenities, robust infrastructure, and ample recreational and cultural opportunities.

**Figure 5.1 – STRENGTHS, WEAKNESSES, OPPORTUNITIES, AND THREATS (SWOT) ANALYSIS**





## Relationship to Other Plans

The Monroe 2044 Economic Development Element complies with Washington’s Growth Management Act (GMA) requirements to accommodate housing and employment within Monroe’s Urban Growth Area (UGA) over the next 20 years. The GMA identifies guidelines for cities and counties to strategize economic development, with a particular emphasis on promoting opportunity for all community members, especially those that are disadvantaged or unemployed, as well as promoting the retention and expansion of existing businesses, and the recruitment of new businesses.

Puget Sound Regional Council’s regional plan for growth, VISION 2050, includes 23 Multicounty Planning Policies (MPPs) related to economic development, recognizing goals toward a sustainable regional economy, supporting existing regional businesses, fostering an economy supportive of small, locally owned, women, and minority-owned businesses, and promoting an economy that creates prosperity for all and a diversity of living wage jobs for residents.

These MPPs serve as a framework for updating countywide planning policies. Snohomish County’s Countywide Planning Policies (CPPs) draw from these MPPs to create policies that promote an equitable and sustainable economy by building on the existing economic base and investing in diversification through

investments in education and training, infrastructure and management of land and

natural resources. The Monroe 2044 Economic Development Element must be consistent with the MPPs and CPPs. Goals and policies described at the end of this element are consistent with the MPPs and CPPs.

## Existing and Forecast Conditions

### DEMOGRAPHICS

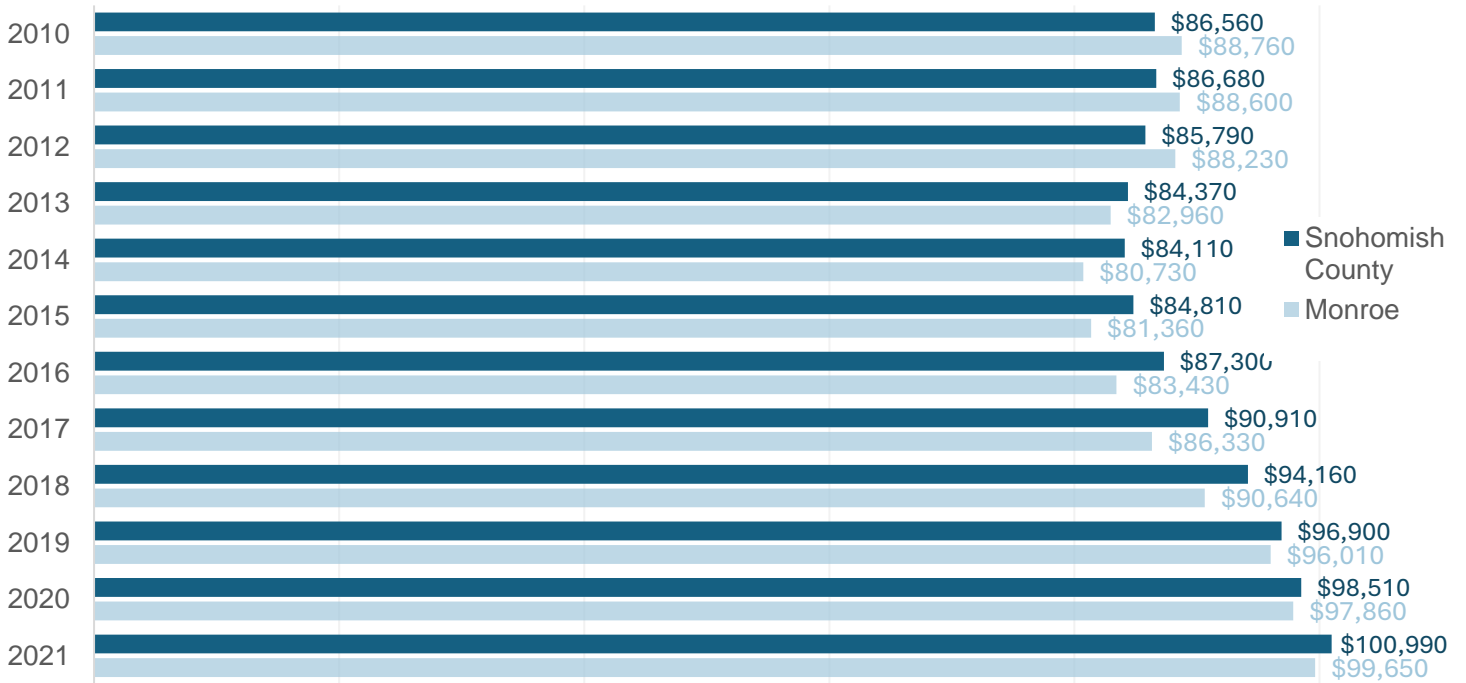
Recent population growth since 2016, including growth due to in-migration, natural increase, annexations and development, shows Monroe’s population aligning with countywide growth trends.

Notably, the city’s demographic landscape is changing, marked by an increasing proportion of residents aged 20 to 39 and 50 to 69 (see *Chapter 6: Housing*, for more information on age changes in the population of residents). These shifts suggest workforce challenges that are indicative of these population groups, such as young adults seeking gainful employment or senior professionals seeking continued career engagement.

Over the past decade, Monroe has witnessed a notable rise in its median household income, now approaching \$100,000, consistent with countywide income levels (**Figure 5.2**). Monroe’s population also displays varying levels of educational attainment, with approximately one-fifth of the population holding a college degree or higher. Monroe continues to demonstrate higher percentages of Hispanic/Latino residents compared to both the county and



**Figure 5.2 - MEDIAN HOUSEHOLD INCOME BY YEAR, CITY OF MONROE AND SNOHOMISH COUNTY, 2010 TO 2021 (REAL 2022 DOLLARS)**



Sources: U.S. Census Bureau American Community Survey 5-Year Estimates, 2023; Federal Reserve Bank of St. Louis, Gross Domestic Product Implicit Price Deflator, 2023; Community Attributes Inc., 2023.  
 Note: Values have been adjusted for inflation using the FRED GDP Deflator.

regional averages. Additionally, Monroe has witnessed an increase in residents

inclusivity.

who do not primarily speak English at home, comprising 18 percent of the population in 2020. The most prevalent non-English languages spoken at home include Asian and Pacific Islander languages, Spanish, and other Indo-European languages.

Monroe's average household size was among the highest compared to similar cities, suggesting a significant population of working parents and potential for work-from-home opportunities to expand across all industries.

This demographic diversity underscores the need for local businesses that cater to and celebrate Monroe's multicultural community. Growing linguistic diversity also presents an opportunity for policies aimed at fostering

**EMPLOYMENT AND INDUSTRY**

Employment in Monroe has seen a consistent upward trajectory over the past two decades, with nearly 65 percent of Monroe's existing labor force comprised of women by 2023





City of Snohomish, and Kirkland (**Figure 5.5**). Rising housing costs underscore the need for workforce housing initiatives that promote denser, more diverse, and affordable housing options within Monroe to provide housing options for Monroe’s workers.

At the same time, a majority of Monroe residents commute outside the city to work in other Eastside communities (**Figures 5.6**). This trend points to the importance of strategies to increase economic opportunity and retain Monroe’s vibrant workforce.

**MARKET AND DEVELOPMENT OPPORTUNITIES**

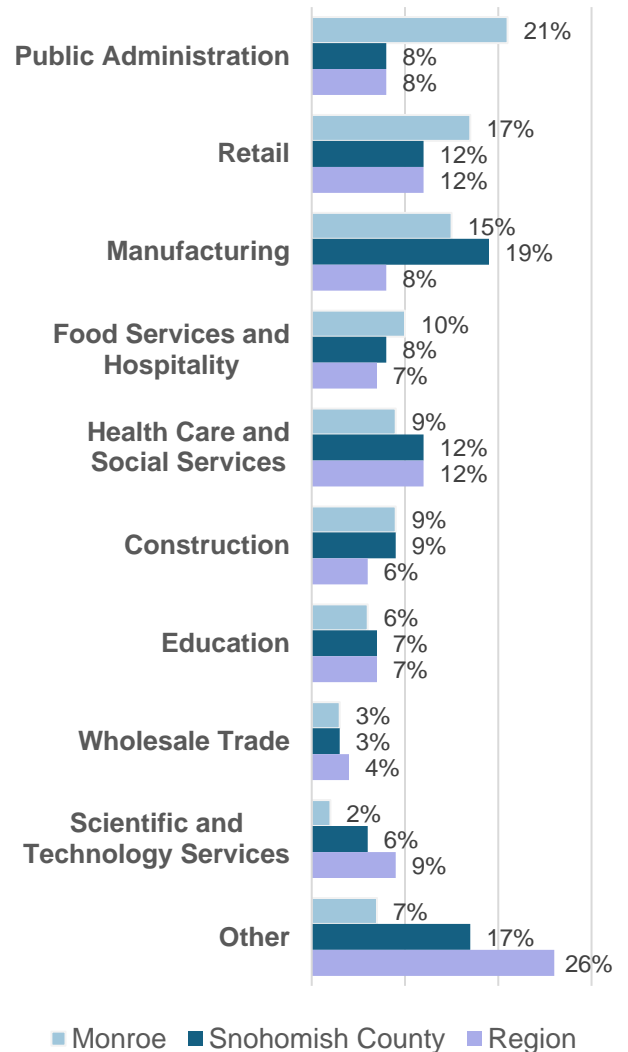
The real estate market for office, commercial, and industrial sectors in Monroe presents a nuanced landscape influenced by several factors.

In the industrial sector, Monroe has experienced an increase in lease rates since 2013, paralleled by a steady decrease in vacancy rates (**Figure 5.7**). Employment forecasts through 2050 project an estimated 2,710 new commercial and industrial employees in Monroe.

Capitalizing on this growth potential may be dependent on preserving and optimizing industrial spaces, attracting industrial companies, and fostering commercial growth in the city's industrial zones. Over the past decade, retail vacancy rates have displayed some variability, but retail space has seen an increase since 2008, maintaining a significant presence in Monroe's employment sector (**Figure 5.8**). This trend aligns with the steady population growth experienced by Monroe in

recent years, coupled with median household incomes tracking those of the County. Such indicators suggest potential opportunities for

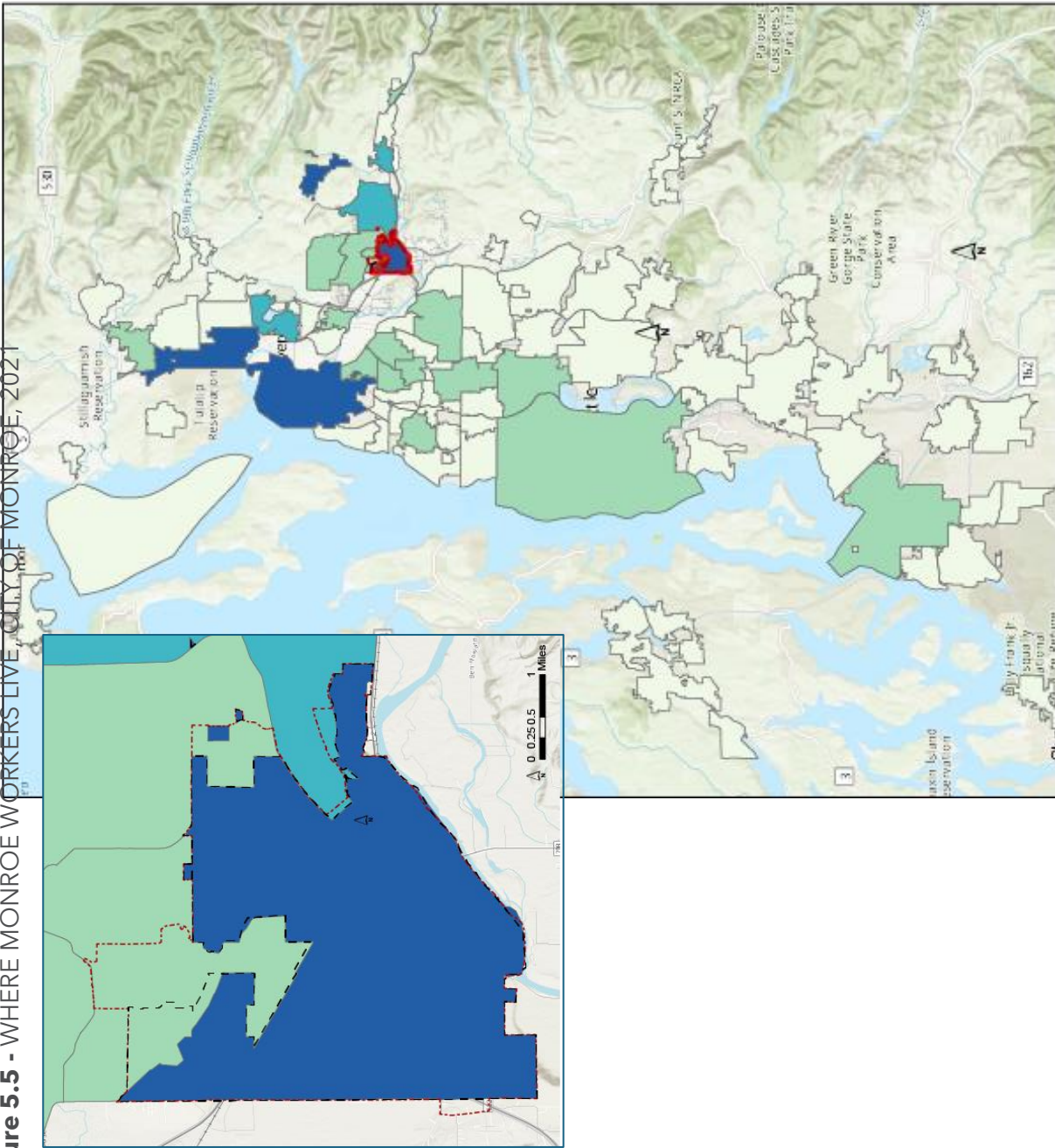
**Figure 5.4 - EMPLOYMENT BY INDUSTRY, CITY OF MONROE, SNOHOMISH COUNTY, AND PUGET SOUND, 2021**



Sources: PSRC, 2022; Community Attributes Inc., 2022.

diversified retail growth within Monroe.

**Figure 5.5 - WHERE MONROE WORKERS LIVE, CITY OF MONROE, 2021**



**City of Monroe  
2024 Comprehensive Plan Update**

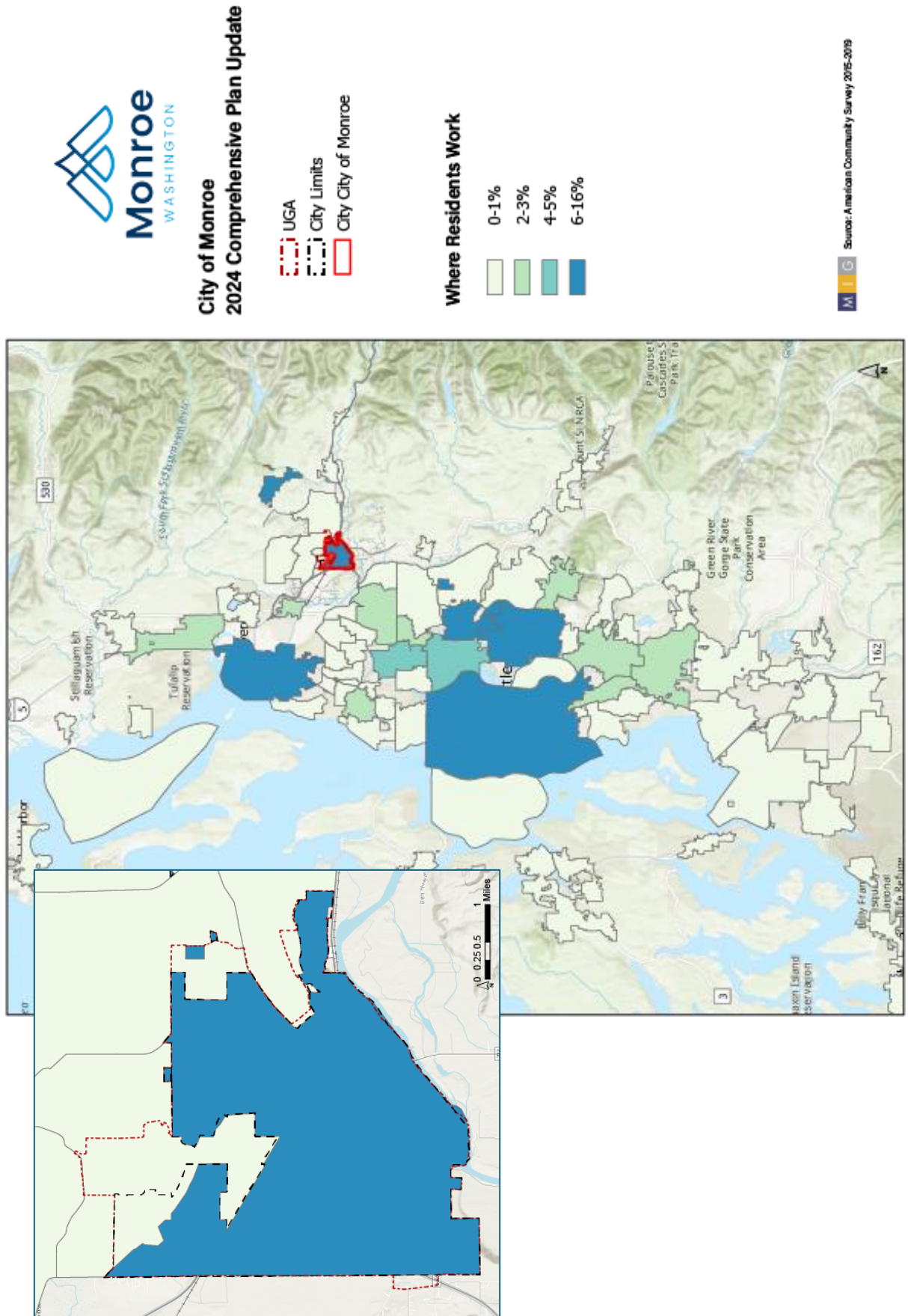
- UGA
- City Limits
- City of Monroe

**Where Workers Live**

- 0-1%
- 2-3%
- 4-5%
- 6-16%

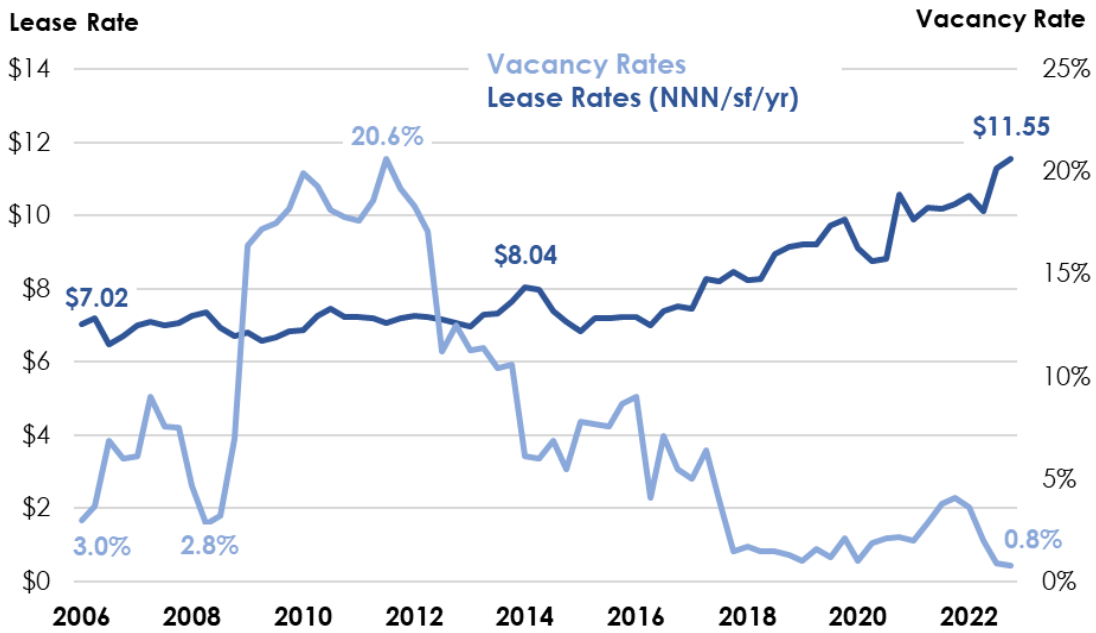


**Figure 5.6-** WHERE MONROE RESIDENTS WORK, CITY OF MONROE, 2021





**Figure 5.7 - INDUSTRIAL VACANCY AND LEASE RATES, CITY OF MONROE, 2006 TO 2022**

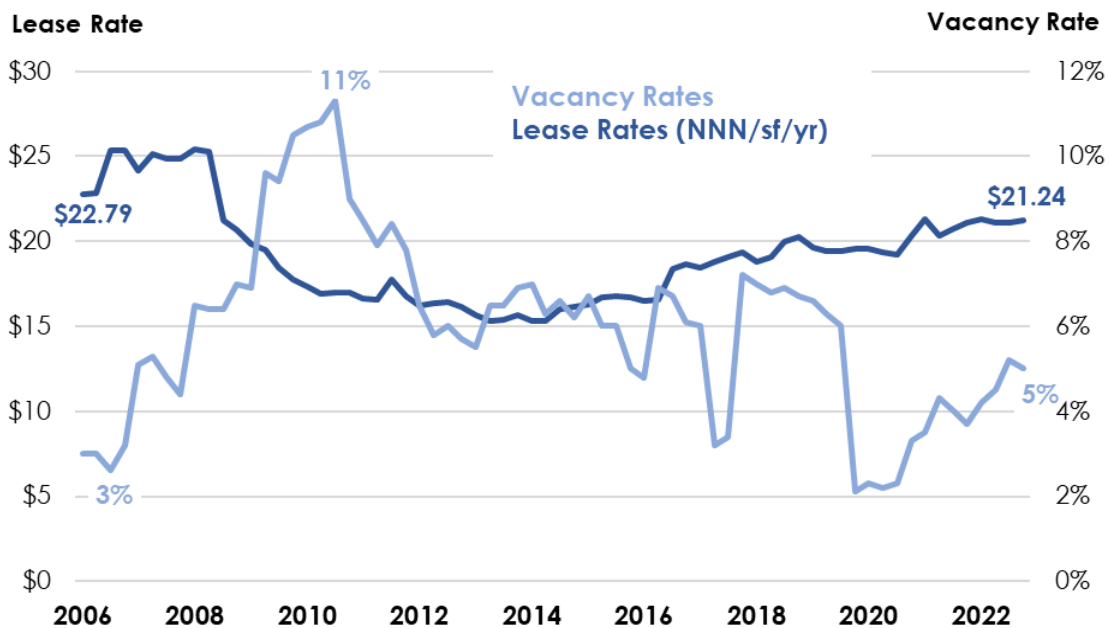


Sources: CoStar, 2022; Community Attributes Inc., 2022

\*\* These rates represent quarterly figures.

NNN/sf/yr = triple net + square foot per year

**Figure 5.8 - RETAIL VACANCY AND LEASE RATES, CITY OF MONROE, 2006 TO 2022**



Sources: CoStar, 2022; Community Attributes Inc., 2022

\*\* These rates represent quarterly figures.



When considering economic development potential, it is noteworthy that a substantial portion of Monroe's existing buildable acreage is concentrated within key areas, with 34 percent lying within the US 2 corridor and 20 percent in the North Kelsey areas. Downtown Monroe, although a focal point, comprises only 8% of the available buildable land. This distribution underscores the importance of strategically leveraging developable lands near retail centers like Downtown, North Kelsey, and along US 2 to optimize growth opportunities.

Furthermore, Monroe's economic market area demonstrates promise for potential hotel development, driven by factors such as the aging lodging supply in town and the opportunity for new hotel establishments to compete. The proximity of attractions like the Fairgrounds, Speedway, and athletic fields at Lake Tye Park enhances Monroe's appeal as a lodging destination, offering strategic advantages for prospective hotel ventures.



## Goals, Policies, and Action Items

Economic development related goals, policies, and action items are organized under five broad goals that align with MPPs and CPPs, in addition to issues identified through the community discussions held in Monroe. Each goal includes at least one policy, and as applicable, action items that address the various approaches and actions necessary to achieve Monroe’s Vision and Comprehensive Plan Guiding Principles.



*Downtown Monroe  
Source: City of Monroe*



Photo Source: City of Monroe, Economic Development Annual Report 2023

## Goal 5.1

Support the vitality and viability of commercial and industrial districts throughout Monroe.



Policy	Action Item	
5.1.1		Support continued development and maintenance of a thriving <b>Downtown</b> with vibrant main street character. Downtown should be a place residents and visitors feel connected to because of its history, design, and authentic local merchants and restaurants.
	<b>5.1.1.1</b>	<i>Support organizations and groups dedicated to vitality of Downtown.</i>
	<b>5.1.1.2</b>	<i>As continued capital improvements are identified, take advantage of variety of funding sources, including public sources from all levels of government, as well as private, nonprofit and community sources.</i>
	<b>5.1.1.3</b>	<i>Ensure availability of City staff and resources to support Downtown businesses, vitality, programs, and projects.</i>



	<b>5.1.1.4</b>	<i>Implement needed or desired enhancements to Downtown sidewalk, storm water, streetscape, and other infrastructure improvements, including a focus on enhancements that can be made to mitigate the negative effects of heavy truck traffic on the pedestrian environment.</i>
	<b>5.1.1.5</b>	<i>Redevelop City-owned Downtown properties in ways that support Downtown vitality and/or serve as catalyst "demonstration" projects for desired development.</i>
	<b>5.1.1.6</b>	<i>Continue to provide signage that directs travelers from Highway 2 and SR 522 to Downtown Monroe, as well as additional gateway signs.</i>
	<b>5.1.1.7</b>	<i>Explore and implement program(s) that provide funding to assist low-income and/or minority business or property owners to make needed façade or other physical improvements to existing Downtown buildings.</i>
	<b>5.1.1.8</b>	<i>Promote continued establishment of retail and eating/drinking businesses via applicable incentives, marketing, and/or engagement.</i>
	<b>5.1.1.9</b>	<i>Support existing events and festivals and the establishment of new events, as feasible.</i>
	<b>5.1.1.10</b>	<i>Provide Comprehensive Plan and zoning support for a variety of housing options in and near Downtown.</i>
	<b>5.1.1.11</b>	<i>Engage with property owners on an ongoing basis to encourage continued maintenance and reinvestment in existing buildings, offering assistance and advice, where applicable.</i>



	<b>5.1.1.12</b>	<i>Encourage preservation and rehabilitation of historic properties in and near Downtown, while also promoting new construction that is architecturally compatible with nearby historic structures.</i>
5.1.2		Continue to support the vitality and growth of the <b>US 2</b> regional retail center while also accommodating redevelopment needed to provide housing and jobs for the community.
	<b>5.1.2.1</b>	<i>Enhance the prominence and visibility of the US 2 Retail Corridor via additional signage, landscaping, artwork, or other urban design improvements.</i>
	<b>5.1.2.2</b>	<i>Enhance pedestrian and vehicular connections between the US 2 Retail Corridor and Downtown in order to promote a “complete” Monroe retail center that provides residents and visitors with both the national-brand retailers along US 2, as well as the local merchants in Downtown.</i>
	<b>5.1.2.3</b>	<i>Support the US 2 Bypass to encourage redevelopment of the existing US 2 ROW as a “boulevard” that would attract mixed-use, multistory redevelopment.</i>
5.1.3		Encourage <b>North Kelsey</b> to develop as a “center” with a mix of retail, restaurants, entertainment, and housing served by transit, pedestrian, and bike facilities.
	<b>5.1.3.1</b>	<i>Continue to pursue redevelopment of the City-owned Tjerne Place properties to fulfill the City’s vision as a multistory, mixed-use, amenitized, pedestrian-oriented village.</i>



5.1.4		Continue to support the vitality and growth of the <b>Fryelands</b> industrial-commercial district.
	<b>5.1.4.1</b>	<i>Collaborate with property owners, brokers, and investors to promote the growth of existing light industrial tenants and uses, while also attracting and accommodating new tenants and uses.</i>
	<b>5.1.4.2</b>	<i>Continue to monitor land use trends in order to take regulatory actions that could discourage non-industrial usage of large properties and/or buildings suitable to industrial uses.</i>
	<b>5.1.4.3</b>	<i>Continue to support the vitality and growth of supportive retail and service uses in appropriate locations within the Fryelands district.</i>
5.1.5		As continued capital improvements are identified, take advantage of variety of funding sources, including public sources from all levels of government, as well as private, nonprofit and community sources.





Photo Source: City of Monroe

## Goal 5.2

Provide and support a great place to open and grow business.



Policy	Action Item	
5.2.1		Foster a “Monroe is open for business” environment.
	<b>5.2.1.1</b>	<i>Focus on what can be done versus what cannot be done in interactions with permit applicants, business and property owners.</i>
	<b>5.2.1.2</b>	<i>Periodically evaluate fees to ensure Monroe is competitive with other cities in the region.</i>
	<b>5.2.1.3</b>	<i>Support local business through efficient regulations, licensing, and permitting procedures.</i>
	<b>5.2.1.4</b>	<i>Actively support the retention of commerce and industry and encourage diversification of the economy through marketing and of sites and the benefits of locating in Monroe...</i>
5.2.2		Collaborate with regional partners (State, County, Snohomish County ADO) to attract and retain in Monroe businesses in



		the County's existing, strong industry sectors (such as: technology, manufacturing, professional services, healthcare, retail, active sports and recreation, aviation, food production and value-added agriculture, and educational services).
5.2.3		Work with local/regional colleges and vocational schools to explore the potential of locating and/or re-establishing facilities in Monroe.
5.2.4		Identify and implement regulatory and financial incentives for starting or growing new business and industrial uses.
5.2.5		Continue to ensure presence of a dedicated City staff person assigned to advocate for business vitality and coordinate economic development activities within Monroe.
5.2.6		Collaborate with local and regional partners, explore and consider establishing incubator space and/or support network for industrial and commercial businesses in Monroe.
5.2.7		Work with local/regional colleges and vocational schools to explore the potential of locating and/or re-establishing facilities in Monroe.
5.2.8		Work with Chamber of Commerce, EASC and other local/regional partners to create a retail-support program.
5.2.9		Work with the Monroe and Snohomish Public Schools, local community colleges, Snohomish County ADO, and regional partners, such as AJAC, to build a skilled and educated local workforce, especially in response to changing needs in growing and emerging business and industry sectors.



5.2.10		Work with property owners, developers, and brokers to continue to expand and broaden the retail, service, and entertainment offerings available in Monroe.
5.2.11		Support and promote the growth of the health care sector in Monroe. Ensure the availability of a helicopter pad to serve Monroe's emergency medical facilities.
5.2.12		Strive to ensure that business and property owners of all backgrounds and abilities have equitable access to available resources and services intended to promote and support the establishment, vitality and growth of business and commercial investment.
	<b>5.2.12.1</b>	<i>Explore feasibility of, and considering establishing, a micro-lending program for minority, low-income or other less-advantaged owners of start-up businesses.</i>



Photo Source: Stevens Pass, Seattle Refined

## Goal 5.3

Sustain, grow and promote Monroe's position as an outdoors, adventure, events destination, and as "basecamp" to mountain and river adventures and home to diverse attractions and events.



Policy	Action Item	
5.3.1		Strive to ensure that people of all backgrounds and abilities have access to recreational and entertainment amenities in Monroe, ensuring that Monroe be an open and inviting destination for all.
	<b>5.3.1.1</b>	<i>Explore and pursue creative and/or unique development of the former Cadman site along the Skykomish River in ways that could enhance tourism attractions in Monroe.</i>
5.3.2		Promote Monroe as an active sports and outdoor adventure destination.
	<b>5.3.2.1</b>	<i>Work with property owners and developers to build the capacity of the hotel/motel sector to host more visitors for longer stays. Explore the potential to attract an upscale or boutique hotel that focuses on connecting visitors with the</i>



		<i>area’s natural assets and/or serves as an attraction for overnight stays for regional residents.</i>
	<b>5.3.2.2</b>	<i>Continue to attract active sports and outdoor adventure-themed events to key areas such as Lake Tye, Downtown, and the Skykomish River.</i>
	<b>5.3.2.3</b>	<i>Support the Evergreen Fairgrounds and its potential future expansion or sports facility development to attract visitors, local spending, and increased demand for overnight stays.</i>
5.3.3		Continue to make physical, visual and/or transportation connections from central Monroe to its natural surroundings, including the Skykomish River, Cascade Mountains and foothills, bike and pedestrian trails, and surrounding open spaces.



Photo Source: Nelson Road, MIG, Inc.

## Goal 5.4

Through regulations and incentives, promote efficient, creative and new forms of continued commercial and industrial growth and development. Due to limited room for outward expansion, Monroe's future commercial and industrial growth will come largely in the form of more efficient use of existing commercial/industrial lands and/or targeted redevelopment.



Policy	Action Item	
5.4.1		Prioritize public infrastructure investment (roads, utilities, etc.) to support development and redevelopment in the desired redevelopment area(s).
	<b>5.4.1.1</b>	<i>Complete focused area plans for sites that have potential for infill, repurposing/reuse, or redevelopment. Potential candidates for focused area planning include: Main Street Corridor (between US 2 and 522); Wolfkill properties between Main Street and US 2; Al Borlin Neighborhood and Park; Riverfront sites including the Cadman site; FirstAir Field; Evergreen Fairgrounds; remaining un-/under-developed properties in the Frylands Industrial District; healthcare/hospital properties; properties owned by the School District and other public agencies; or other catalyst commercial, housing, and employment sites that may become available.</i>



Photo Source: City of Monroe and Leland Consulting Group

## Goal 5.5

Provide a full-service, well connected, amenity-rich community that attracts and retains a wide range of residents and employees of local businesses.



Policy	Action Item	
5.5.1		Continue to support and enhance the pedestrian environments and facilities connecting neighborhoods and commercial districts.
5.5.2		Strive to ensure accessibility to public amenities, commercial establishments, events and activities for residents and visitors of all backgrounds, ages and abilities.
5.5.3		Strive to ensure commercial areas are accessible to residents and visitors by a wide range of transportation choices.
5.5.4		Through regulations, incentives and partnerships, encourage the development of a wide array of housing options that address affordability across the full spectrum of incomes among Monroe residents - both for rental and ownership.



Photo Source: City of Monroe

