



EXHIBIT 1

RECEIVED

JUN 19 2002

MPWMD

MONTEREY PENINSULA WATER MANAGEMENT DISTRICT

5 HARRIS COURT, BLDG. G
POST OFFICE BOX 85
MONTEREY, CA 93942-0085 • (831) 658-5601
FAX (831) 644-9558 • http://www.mpwmd.dst.ca.us

APPLICATION FOR VARIANCE REGARDING WATER CONNECTION PERMITS

Rule 24 of the District Rules and Regulations states that upon request an applicant may apply for a variance from standards incorporated in the District's Rules and Regulations. Variances may be approved when: a) special circumstances exist, as defined in the Rules and Regulations; b) when strict interpretation and enforcement of any standard would cause undue hardship; and c) when the granting of such a variance will not tend to defeat the purpose of the Rules and Regulations.

In order to be considered for a variance hearing, all applicants must submit a completed application with payment of a non-refundable processing fee, and any other information necessary to evaluate the case. Applications must be received 5 weeks in advance of the next scheduled Board meeting in order to be considered for placement on the agenda. All applicants are required to provide the information requested on this form. This information will be used as the basis for finding on which the Board will support or deny your variance request. Submission of an incomplete application may constitute grounds for denial of your request.

APPLICANT INFORMATION

Applicant's Full Name: SOUTH COUNTY HOUSING CORPORATION
Mailing Address: 7455 CARMEL STREET
City: GILROY State: CA Zip: 95020
Phone Number(s): Work (408) 842-9181 EXT. 3015 Home () N/A
Name of Agent(s) to Represent Applicant: JAN LINDENTHAL OR CYNTHIA IWANAGA
Mailing Address: SAME AS ABOVE
City: State: Zip:
Phone Number(s): Work () Home ()

PROPERTY INFORMATION CITY OF PACIFIC GROVE (006-086-002)

Full Name of Property Owner: SOUTH COUNTY HOUSING CORPORATION (006-086-001)
Mailing Address: 7455 CARMEL STREET
City: GILROY State: CA Zip: 95020
Phone Number(s): Work (408) 842-9181 EXT. 3015 Home () N/A
Property Address: 650 JEWELL AVENUE AND CHASE PARK LOCATED AT JEWELL AND OCEANVIEW BLVD.
City: PACIFIC GROVE State: CA Zip: 93960
Assessor's Parcel Number: 006 - 086 - 001 AND 006-086-002
Property Area: Acres: 1.63 Square Feet: 71,002 Other:
Past Land Use: 650 JEWELL AVENUE-NO PERMANENT STRUCTURES SINCE 1967, CHASE PARK-PARK SINCE 1903
Present Land Use: 650 JEWELL AVENUE-VACANT; CHASE PARK- PARK SINCE 1903
Proposed Land Use: 650 JEWELL AVENUE-LOW-INCOME SENIOR APTS., CHASE PARK- 1/4 FOR PARKING,
Existing buildings? Yes No X RETAIN 3/4 FOR PARK
Types of uses and square footage: 3-STORY SENIOR CITIZEN APARTMENTS AT 45,024 SQ. FT.

(PLEASE PROVIDE 5 YEARS OF WATER RECORDS)

NO WATER USAGE ON EITHER PROPERTY IN THE LAST FIVE YEARS

STATEMENT OF VARIANCE REQUEST

**If additional space is needed for response to any questions, please continue on a separate piece of paper and attach to the back of this application.*

1. From which rule(s) are you requesting a variance?

South County Housing (SCH) is requesting a variance from Rule 23, Action on Application for Permit to Expand A Water Distribution System. Under Rule 23 there would be 49 individual water meters and one house water meter in the pavement. There would be individual water heaters in each unit. SCH would like to propose an alternative that would utilize a central boiler supplying hot water to each apartment. Under this proposed alternative SCH would provide small in-line water meters for each apartment in the wall or recess. Each apartment would have two in-line water meters in the building as opposed to one water meter outside on the pavement.

2. Please state the special circumstances, which distinguish your application from all others which are subject to enforcement of this process.

These apartments will be occupied by low-income senior citizens, a population that will have less water demand than families. The complex consists of 8 studios, 34 one-bedrooms and 7 two-bedrooms. The studios will be occupied by a maximum of one resident. The one and two bedroom units will be occupied by a maximum of two residents. The apartments will not have appliances such as dishwashers or washers and dryers.

South County Housing would like to install in-line water meters and access them via an access panel if excess water usage unexpectedly becomes a concern. SCH will pay for the apartment complex's water bills since the residents are low-income seniors, therefore SCH is motivated to ensure that the resident's water usage is not excessive.

3. What difficulties or hardships would result if your variance request was denied?

If the variance request is denied, the cost to install individual water meters would be both cost prohibitive and difficult to incorporate into the design of the building. Our contractor, G.W. Davis, has estimated that the cost to install individual pavement water meters would cost an additional \$85,763.72. (Attachment A) This cost would greatly add to the cost of the development. As a low-income senior housing development, the rents are low and there is a limited amount of permanent financing available to the project. In addition to the financial concern, the pavement meters would be installed in an outside space that would otherwise have landscaping.

4. What specific action are you requesting that the Board take?

South County Housing is requesting a variance that will allow one domestic water service and meter to the project with individual in-line water meters installed in the building. The in-line water meters would allow SCH to both monitor the water usage of the individual tenants and keep the cost of domestic water service and meter installation within budget.

5. Please indicate if you intend to make a statement at the variance hearing, and list the names of any other individuals who may speak on your behalf.

Yes, South County Housing staff and project consultants intend to speak on behalf of the variance for in-line water meters. The following people may speak: Jan Lindenthal, Director of Development at South County Housing, Bill Foster, Flesher Foster Architects, and Ron Blue, List Engineering Company.

SUBMITTED BY APPLICANT

PROJECT INFORMATION

*If additional space is needed for response to any questions, please continue on a separate piece of paper and attach it to the back of this application.

1. Type of Project: X New Construction Remodel/Addition

2. Proposed New Use: (Please refer to the District's current Fixture Unit/Use Category sheet for assistance with this question.)

X Residential No. Dwellings 49 UNITS Total No. Fixture Units (Residential Only) 357.7

Commercial/Industrial/Governmental

Type of Use: Square Footage:

Other (Specify):

3. Current Zoning Classification:
Zoning of a majority of the site is designated as C-2 and has a Visitor Commercial, VC, land use designation on the LUP and General Plan Land Use Map. The Chase Park portion of the site is zoned "O" and has an open space designation. No buildings are proposed for the park site.

4. Name of water company which services the property:
California-American Water Company

5. Do you feel this project will use less water than that calculated by the District? If so, please explain how much you believe the project will use, and the basis on which you make this assumption.
Yes, please see attached water demand analysis memo from Paul Davis to the MPWMD dated April 3, 2002. (Attachment B)

6. Has this project been approved by the local jurisdiction? If so, please list or attach a copy of all conditions which have been imposed on the project. (Attach a copy of these conditions and approvals received.)
Yes, the Pacific Grove City Council approved the project's mitigated negative declaration, density bonus, use permit, variance, tree permit and architectural application on 9/5/01. (Attachment C)

7. Does the applicant intend to obtain a municipal or county building permit for the project within ninety (90) days following the granting of a water connection permit? If not, when will water be needed at the site?
Yes.

I declare under penalty of perjury that the information in the application and on accompanying attachments is correct to the best of my knowledge and belief.

[Signature]
Signature of Applicant

June 18, 2002, Gilroy, California
Date/Location

NOTE TO APPLICANT: You may attach written findings for the Board to review and consider in support of the action you have requested.

Fee Paid 750⁰⁰ Receipt No. 14824 Staff Initials [Signature]

Attachment A

G. W. DAVIS, INC.
GENERAL BUILDING AND ENGINEERING CONTRACTOR
California Contractor's License No. 312548
831 722-2736 FAX 831 722-5943
2600 EAST LAKE AVENUE
WATSONVILLE, CALIFORNIA
95076

June 18, 2002

South County Housing
Attn: Cynthia Iwanaga
7455 Carmel Street
Gilroy, CA 95020

Re: Pacific Grove Senior Housing

Dear Cynthia:

As requested, following is a Preliminary Budget Proposal for the additional cost to install individual domestic water meters in lieu of a single domestic water service.

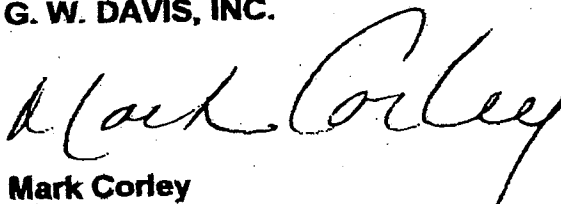
The additional cost is: \$86,763.72
Plus contractor's markup, bond and insurance.

This price is a preliminary budget; complete and approved construction drawings will be required for a final cost.

If you have any questions, please call me at 722-2736.

Sincerely,

G. W. DAVIS, INC.


Mark Corley

MC:hs

April 16, 2002

Mark Corley
G.W. Davis, Inc.
2600 East Lake Avenue
Watsonville, CA 95076

fax: 831-722-5943

RE: Pacific Grove Senior Housing
Preliminary Budget Bid Proposal

Mr. Corley,

The following is an estimated budget cost proposal for the installation of 57 individual water services, as we have discussed, for the Pacific Grove Senior Housing Project. This estimated price is merely a preliminary budget; the final cost to construct the water services will need to be estimated from complete and approved construction drawings. This budget is an addition to our preliminary budget proposal dated April 2, 2002.

57 each water services X \$1500 per each = \$85,500.


49

= \$73,500

This budget does not include water meter fees.

We appreciate the opportunity to work with you on this project. Should you have any questions, please call me at 831-763-5527.

Sincerely,



Chris Sveum
Estimator/Project Manager

Monterey Bay Branch
P.O. Box 720
Watsonville, CA 95077
(831) 763-6100
FAX (831) 763-6121

SUBMITTED BY APPLICANT

ROSENTHAL PLUMBING

2734B Chanticleer Avenue
Santa Cruz, CA 95065
Phone: (831) 476-4756
Fax: (831) 476-4865

April 29, 2002

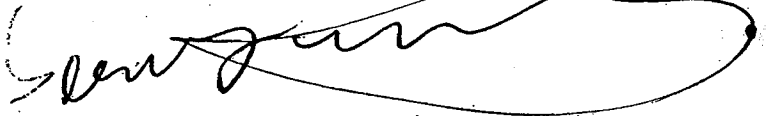
G.W. Davis
2600 East Lake Avenue
Watsonville, CA 95076
Attn: Mark Corely

RE: PACIFIC GROVE SENIOR HOUSING PROJECT

The cost of separate water lines to each unit will be \$13,265.00 for this job.

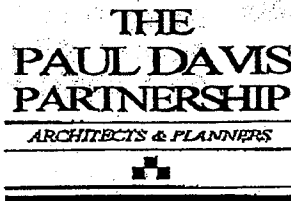
12,263.72

Sincerely,



Gerald F. Rosenthal

SUBMITTED BY APPLICANT



MEMORANDUM

To: Emily Whitfield
 Monterey Peninsula Water Management District
 Cynthia Iwanaga
 South County Housing
 Bill Foster
 Flesher & Foster Architects

From: Paul E. Davis, AIA
 Architect

RE: Pacific Grove Senior Housing
 650 Jewel Ave, Pacific Grove

Subj: Water Demand Analysis

Date: April 3, 2002

* 53 Apartments (all one bathroom)

W.C. (1 gallon flush)	1.3 FU
Lavatory	1.0 FU
Tub/Shower	2.0 FU
Kitchen Sink (no dishwasher)	2.0 FU
Washer (less than 18 gal.)	<u>1.0 FU</u>

49 53 Apartments X	7.3 FU	X .01 =	3.869 AF	3.577
Common Area 1900 SF		X .00007 =	0.133 AF	.133
Landscaping 11,280 SF Drip		@.9/43,560 =	0.233 AF	.233
1,000 SF Lawn		@1.8/43,560 =	<u>0.041 AF</u>	.041
Total			4.276 AF	<u>3.984</u>
Allocated to property			4.63 AF	AF

Please call if you have any questions.

286 Eldorado Street, Suite A
 Monterey, California 93940
 831-373-2784 • Fax: 831-373-7459

SUBMITTED BY APPLICANT

RESOLUTION NO. 1-056**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PACIFIC GROVE APPROVING MITIGATED NEGATIVE DECLARATION WITH MITIGATION MONITORING PROGRAM, DENSITY BONUS REQUEST, USE PERMIT NO. 2695-01, VARIANCE NO. 01-1619, TREE REMOVAL PERMIT NO. CDD 3510 AND ARCHITECTURAL APPROVAL APPLICATION NO. 2876-01 FOR A 53-UNIT SENIOR HOUSING PROJECT AT 650 JEWELL AVENUE**

WHEREAS, South County Housing Corporation has made an application for a proposed 53-unit senior housing complex with administrative offices and common interior areas, with a total of 58 on-site parking spaces proposed, including 30 parking spaces for public use, at 650 Jewell Avenue. Such application includes requests for:

1. Density bonus approval for 21 additional units over the 32 maximum permitted units;
2. Use permit approval for relaxation of Local Coastal Program Land Use Plan minimum standards to allow a reduction in number of public parking spaces from 53 to 30, an increase in density of the site from 30 to 32.5 dwelling units per acre, a decrease in the number of on-site parking spaces for the dwelling units from 84 to 28 (19 covered and 9 uncovered), an increase in the number of stories from two to three, a decrease in the required setback along Briggs Avenue from 20' to 9', and an increase in the height of the building from 25' to 41';
3. Variance approval for a decrease in the number of on-site parking spaces for the dwelling units from 84 to 28 (19 covered and 9 uncovered), a reduction in the size of on-site parking spaces for the dwelling units from 9' X 20' (standard) to 8' X 16' (compact) for four on-site uncovered parking spaces, a reduction in the front yard setback along Briggs Avenue from 20' to 9', an increase in the distances an architectural feature may encroach into a required yard from 3' to 9' for trellised patio coverings, an increase in the height of a building from 40' to 41', and an increase in a driveway width from 18' to 24';
4. Tree removal of 15 trees;
5. Architectural approval; and

WHEREAS, an initial study for the entire project has been prepared per the California Environmental Quality Act, and

WHEREAS, the Planning Commission, at a duly noticed public hearing on August 16, 2001, reviewed, considered and approved the proposed Mitigated Negative Declaration and Mitigated Monitoring Program, Density Bonus Request, Use Permit Application No. 2695-01, Variance Application No. 01-1619 and Tree Removal Permit Application No. CDD 3510, and

WHEREAS, The Architectural Review Board, at a duly noticed public hearing on August 21, 2001, continued to August 28, 2001, denied Architectural Approval Application No. 2876-01, and

SUBMITTED BY APPLICANT

WHEREAS, this council has called up for review all decisions on this project by the Planning Commission and Architectural Review Board, and

WHEREAS, this council has considered all materials submitted and all comments made by all parties, including staff, regarding this application,

NOW, THEREFORE, THE COUNCIL OF THE CITY OF PACIFIC GROVE DOES RESOLVE AS FOLLOWS:

This council has found and determined that pursuant to Section 15074(b) of the California Code of Regulations, on the basis of the whole record, including the initial study and comments received, there is no substantial evidence that the project will have a significant effect on the environment.

This council hereby adopts the Mitigated Negative Declaration with Mitigation Monitoring Program, subject to the mitigation measures ("Conditions of Approval" numbered 15-26) contained in Attachment "A" and incorporated herein by reference:

PASSED AND ADOPTED BY THE COUNCIL OF THE CITY OF PACIFIC GROVE
this 5th day of September, 2001, by the following vote:

AYES: Costello, Davis, Fisher, Gasperson, Huitt, Koffman

NOES: None

ABSENT: Honegger

NOW, THEREFORE, THE COUNCIL OF THE CITY OF PACIFIC GROVE DOES RESOLVE AS FOLLOWS:

This council has found and determined that as mitigated and conditioned, the establishment, maintenance, or operation of the use or building applied for will not, under the circumstances of the particular case, be detrimental to the health, safety, peace, morals, comfort and general welfare of persons residing or working in the neighborhood of such proposed use or be detrimental or injurious to property and improvements in the neighborhood or the general welfare of the city.

This council hereby grants and issues Use Permit No 2695-01, subject to Conditions of Approval contained in Attachment "A" and incorporated herein by reference.

PASSED AND ADOPTED BY THE COUNCIL OF THE CITY OF PACIFIC GROVE
this 5th day of September, 2001, by the following vote:

AYES: Costello, Davis, Fisher, Gasperson, Huitt, Koffman

SUBMITTED BY APPLICANT

NOES: None

ABSENT: Honegger

NOW, THEREFORE, THE COUNCIL OF THE CITY OF PACIFIC GROVE DOES RESOLVE AS FOLLOWS:

This council has made the following findings with respect to the variance application:

1. The proposed project is an exceptional use of the land because it allows the applicant to develop a project that meets the goals and policies of the city's general plan and the size and arrangement of the lots making up the project site is a unique feature that does not generally apply to land, buildings or uses in the same district.
2. Granting the variance to allow the requested exceptions is necessary for the preservation and enjoyment of the petitioner's property rights because it enables the applicant to construct a project that furthers the goals, policies, and programs of the general plan and provides units for seniors in the city.
3. Granting the variance will not, under the circumstances of this particular case, materially affect adversely the health or safety of persons residing or working in the neighborhood of the subject property and will not, under the circumstances of this particular case, be materially detrimental to the public welfare or injurious to property or improvements in the neighborhood.

This council hereby grants and issues Variance No. 01-1619, subject to the Conditions of Approval" contained in Attachment "A" and incorporated herein by reference.

PASSED AND ADOPTED BY THE COUNCIL OF THE CITY OF PACIFIC GROVE this 5th day of September, 2001, by the following vote:

AYES: Costello, Davis, Fisher, Gasperson, Huitt, Koffman

NOES: None

ABSENT: Honegger

NOW, THEREFORE, THE COUNCIL OF THE CITY OF PACIFIC GROVE DOES RESOLVE AS FOLLOWS:

This council has found and determined that the architecture and general appearance of the project will be in keeping with the neighborhood and the completed

project will not be detrimental to the orderly and harmonious development of the city nor impair the desirability of investment or occupation in the neighborhood.

This council hereby grants concept approval for Architectural Approval Application No. 2876-01. Final plans and materials to be submitted to the council for final approval.

PASSED AND ADOPTED BY THE COUNCIL OF THE CITY OF PACIFIC GROVE
this 5th day of September, 2001, by the following vote:

AYES: Costello, Davis, Fisher, Gasperson, Huitt, Koffman

NOES: None

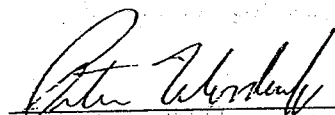
ABSENT: Honegger

APPROVED:



SANDRA L. KOFFMAN, Mayor

ATTEST:



PETER WOODRUFF, City Clerk

APPROVED AS TO FORM:

THE MUNICIPAL ADVOCATES GROUP, LLP

By 

DAVID M. FLEISHMAN, City Attorney

SUBMITTED BY APPLICANT

RESOLUTION NO. 1 000

ATTACHMENT 'A'

CONDITIONS OF APPROVAL
FOR
PACIFIC GROVE SENIOR HOUSING

650 JEWELL AVENUE

1. This permit shall be revoked if not used within one year from the date of approval. Application for extension of this permit must be made prior to the expiration date.
2. Construction shall not commence until a copy of the resolution signed by the permittee or authorized agent, acknowledging receipt of the permit and acceptance of the terms and conditions, is returned to the Community Development Department.
3. All construction must occur in strict compliance with the proposal as set forth in the application(s) for permits, subject to any special conditions of approval. Any deviation from the approved plans must be reviewed and approved by the staff and may require Planning Commission approval.
4. These terms and conditions shall be perpetual, and it is the intention of the Planning Commission and the permittee to bind all future owners and possessors of the subject property to the terms and conditions.
5. The target units shall remain affordable to lower income households for a minimum period of thirty years from a final on the building permits for the project.
6. The property owner shall enter into a density bonus housing agreement with the city. The terms of the agreement shall include all elements required by Municipal Code Section 23.79.070(c) and shall be reviewed and revised as appropriate by the Community Development Director. The Community Development Director shall formulate a recommendation to the Planning Commission for final approval.
7. Following execution of the agreement by all parties, the completed density bonus housing agreement shall be recorded and the conditions therefrom filed and recorded on the parcels designated for the construction of the target units. The approval and recordation shall take place prior to issuance of the building permits for the parcels. The density bonus housing agreement shall be binding to all future owners and successors in interest.
8. Project shall comply with Pacific Grove Public Works Department requirements for installation of curb, gutter, sidewalk, and driveway approach.

SUBMITTED BY APPLICANT

9. Sewage shall be collected and conveyed to existing sewage lines subject to the approval of the Pacific Grove Public Works Department.
10. The existing storm drain line shall be inspected and repaired, if necessary, prior to construction of the senior housing units.
11. An encroachment permit shall be obtained from the Pacific Grove Public Works Department for any work occurring in the public right-of-way.
12. Project shall comply with the fire protection requirements of the Pacific Grove Fire Department.
13. A minimum of two replacement tree plantings shall be required for each tree removed. The City Forester shall approve the species, size, total number, and location of replacement trees. Replacement planting shall be installed prior to a final on the building permit for the project.
14. Project shall comply with the protection measures for existing trees developed by the City Forester.
15. Exterior lighting shall be screened to confine the light splay to the site.
16. Illumination levels of exterior lighting shall be reviewed by the Architectural Review Board within 30 days of a final on the building permit for the project and scheduled for discussion at the earliest possible Architectural Review Board meeting following review. Should the Board find that illumination levels are excessive, they may require measures, including but not limited to reducing the wattage of lamps, providing additional screening, or relocation lighting fixtures.
17. During construction activities involving grading or excavation of soils on the Chase Park portion of the project site, a qualified archaeologist shall be present to monitor and evaluate the significance of any finds.
18. During construction activities involving grading or excavation of soils below a depth of two (2) feet on the remaining portion of the site, a qualified archaeologist shall be present to monitor and evaluate the significance of any finds.
19. If archaeological resources or human remains are accidentally discovered during construction, work shall be halted within 50 meters (150 feet) of the find until it can be evaluated by a qualified professional archaeologist. The Pacific Grove Community Development Director shall be notified immediately of the find. If the find is determined to be significant, appropriate mitigation measures shall be formulated and implemented.

SUBMITTED BY APPLICANT

20. All construction shall halt if any containers (tanks, barrels, etc.) are found on the project site during construction activities. Any containers found shall be evaluated and cleared by the Monterey County Health Department.
21. Prior to issuance of the building permit for the project, the drainage plans shall be reviewed for approval by the City Engineer.
22. Construction activities shall be limited to the hours of 7:30 a.m. to 7:00 p.m. Monday through Saturday, interior work excluded.
23. All power equipment shall be in good operating condition and properly maintained.
24. All equipment and tools powered by internal combustion engines shall have mufflers that meet or exceed manufacturer specifications.
25. Provide a bicycle parking facility/rack at a location subject to staff approval prior to a final on the building permit.

Conditions 15 through 25 are also mitigation measures.

SUBMITTED BY APPLICANT



Building Community

TRANSMITTAL



DATE: June 18, 2002

TO: Ms. Gabriela Ayala
MPWMD
5 Harris Court, Building G
Monterey, CA 93940

RECEIVED

JUN 19 2002

MPWMD

FROM: Cynthia Iwanaga

PROJECT: Pacific Grove Senior Apartments

We are sending you via: fax U.S. Mail overnight
 Other:

the following items:

<u>Quantity</u>	<u>Description</u>
1	Application for Variance
1	Check for \$750.00

Remarks: _____

Cc: