

**ITEM: CONSENT CALENDAR**

**3. CONSIDER APPLICATION FOR VARIANCE TO ALLOW NON-RESIDENTIAL GROUP II WATER USE CAPACITY AT 458-460 ALVARADO STREET, MONTEREY (APN: 001-572-029)**

|                      |   |                                    |            |
|----------------------|---|------------------------------------|------------|
| <b>Meeting Date:</b> | <b>March 19, 2018</b>                       | <b>Budgeted:</b>                   | <b>N/A</b> |
| <b>From:</b>         | <b>David J. Stoldt,<br/>General Manager</b> | <b>Program/<br/>Line Item No.:</b> | <b>N/A</b> |
| <b>Prepared By:</b>  | <b>Stephanie Locke</b>                      | <b>Cost Estimate:</b>              | <b>N/A</b> |

**General Counsel Review:** N/A

**Committee Recommendation:** N/A

**CEQA Compliance:** This action does not constitute a project as defined by the California Environmental Quality Act Guidelines Section 15378.

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**SUMMARY:** At its February 22, 2018 meeting, the Board denied “Application for Variance to Allow Non-Residential Group II Water Use Capacity at 458-460 Alvarado Street, Monterey (APN: 001-572-029). The action also requires adoption of Findings of Denial, which were not included in the motion. Included as Attachment 1 are findings supporting the Boards decision that were submitted with the February Board meeting staff note.

**RECOMMENDATION:** When adopted with the Consent Calendar, the Findings of Denial for the variance will be adopted.

**ATTACHMENTS**

**1** Findings of Denial (Exhibits 11-A through ~~11-E~~ 11-F from February 22, 2018 Board Packet)

**EXHIBIT 11-F**

[http://www.montereycountyweekly.com/food\\_wine/edible-cachagua-general-store-pigwizard-and-katie-s-coldpress-fight/article\\_652bdc56-f652-11e7-885f-a7f79a196369.html](http://www.montereycountyweekly.com/food_wine/edible-cachagua-general-store-pigwizard-and-katie-s-coldpress-fight/article_652bdc56-f652-11e7-885f-a7f79a196369.html)

**EDIBLE: Cachagua General Store, PigWizard and Katie's Coldpress fight to find a place to serve people.**

Mark Anderson **Jan 11, 2018**



Cachagua General Store, PigWizard and Katie's Coldpress considered all sharing the spot at 398 Franklin St. in Monterey. Happy Girl Kitchen is one of the few local kitchens that rents space.

Mark C. Anderson

**EXHIBIT 11-F**

An average of 3,000 people – almost as much as the population of Carmel (3,891) – walk into Monterey Sports Center every single day. Across the street sits a coffee-roastery-to-be where the previous tenants salivated at the passersby, struggled to read the clientele's healthy leanings, and folded after featuring cupcakes and sausages as the titular treats.

When Nuernberg's German Sausages left town and that vacancy hit the market, some atypical excitement ensued. Popular companies with tribal followings campaigned for placement, two publicly, inspiring me to have some fun via a piece titled "Juice v.

Bacon: **Katie's Coldpress, PigWizard** petition for key Monterey spot" that opened with: "It's a showdown scripted for the **Food Channel**, part **MTV Celebrity Deathmatch**, part hipster battle for the soul of local foodies. Artisan pork belly versus cold-pressed juice."

PigWizard (**Jonathan Roberts**) promptly grinded me up on Facebook: "Way to make people trying to take care of their families and follow their dreams into a partisan issue! I wish we could share the space, and I wish there were more spaces for fledgling food business, but the lack of available commercial water, coupled with high rent, make it a tough place to get started. As for us sharing, we have regulatory issues that would make it impossible for us to grow the way we both want using the same space."

**Katie Raquel** squeezed in a comment: "Yeah, for anyone looking for drama, none here. Food business is tough and we all want each other to succeed."

They spoke to some less-public plot underpinnings: One, it wasn't just about the high-profile players in the game: There were as many as 17 applicants, according to landlord **Frank Flores**, who owns the Carpet Caravan that just moved into the redone batting cage space next door. That included another cult favorite, the **Cachagua General Store/A Moveable Feast** team, who was part of the team attempt to share the space.

Two, the primary reason so many applicants lined up wasn't the formidable foot traffic, but the fact the space has a kitchen and water credits – albeit not enough for a full restaurant, which disqualified about half the suitors.

To quote the Peninsula's leading water-use guru, Monterey Peninsula Water Management District General Manager **Dave Stoldt**, the 398 Franklin scenario "just scratches the surface of a big issue." The state's cease-and-desist order on pumping Carmel River frowns harshly on any new growth until

### EXHIBIT 11-F

a new water supply is online and flowing. Monterey is out of water credits. Pacific Grove is hoping for a few extra from a golf course/cemetery recycled water project, but MPWMD is still evaluating that. Carmel has a few on sale from **Clint Eastwood's** conversion of credits from his Odello property off Highway 1. Seaside has some, but they're committed to upcoming projects. Only Sand City, which has its own desalination plant, really has any surplus.

"The marketplace is perverse," Stoldt says. "I look at rents in Carmel, [and wonder], 'How can that restaurant survive?' If there's water available, landlords can jack up the rent and you see more competition because you can't locate without it. We're stuck in that mode for the next few years."

That leaves PigWizard, Katie's Coldpress and Cachagua General Store on the hunt. Together they've found a spectrum of success searching out new spots ranging from Nearly Reborn to Ready to Give Up Completely.

After waging a tasting campaign, selling more than 100 bottles in two days from the sidewalk outside the building to prove her concept on Franklin – the first viable property she saw in four years of searching – Katie's Coldpress keeps looking. The good news is she says she's zeroing in on an investor that will allow her to open a central Peninsula location. She'll still produce her California Certified Organic Farmers-approved juice at **El Pajaro Community Development Center Commercial Kitchen Incubator** in Watsonville (763-3695), whose \$10-an-hour rates make her soluble.

"It's a nonprofit, and affordable, and it's still challenging," she says. "With licensing and the huge learning curve, it's really expensive to start a food business. Monterey doesn't have a lot of options for people who want to get into it and don't have a huge investment.

"I wish for my sake and for a lot of other local food businesses that Monterey County had more available commercial kitchen spaces for lease and for rent."

Cachagua General's famous/infamous **Mike Jones**, meanwhile, says he's *this close* to signing a lease, though he's not telling till the ink is on the papyrus.

"We're ready to reopen," he says. "We have the perfect fit for us."

The potential new headquarters includes a commercial kitchen, event space and would allow for now-legendary CGS Monday Night Dinners (and lower-key Sunday brunches).

Meanwhile, PigWizard is ready to throw in the pork chop. "There is no update," Roberts says. "I'm considering selling all this equipment and finding another career. The bottom line is there's no place to go, and when there is, there's too much competition.

**EXHIBIT 11-F**

"It's not going to get cheaper, we're not going to get any more water," he continues. "How do you long go on banging your head against something before you learn to stop?"

## EXHIBIT 11-F

### QUICKBITES

- **Big Sur Foragers Festival** is here this weekend at Ventana Big Sur (Jan. 12-14), p. 21, [bigsurforagersfest.org](http://bigsurforagersfest.org).
- **Toribashi** has taken over for Alvarado Ramen, doing slow-cooked ramen by **Sam Cook**, who started his chef career prepping grub for the **U.S. Army** (and now does discounts for members of the military), and ran his own sushi shop in the Bay Area for decades. Grand opening Feb. 8, with unannounced soft opening peeks in the meantime.
- Chef **Terry Teplizky** reports **Boardwalk Sub Shop** will open its second location in the former Red's Burger Joint on Main Street in Salinas on Monday, Jan. 22.
- Popular progressive Pacific Grove cafe **Happy Girl Kitchen** (373-4475) joined the effort against harassment Jan. 8 in response to news from *San Francisco Chronicle* that popular coffee wholesaler Four Barrel is wrestling with alleged sexual assault and harassment by founder **Jeremy Tooker**: "In solidarity with the woman who were threatened and abused, we are finding another roaster."
- **American Culinary Federation Monterey Bay Chapter** ([chefischef@gmail.com](mailto:chefischef@gmail.com)) is holding its State of the Chef brunch 10am-noon Saturday, Jan. 20, at Lafayette Kitchen & Cafe (238-6010) to highlight 2017 accomplishments and look at the future (free/members, \$25, [montereybaychefs.org](http://montereybaychefs.org)).
- Speaking of, ACF chapter president and Basil alum **Soerke Peters** and local restaurateur **Ken Spilfogel** (Flaherty's) took over Lafayette Bakery's second location, on Dolores in Carmel, on Jan. 1.
- The eighth annual **John "Spud" Spadaro** Hospitality Award is now in judging stages. Another worthy crop of finalists includes **Anna Vindiola**, **Gaspare Aliotti** and **Jeano Brucia-Abraham**, with the presentation party happening Friday, Jan. 19, at Elks Lodge in Monterey (\$30 for Sicilian steak and more, 521-1884).
- **The Food Bank for Monterey County** is about to break ground on their new \$10 million 50,000-square-foot facility in Salinas, its first permanent base, which is solar-powered with cold-storage capacity at 20,000 square feet. The Rossi Street location is slated to open in June (758-1523, [foodbankformontereycounty.org](http://foodbankformontereycounty.org)).
- **Herman Melville**: "*It is better to fail in originality than to succeed in imitation.*"

**EXHIBIT 11-F**

Mark Anderson