

EXHIBIT 2-C



CITY OF PACIFIC GROVE

Community Development Department

300 Forest Avenue, Pacific Grove, CA 93950

T : 831.648.3190 • F : 831.648.3184 • www.cityofpacificgrove.org/cdd

Stephanie Locke, Water Demand Manager
Monterey Peninsula Water Management District
5 Harris Ct. Building G
Monterey, CA 93940
Email: locke@mpwmd.net

April 30, 2020

Re: Water Needed for Housing Request

Ms. Locke,

The City of Pacific Grove (City) respectfully requests the Monterey Peninsula Water Management District (MPWMD) extend the response date to May 2021 in order for the City to estimate its near-term water needs for housing projects. The District's information request was made prior to the COVID-19 shelter in place order took effect. Pacific Grove has been operating at a reduced capacity, with staff working remotely, since the March 17, 2020 COVID-10 order. This restriction was then superseded by the more restrictive April 3, 2020 County shelter in place order. City staff has been focused on COVID-19 and operational issues which took precedence over the MPWMD request. It is also important for the City Council to provide additional comment and direction. Given the reasons listed above; this item has not yet been brought before Council.

In addition, the City's near term water demand estimate would be better informed when the upcoming Regional Housing Needs Assessment (RHNA) numbers are known, or can be approximated. This data will be assigned to the City in the upcoming Housing Element cycle and these numbers help inform the target number of affordable units the City is expected to achieve. Also, the City has recently contracted with Baird + Driskell using SB2 grant funds to assist the City with its housing needs, including evaluating housing policies, needs and estimating new units. They anticipate having data that will be vetted by Council by May 2021 which will allow the City to provide more meaningful information to MPWMD.

Moreover, the City requests to be considered fairly and equitably in concert with other jurisdictions and receive its fair share of water if there is excess water allocation available. The City respectfully requests MPWMD refrain from directing the City's water allocation to specific land uses, or mandate use of any existing allocation, be it either entitlement or non-entitlement, to specific land uses. The City retains land use jurisdiction and authority over land use applications. MPWMD's request that water demand solely be used for housing and any inference that additional water, or existing entitlement water, may be available only for housing needs, means that MPWMD is directing land uses within the City of Pacific Grove. This usurps the City's land use planning authority.

If for any reason MPWMD cannot delay its request that the City approximate the number of units that may receive near-term entitlement approvals, the City's current rough estimate, based on the approved 2015-2023 Housing Element and identification of additional potential sites results in approximately 110 multi-family (13.2 AF), 50

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ADUs (3.5 AF), and 70 Single-family units (14 AF). The rough estimate total water demand approximates 30.7 AF based on MPWMD water factors for housing. The City estimates an increase in ADU numbers beyond the Housing Element estimate, based on recent experience showing increased applications for building permits for these unit types over the past two years and also based on the State amnesty program affecting illegal units.

The City is not aware of existing water credits for the subject properties, nor does it have the capacity at this point to examine each potential site to the level of detail necessary to determine existing on-site water credits.

The City looks forward to continue to work with you on this matter to facilitate housing for our residents to meet State mandates and ameliorate the Statewide housing crisis.

Sincerely,

/s/

Anastazia Aziz, AICP, Director

Community Development Department

c.c. Ben Harvey, City Manager

EXHIBIT 2-C

From: [Anastazia Aziz](#)
To: [Stephanie Locke](#)
Cc: [City Manager](#)
Subject: Re: Water Availability
Date: Tuesday, May 5, 2020 8:50:14 AM

Hello and thank you for your email. The estimate does not consider the City's entitlement because the City respectfully requests to be considered fairly and equitably in concert with other jurisdictions and receive its fair share of water if there is excess water allocation available. The City also requests MPWMD refrain from directing the City's water allocation to specific land uses, or mandate use of any existing allocation, be it either entitlement or non-entitlement, to specific land uses.

Appendix B in the Housing Element has both lists and maps for consideration. As stated in the City's April 30 letter the City contracted with a housing consultant and anticipates having updated data by May 2021.

<https://pacificgrovelibrary.org/sites/default/files/general-documents/general-plan/finalpghe2015-2023.pdf>

Thank you.

Anastazia Aziz, AICP | Director

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300 Forest Ave, 2nd Floor Pacific Grove, CA 93950
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Planning website: <https://www.cityofpacificgrove.org/living/community-economic-development/planning>

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On Thu, Apr 30, 2020 at 4:14 PM Stephanie Locke <locke@mpwmd.net> wrote:

Hi Anastazia,

Thank your for the information. In terms of the numbers you submitted for the housing element, are those on vacant lots or are they redevelopment of existing connections? Do you have a map of where that development would occur? There would still be a moratorium on new connections. Also, does the water demand estimate consider the PG Entitlement? How does the City's entitlement fit in to your numbers?

Thanks,

Stephanie

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From: Anastazia Aziz <aaziz@cityofpacificgrove.org>
Sent: Thursday, April 30, 2020 3:57 PM
To: Stephanie Locke <locke@mpwmd.net>
Cc: City Manager <bharvey@cityofpacificgrove.org>
Subject: Water Availability

Hi Stephanie, thanks for getting back to me about an extension. The City recently signed a contract with Baird + Driskell using SB2 grant funds to evaluate the City's housing policies, needs and projected near term units. They anticipate having data that will be vetted by Council by May 2021. An extension to May 2021 will allow the City to provide more meaningful information.

In the meantime, attached is the City's response to the MPWMD request. Pacific Grove is estimating water needs for housing based on the City's approved Housing Element that goes through to 2023.

Additionally, the City respectfully requests to be considered fairly and equitably for any new additional water that may become available.

Thank you and please don't hesitate to call if you have any questions.

Anastazia Aziz, AICP | Director

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