

Additional Material: Included within this Packet are letters received by the SWRCB, noted in the meeting minutes and discussed by David J. Stoldt, General Manager at the Water Demand Committee Meeting on May 6, 2021.

From: Westhoff, Steven@Waterboards
To: Joel Pablo
Cc: Tran, Ky-An@Waterboards; Eggers, Tomas@Waterboards; Cervantes, Roberto@Waterboards; Ekdahl, Erik@Waterboards; Townsend, Jeanine@Waterboards
Subject: RE: Comment Letters Submitted: Condition 2 of the CDO - Monterey Peninsula
Date: Tuesday, January 25, 2022 7:56:16 AM
Attachments: [Comment Letters Combined.pdf](#)

Good morning, Joel. Attached are copies of the comment letters received in response to the District's pending application.

Thank you,
Steve

Steven Westhoff (he/him)
Attorney III, Office of Chief Counsel
State Water Resources Control Board

From: Joel Pablo <Joel@mpwmd.net>
Sent: Monday, January 24, 2022 8:25 AM
To: Ekdahl, Erik@Waterboards <Erik.Ekdahl@waterboards.ca.gov>; Townsend, Jeanine@Waterboards <Jeanine.Townsend@waterboards.ca.gov>
Cc: Westhoff, Steven@Waterboards <Steven.Westhoff@waterboards.ca.gov>; Tran, Ky-An@Waterboards <Ky-An.Tran@Waterboards.ca.gov>; Eggers, Tomas@Waterboards <Tomas.Eggers@waterboards.ca.gov>; Cervantes, Roberto@Waterboards <Roberto.Cervantes@Waterboards.ca.gov>
Subject: Re: Comment Letters Submitted: Condition 2 of the CDO - Monterey Peninsula

EXTERNAL:

Hi, Erik:

Kevin Dayton requested the letters from me originally as it was mentioned at a Water Demand Committee on May 6, 2021 by Dave Stoldt that letters from the Monterey Bay Area Economic Partnership, League of Women Voters, LandWatch Monterey County, Coalition of Peninsula Housing, and mayors/council members were drafted and sent to the SWRCB.

I had advised Kevin the District does not have these letters. In addition, if these letters were drafted they would have been sent to the SWRCB in support of the District's application. Mr. Dayton is aware that the SWRCB has not updated its website due to their ongoing efforts to comply with ADA requirements.

He would like these letters and I thought it would be nice to have them for my records as well.

- Joel G. Pablo, Board Clerk with the Monterey Peninsula Water Management District;(831) 658-5652

From: Ekdahl, Erik@Waterboards <Erik.Ekdahl@waterboards.ca.gov>

Sent: Monday, January 24, 2022 8:09 AM

To: Townsend, Jeanine@Waterboards; Joel Pablo

Cc: Westhoff, Steven@Waterboards; Tran, Ky-An@Waterboards; Eggers, Tomas@Waterboards; Cervantes, Roberto@Waterboards

Subject: RE: Comment Letters Submitted: Condition 2 of the CDO - Monterey Peninsula

Hi Joel – I'm looping in some additional Board staff to help gather the information you're looking for.

For clarity – are these letters the Board has received on this matter, or letters the Board may have drafted?

Thanks,
Erik

From: Townsend, Jeanine@Waterboards <Jeanine.Townsend@waterboards.ca.gov>

Sent: Thursday, January 20, 2022 3:32 PM

To: Joel Pablo <Joel@mpwmd.net>

Cc: Ekdahl, Erik@Waterboards <Erik.Ekdahl@waterboards.ca.gov>

Subject: RE: Comment Letters Submitted: Condition 2 of the CDO - Monterey Peninsula

Mr. Pablo: The individual that can assist you I have cc'd on this email. He will be contacting you.

From: Joel Pablo <Joel@mpwmd.net>

Sent: Thursday, January 20, 2022 11:46 AM

To: Townsend, Jeanine@Waterboards <Jeanine.Townsend@waterboards.ca.gov>

Cc: Sara Reyes <Sara@mpwmd.net>

Subject: Comment Letters Submitted: Condition 2 of the CDO - Monterey Peninsula

EXTERNAL:

Good Afternoon, Jeanine:

My name is Joel G. Pablo, Clerk to the MPWMD. Do you have a listing of letters and received between January through June of 2021 as it relates to the lifting of Condition 2 of the Monterey Peninsula's Cease and Desist order?

I tried to locate it last night, but I am not sure if I am looking at the right spot. If you are not the correct person, please direct my e-mail to the appropriate staff person.

Joel G. Pablo

Board Clerk

[Monterey Peninsula Water Management District](#)

Phone: 831-658-5652

Please note that email correspondence with the Monterey Peninsula Water Management District, along with attachments, may be subject to the California Public Records Act, and therefore may be subject to disclosure unless otherwise exempt.



March 15, 2021

Mr. Erik Ekdahl
Deputy Director, Division of Water Rights
State Water Resources Control Board
PO Box 100
Sacramento, CA 95812

RE: Allocation of Water to Support Affordable Housing on the Monterey Peninsula

Dear Mr. Ekdahl:

We are writing today to express our support for the Monterey Peninsula Water Management District's request for 75-acre feet of water to be allocated for the development of affordable/workforce housing on the Monterey Peninsula. MidPen Housing is a nonprofit affordable housing developer with over fifty years of experience fulfilling our mission to provide safe, affordable housing of high-quality to those in need. We have built and currently manage 7 affordable properties (including a total of 245 apartments) on the Monterey Peninsula, including communities serving low-income families, seniors, farmworkers, the formerly homeless, and individuals with special needs.

Our state is currently experiencing a housing supply and affordability crisis of historic proportion. In addition to the negative climate impact of long commutes to our coastal cities, the pandemic has exposed our housing crisis as a public health and safety issue. Nowhere has this been more evident than on the Monterey Peninsula, where our essential workers in the agricultural and hospitality industries too often live in substandard, overcrowded housing and have been disproportionately impacted by the pandemic.

The cities on the Monterey Peninsula are working hard to address the housing crisis in their communities. For example, the City of Monterey is partnering with non-profit developers including MidPen Housing to develop affordable housing on under-utilized city-owned parcels. These parcels are in a high-opportunity cities with great access to jobs, schools and transportation, and their development will help the City meet *state required* Regional Housing Needs Allocation (RHNA) goals. Marina, Seaside, and the City of Salinas are also working on exciting public-private partnerships to meet the pressing needs in their communities. However, the State Water Board's cease and desist order—in particular, the interpretation of Condition 2—puts these essential affordable housing developments at risk.

Please support the Monterey Peninsula Water Management District's modest request of 75 acre-feet to support the state-required development of affordable housing on the Monterey Peninsula.

Sincerely,
DocuSigned by:

A handwritten signature in black ink, appearing to read 'Jan M. Lindenthal', is written over a blue DocuSign signature line.

Jan M. Lindenthal

Chief Real Estate Development Officer

March 18, 2021

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President and CEO

ATTN: Erik Ekdahl
Deputy Director, Division of Water Rights
State Water Resources Control Board
PO Box 100, Sacramento, CA 95812

RE: Relief from Condition 2 of WR 2016-0016 and WR 2009-0060 Cease and Desist Order (CDO) for Affordable Housing

Dear Mr. Ekdahl,

United Way Monterey County (UWMC) is requesting the State Water Resources Control Board (SWRCB) to further align with the current housing priorities of the Governor. As articulated in the Housing Crisis Act of 2019 (SB 330), removing impediments to housing production and prioritizing water supplies for affordable housing (Gov. Code, § 65589.7.) must be enacted to address the health and safety concerns posed by the state's housing crisis.

Approving the Monterey Peninsula Water Management District's (MPWMD) application for adjusting the conditions outlined in Condition 2 of the Carmel River Cease and Desist Order 2016-0016 (CDO), which has impeded the development of affordable housing on the Monterey Peninsula for a significant amount of time, would help facilitate greater affordable housing development without compromising the water-related goals of the CDO.

The housing crisis on the Monterey Peninsula is well documented, and has been compounded by COVID-19.¹ Monterey Bay Economic Partnership's [Housing and Water Study](#) finds the limited water supply issue on the Peninsula is just as much a legal and political issue as it is an environmental and economic one. The legal barriers presented by the CDO, particularly related to Condition 2, are reflected in the study.

Condition 2's limitations on where water is used, meter size, and change of use restrict housing development beyond the CDO's underlying intent of limiting the increase in water use. This challenges local jurisdictions' ability to meet their Regional Housing Needs Assessment (RHNA) goals set by the state. It remains incumbent upon state agencies to work with local jurisdictions and water districts to find a more equitable and flexible way of addressing and distributing water allocations until the CDO is lifted and a more permanent sustainable supply is implemented.

¹ [Monterey Bay Economic Partnership COVID-19 Housing Response](#). July 2020.

Two proposed projects illustrate this conflict between housing and water policies. The shovel-ready projects at 2000 and 2600 Garden Road would transform underperforming industrial areas and create higher density centrally located affordable housing in the City of Monterey, adding as many as 66 affordable housing units, of a total of 92 units. Prioritization of water for projects like these is supported in Monterey Bay Economic Partnership's [study](#) where they show that multi-family dwellings use less water than single family homes on average. Condition 2 of the CDO, however, is delaying these and other developments, even though they could be approved while maintaining water neutrality within MPWMD's coverage area. Placing affordable housing near jobs and transit may reduce vehicle miles traveled and help meet the State's Greenhouse Gas Emissions Reductions goals as well. Prior to COVID-19, over 80% of the Monterey workforce commuted to work from outside the City of Monterey.

Other projects on the Peninsula could similarly benefit from increased flexibility in Condition 2 of the CDO, which could yield nearly 400 affordable housing units. Thus, any increased flexibility should apply to all projects consisting of affordable housing proposed in any of the jurisdictions served by the MPWMD. If the cities on the Peninsula have remaining water allocation that they seek to prioritize for affordable housing, where the water is used, meter size, and change of use should not matter so long as it does not violate the CDO's Effective Diversion Limit and is serving all constituents under MPWMD.

Additionally, UWMC works to educate homeowners on constructing Accessory Dwelling Units (ADUs) which currently are facing barriers due to water availability, particularly on the Monterey Peninsula. ADUs do count toward the county's RHNA numbers and also provide a significantly smaller environmental impact while seamlessly merging with the neighborhood landscape. Many people residing outside of the Peninsula contribute to its workforce particularly in the hospitality industry, as referenced above, and would greatly benefit from ADUs being built in this area.

We urge the SWRCB to revisit the effects of the CDO with regards to Condition 2 and help bring water policies in line with state mandated housing goals that will support these projects and future ones. It is especially imperative that local and state agencies collaborate to implement affordable housing solutions during the health crisis, and economic recovery period. Please contact me via email, katy.castagna@unitedwaymcca.org, if you have any questions. Thank you!.

Regards,

A handwritten signature in cursive script that reads "Katy Castagna".

Katy Castagna
President and CEO



Carmel River Steelhead Association

501 (C)(3) TIN 77-0093979

P.O. Box 1183

Monterey, CA 93942

Mr. Erik Ekdahl
Deputy Director
Division of Water Rights
State Water Resources Control Board
P.O. Box 100
Sacramento, CA 95812

March 22, 2021

Via Email Erik.Ekdahl@waterboards.ca.gov

RE: Opposition to Relief from Condition 2 of WR 2009-0060 and 2016-0016

Dear Mr. Ekdahl:

For more than a decade the actions of the Monterey Peninsula Water Management District (District) have, in our opinion, sought to undermine Condition 2 of SWRCB Order WR 2009-0060. The District even attempted to usurp SWRCB authority when it adopted [Resolution 2018-05](#):

“A Resolution of the Board of Directors of the Monterey Peninsula Water Management District Interpreting Condition 2 of SWRCB Order WR 2009-0060 and Directing Jurisdictions Within the District and California American Water to Apply this Interpretation”

Condition 2 of WRO 2009-0060 is a very narrowly focused and an appropriate restriction designed to limit an increase in unlawful diversions from the Carmel River:

“Cal-Am shall not divert water from the Carmel River for new service connections or for any increased use of water at existing service addresses resulting from a change in zoning or use. Cal-Am may supply water from the river for new service connections or for any increased use at existing service addresses resulting from a change in zoning or use after October 20, 2009, provided that any such service had obtained all necessary written approvals required for project construction and connection to Cal-Am’s water system prior to that date.”

In WRO 2016-0016 the SWRCB provided enormous relief to both Cal-Am and the entire Monterey Peninsula by allowing unlawful diversions to continue from the overdrafted Carmel River for another five years:

“Cal-Am shall diligently implement actions to terminate its unlawful diversions from the Carmel River and shall terminate all unlawful diversions from the river no later than December 31, 2021. This date supersedes the December 31, 2016 date in State Water Board Order WR 2009-0060, ordering paragraph 1.”

The SWRCB provided additional relief by adopting an effective diversion limit (EDL) of 8,310 AF, as opposed to the 7,990 AF amount, which SWRCB staff had originally proposed.

However, even with these extremely generous accommodations, not to mention a recently missed CDO milestone, the District and its allies want to see the CDO relaxed even further.

In 1995 the State Water Resources Control Board issued WR 0095-0010, which directed Cal-Am to diligently implement a new water source and stop unlawful pumping from the Carmel River. It has now been twenty-six years and, although the Monterey Peninsula has made great strides in conserving water and some new water sources have been secured and implemented, the Peninsula is still consuming significant amounts of unlawful water from the Carmel River. We also want to call your attention to the fact that some of the individuals and agencies now asking for relief from Condition 2 are also actively opposing potential new water sources.

During this time (26 years) the environment, and in particular the Carmel River Steelhead, have suffered catastrophic losses. From 1995 to 2005 a total of 1,641 adult steelhead were put over Los Padres Dam. However, from 2010 to 2020 (the last ten years) that number dropped to only 551 adult steelhead – a 66% decline. Asking for relief from Condition 2 is just not warranted considering the decline in Carmel River Steelhead, a threatened species.

While CRSA appreciates the need for new housing on the Monterey Peninsula, the riparian corridor and steelhead are entitled to enough water to survive. The Monterey Peninsula is still consuming unlawful water that belongs in the river. Furthermore, managing consumption to the effective diversion limit (EDL) does not make it lawful water.

The District's application states that due to efficiency and conservation measures "over 3,000 acre-feet of annual consumption has been demonstrated." However, the majority of this occurred over ten years ago – Cal-Am reduced system diversions from the Carmel River by 1,611 AF (from 10,286 AF to 8,675 AF) between WY 2008-09 and WY 2009-10. Conservation alone has not stopped the unlawful diversions and until they are stopped the SWRCB should do everything it can to keep water in the river.

The District has repeatedly characterized Condition 2 as being "complicated and unclear" and yet we find their proposal (below) creates even more ambiguity. For example, if 100% "market rate projects" are to be excluded, will 99% projects be allowed? Who will define, monitor, and enforce all of this?

"Allow a modest increment of increased use at existing or new service addresses for projects that enable moderate-, low-, or very-low income housing. 100% market rate projects would be excluded."

We further question the District's interpretation of the CDO's health and safety provision and whether a deputy director can implement the proposal. We believe the authority to reopen the CDO resides with the Board. The proposal also fails to recognize the ongoing dry conditions in the Carmel River, a condition that most California watersheds are currently experiencing.

Finally, should the SWRCB approve the District's application, we believe the District is just driven enough to initiate/participate in litigation demanding that all projects (e.g., luxury hotels) be granted relief too.

For all the reasons stated CRSA respectfully urges the SWRCB to deny the request for relief.

Sincerely,

Steve Park

Steve Park
President, CRSA
carmelsteelhead.org

CC: Via Email

E. Joaquin Esquivel, SWRCB
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Alexandra McCoy, California Coastal Commission
Alexandra.mccoy@coastal.ca.gov

Westhoff, Steven@Waterboards

From: Michael DeLapa <execdir@landwatch.org>
Sent: Tuesday, March 23, 2021 10:26 AM
To: Ekdahl, Erik@Waterboards
Cc: Dave Stoldt; Westhoff, Steven@Waterboards
Subject: LandWatch support for MPWMD's application for CDO relief

EXTERNAL:

Via Email

Erik Ekdahl
Deputy Director, Division of Water Rights
State Water Resources Control Board
PO Box 100
Sacramento, CA 95812
Erik.Ekdahl@waterboards.ca.gov

Re: Relief from Condition 2 of WR 2009-0060 and WR 2016-0016 Cease and Desist Order (CDO) for Affordable Housing and Climate Stabilization

Dear Mr. Ekdahl:

The Monterey Peninsula needs affordable housing; it needs to comply with California state mandates to facilitate housing production; and it needs more compact and affordable housing in cities to achieve California's climate goals. The current prohibition on the Monterey Peninsula of installation of new meters or increases in use of water at existing sites is frustrating progress toward these critical goals.

Accordingly, LandWatch Monterey County supports the Monterey Peninsula Water Management District's (MPWMD's) Application for Order Modifying State Water Board Order WR 2016-0016 and WR 2009-0060 (Cease And Desist Order).

MPWMD's application properly asks the SWRCB to use its discretion to balance State interests in two co-equal concerns: protecting the Carmel River and solving the housing crisis. As MPWMD's Application explains, the Housing Crisis Act of 2019 (SB 330) articulates the Legislature's recognition of the housing crisis as a health and safety concern and its policy to remove impediments to housing production. The Legislature has previously articulated a policy to prioritize water supplies for affordable housing. (Gov. Code, § 65589.7.) And the Legislature has enacted numerous other reforms and incentives to facilitate and expedite the construction of affordable housing, including, inter alia, changes to the Housing Element Law, restrictions on disapproval of housing developments, changes to the Density Bonus law, provisions for accessory dwelling units, provisions for by-right multifamily housing, limitations on downzoning, changes to housing litigation rules, new anti-discrimination rules, limits to housing moratoriums, and streamlining various kinds of housing approvals. (See Gov. Code, § 65582.1 [compiling housing legislation].)

As MPWMD explains, the Legislature's housing priorities for the Peninsula are now completely frustrated by the State Water Resources Control Board's (SWRCB's) Cease and Desist Order. LandWatch joins MPWMD in asking that the SWRCB modify the CDO to permit some new hookups and increase use at existing sites to accommodate a limited number of affordable housing projects.

MPWMD's cover letter identifies the Fifth Cycle (2014-2023) Regional Housing Needs Allocation (RHNA) for Peninsula cities as 1,271 units. We are advised that the Sixth Cycle allocation to the Monterey Bay Area jurisdictions is likely to be

2.5 to 3 times higher, based on the Sixth Cycle allocations made to other Metropolitan Planning Organizations. A jurisdiction's Regional Housing Needs Allocation is supposed to represent the *minimum* housing production needed in each jurisdiction to avoid run-away price escalation, overcrowding, and homelessness.

Furthermore, the Fifth Cycle RHNA does not even accurately measure the unmet need for affordable housing in the Peninsula jurisdictions. Peninsula RHNA numbers were substantially reduced in comparison to other County jurisdictions based on the lack of an available water supply due to the CDO.

In sum, there is a critical and growing need for affordable housing on the Peninsula to serve the people who commute from Salinas Valley and other areas each day work in hospitality and other low-wage industries. Unless the SWRCB provides some relief, the Peninsula jurisdictions will be unable to make *any* progress on affordable housing.

For perspective, MPWMD seeks an exemption for 75 AF of water – less than 1% of the 10,000 AFY of water use currently in the District. Projects that are 100% market rate would be excluded from using the water. Importantly, within the next few years, this temporary allocation should be moot as either Pure Water Monterey or desalination comes on line and there would be sufficient water for all development on the Peninsula.

LandWatch's mission is to promote sound land use policies that better our community — its long-term economic vitality, high agricultural productivity, environmental health, and social equity. Locating affordable housing close to Peninsula employment centers is a cornerstone of sound, environmentally responsible and equitable land use policies.

As set out in MPWMD's Application, the SWRCB has the authority and discretion to alter the CDO to address this health and safety crisis. LandWatch urges it to do so.

Sincerely,

Michael DeLapa
Executive Director
LandWatch Monterey County

Association of Monterey Bay Area Governments, Regional Housing Needs Allocation Plan: 2014-2023, 2014, page 10, available at https://ambag.org/sites/default/files/2019-12/RHNP%202014-2023_Final_revised_PDFA_2.pdf.

Please subscribe to the LandWatch newsletter, "like" us on Facebook and follow us on Twitter.

Michael D. DeLapa
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California American Water

655 W. Broadway, Suite 1410

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March 29, 2021

VIA ELECTRONIC MAIL

Erik Ekdahl
Deputy Director, Division of Water Rights
State Water Resources Control Board
PO Box 100
Sacramento, CA 95812
Erik.Ekdahl@waterboards.ca.gov

Re: **MPWMD Application for Order Modifying SWRCB WR 2016-0016 and WR 2009-0060**

Dear Mr. Ekdahl:

California-American Water Company (Cal Am) has reviewed the Monterey Peninsula Water Management District's (MPWMD) Application for Order Modifying State Water Board Order WR 2016-0016 and 2009-0060 (Application) submitted to the State Water Resources Control Board on March 9, 2021, and is very concerned about the ramifications that could result from approval of the Application. As an initial matter, Cal Am fully supports the need to provide affordable housing on the Monterey Peninsula and is committed to increasing the Peninsula's water supplies to meet that growing demand. Indeed, the primary objective of the Monterey Peninsula Water Supply Project (Water Supply Project) is to develop an adequate, reliable and diverse portfolio of water supplies to meet the current and long-term needs of the entire Monterey Peninsula, including demands forecasted for affordable housing. Cal Am has already received approval from the California Public Utilities Commission (CPUC) for the Water Supply Project, and is aggressively seeking a hearing before the California Coastal Commission this year to permit the Project's slant wells.

Unfortunately, in large part due to MPWMD's aggressive campaign against the desalination component of the Water Supply Project, a permanent water supply for the Monterey Peninsula is still multiple years away, and beginning in January 2022, Cal Am's diversions from the Carmel River will be limited to 3,376 acre feet per year (excluding variable, condition-dependent amounts from the Aquifer Storage and Recovery program), creating serious potential challenges in meeting existing customer demand without additional water supplies. To seek, at this time, to worsen the situation by adding to demand without correspondingly creating additional supplies puts our community at risk. As much as we agree that keeping a community under a moratorium on new water connections for over a decade is a terrible situation that causes great hardship, we also feel that the solution to that problem is to construct an adequate, reliable diverse water supply, not to

increase the probability of illegally over-drafting our limited water resources and potentially harming our environment. While the MPWMD application is disguised as a request for relief, in actuality it is an attempt to kick the can down the road on a meaningful water supply project, and could put our community in real danger of water rationing, fines and water rights violations. Seventy-five acre feet will not solve our community's housing needs in any meaningful way but could make the difference between complying with the orders of your agency or not as we look forward to a period of operating on the absolute razor's edge of adequate water supply before a desalination project is built.

MPWMD seeks a temporary allowance of 75 acre feet of water for affordable housing until a permanent water supply is built, and a lifting of Condition 2 of the State Water Board's Cease and Desist Order (CDO) to allow new service connections and/or increases in use at existing service addresses for projects "that enable moderate-, low-, or very-low income housing." MPWMD's proposal is concerning for multiple reasons. As an initial matter, although MPWMD states that "the Effective Diversion Limit (EDL) under the CDO will not change and would remain Cal-Am's legal limit beginning January 1, 2022, and each water year thereafter," the term "Effective Diversion Limit" has little meaning beyond 2021. It is therefore unclear whether MPWMD seeks an allowance of 75 acre feet beyond Cal Am's legally authorized diversions, or seeks to pigeon hole 75 acre feet of Cal Am's existing legal supplies for new affordable housing developments. If the former, MPWMD may be seeking a continuance of illegal diversions. If the latter, MPWMD creates a risk of placing the health and safety of the existing community at risk.

As shown on Attachment 1, in the short term with no new water sources, supplies are critically short and likely insufficient to meet the needs of existing customers, especially if drought conditions persist or worsen. Even a recent MPWMD board presentation (Attachment 2) shows a deficit of 81 acre-feet per year under ideal conditions with existing supplies operating at 100% capacity, forgoing in-lieu pumping of Seaside Basin, and assuming overly optimistic conditions supporting diversions of 1,300 acre-feet under the ASR permits. This deficit would grow to at least 1,381 acre-feet in each year of drought. Cal Am is therefore concurrently pursuing interim supplies to help bridge this gap until a new permanent water supply is developed, as well as preparing contingency rationing plans to ensure sufficient water is available to meet the health and safety needs of its existing customers. However, as shown in Attachment 1, the only water portfolio solution that provides for a sufficient and reliable long-term water supply includes desalination.

MPWMD's inconsistent and indefensible positions on water supply and demand before state and local agencies in opposing the Water Supply Project have helped create this situation. MPWMD has also refused to consider the much needed "parallel pipeline" project that would allow greater opportunity for the diversion of high Carmel River winter flows that would be stored in the Seaside Groundwater Basin (ASR Storage), because of a concern that such a pipeline could also be useful to transport desalinated water. And even with an expansion of the Pure Water Monterey project, there is insufficient water to meet current demand in drought years, and future demand in any type of water year. Cal Am is therefore extremely concerned about its ability to meet its existing customers' needs if water demands from one particular sector are allowed to increase.

Moreover, MPWMD's application is woefully short on proposed criteria for selecting projects that would receive this additional water. It appears that any new development with commercial and residential market-rate units would be eligible to receive water, as long as there is some component of affordable housing, even though other much needed residential and commercial projects have been waiting years for water. The application also does not address the need for the CPUC's approval and lifting of its own moratorium on new service and increases in existing use.

Finally, MPWMD bases its application on a claim that if AMBAG's regional housing need is unmet, "local public health and safety will be impaired." MPWMD provides no support for this claim, and the need for any new low-income housing does not implicate State policy that Cal Am provide sufficient supplies for "health and safety" needs. Rather, the State Water Board's implementation of "health and safety" protections has been to provide relief from regulatory and water rights requirements in order to assist public water suppliers with meeting minimum existing health and safety needs, not new water demands. As noted in the CDO, any relief granted based on a threat to public health and safety is effective only as long as the moratorium remains in place. And as noted above, it appears that the public health and safety is more likely to be threatened if MPWMD's application is granted.

Cal-Am remains focused on developing a permanent, adequate, reliable new water supply to meet the long-term water demands of the Peninsula and lift the CDO. Unfortunately, reliance solely on an expansion of the Pure Water Monterey project will not provide the supplies necessary to protect Carmel River fishery resources and provide sufficient replenishment water to protect the Seaside Groundwater Basin from seawater intrusion. If MPWMD truly wants to help the community meet its long-term water supply needs, including the need for affordable housing, it would support the Water Supply Project and join Cal Am in its efforts to develop a diverse and reliable water supply to provide adequate water for the Monterey Peninsula.

Sincerely,



Richard Svindland
President, California and Hawaii American Water

cc (via email):

E. Joaquin Esquivel (joaquin.esquivel@waterboards.ca.gov)
Eileen Sobeck (eileen.sobeck@waterboards.ca.gov)
Steven Westhoff (steven.westhoff@waterboards.ca.gov)
Senator John Laird (kate.daniels@sen.ca.gov)
Supervisor Mary Adams (district5@co.monterey.ca.us)
District Director (hardgraves@co.monterey.ca.us)
Mayor Bill Peake, City of Pacific Grove (bpeake@cityofpacificgrove.org)
City Manager (bharvey@cityofpacificgrove.org)
Mayor Clyde Roberson, City of Monterey (roberson@monterey.org)
City Manager (uslar@monterey.org)
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City Manager (aaron@sandcityca.org)
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Ian Crooks
Chris Cook
Sarah Leeper
Kathryn Horning
Catherine Steadman
Robert Donlan (red@eslawfirm.com)

ATTACHMENT 1

California American Water – Supply and Demand Analysis

Demands

[HOME PAGE](#)[PROJECT DESCRIPTION](#)[PHOTOS](#)[UPDATES](#)[PUBLIC PARTICIPATION](#)[DOCUMENTS](#)[CONTACT](#)

SYSTEM DELIVERY

Monterey Main, Hidden Hills, Ryan Ranch & Bishop*

(All units in acre feet)

Month	2013	2014	2015	2016	2017	2018	2019	2020
Jan	745	893	730	597	624	676	620	628
Feb	710	667	671	635	581	673	572	650
Mar	853	757	771	623	653	626	636	644
Apr	957	800	814	742	645	682	710	602
May	1,079	982	814	836	861	828	801	811
Jun	1,056	975	853	912	878	874	861	839
Jul	1,127	1,018	942	946	962	943	955	923
Aug	1,131	1,023	956	944	957	941	951	920
Sep	1,027	906	893	909	902	889	870	843
Oct	1,002	897	840	826	901	841	881	859
Nov	861	707	640	670	717	756	784	744
Dec	809	627	621	646	740	633	594	674
Total	11,356	10,250	9,545	9,285	9,421	9,362	9,234	9,137
Max Month	1,131	1,023	956	946	962	943	955	923

*These values represent the amount of water delivered to the system to serve customer demand. This includes delivered water lost to leaks and fire-flow protection. This data does not include ASR injection

(California American Water reserves the right to adjust these values to address any corrections or updates following metering and data reconciliation)

Ratio of Maximum Month to Annual Average over last 15 years with 95% CI = **1.28**

5 year Max (2017) – 9,421 acre feet per year (AFY) = 8.4 million gallons per day (MGD) → 10.8 MGD
Maximum Month (MMD)

10 Year Max (2011)- 12,129 AFY = 10.8 MGD → 13.8 MGD MMD

Demand for Legal Lots of Record, Tourism Bounce Back and Pebble Beach = 2,005 AFY¹ = 1.8 MGD → 2.3 MGD MMD.

Range of Demand = 13.1 MGD MMD to 16.1 MGD MMD.

¹ Table 2-3, CALAM MPWSP Final Environmental Impact Report Environmental Impact Statement SCH# 2006101004

Future Supply Sources for Maximum Month Demand (MMD)

Future Supply Source	Normal Year Supply with No New Water		DRY Year Supply with No New Water	
	(AFY)	(MGD)	(AFY)	(MGD)
Carmel River ²	3,376	3.0	3,376	3.0
Seaside GW Basin	774	0.7	774	0.7
Sand City	94	0.1	94	0.1
ASR ³	1,300	1.2	-	0.0
PWM - Phase 1 ⁴	3,500	3.1	3,500	3.1
PWM - Expansion ⁴	-	0.0	-	0.0
Desalination Plant ⁵	-	0.0	-	0.0
	9,044	8.1	7,744	6.9

Future Supply Source	Normal Year Supply with PWMe		DRY Year Supply with PWMe	
	(AFY)	(MGD)	(AFY)	(MGD)
Carmel River ²	3,376	3.0	3,376	3.0
Seaside GW Basin	774	0.7	774	0.7
Sand City	94	0.1	94	0.1
ASR ³	1,300	1.2	-	0.0
PWM - Phase 1 ⁴	3,500	3.1	3,500	3.1
PWM - Expansion ⁴	2,250	2.0	2,250	2.0
Desalination Plant ⁵	-	0.0	-	0.0
	11,294	10.1	9,994	8.9

Future Supply Source	Normal Year Supply with Desal		DRY Year Supply with Desal	
	(AFY)	(MGD)	(AFY)	(MGD)
Carmel River ²	3,376	3.0	3,376	3.0
Seaside GW Basin	774	0.7	774	0.7
Sand City	94	0.1	94	0.1
ASR ³	1,300	1.2	-	0.0
PWM - Phase 1 ⁴	3,500	3.1	3,500	3.1
PWM - Expansion ⁴	2,250	2.0	2,250	2.0
Desalination Plant ⁵	6,738	6.0	6,738	6.0
Total all Sources	18,032	16.1	16,732	14.9
Total without PWM Expansion	15,782	14.1	14,482	12.9

² Assumes 3,376 afy authorized diversion limit, and that operations will be able to use the entire amount without exceeding Carmel River water rights (water rights water may not be fully available the last month(s) of the water year).

³ Assumes adequate source water for ASR to produce 1,300 AFY. Source water may vary from year to year.

⁴ PWM Phase 1 and PWM expansion supply numbers are based on M1W's projections and have not yet been proven in all conditions.

⁵ 0.4 MGD of 6.4 MGD facility allocated to Castroville and/or CSIP.

ATTACHMENT 2

Supplies Required to "Get Off the River"

Test 2 - Water for Customer Demand	AFA
Carmel River Supply	3,376
Seaside Basin Supply ¹	1,474
ASR Supply	1,300
Sand City Desal Supply	94
Pure Water Monterey Supply	<u>3,500</u>
Total Supply	9,744
5-Year Average Customer Demand	<u>9,825</u>
Additional Supplies Needed to Meet CDO ²	81 See Note 2

- 1: A new water supply must also meet a 700 AFY reduction of Seaside Basin pumping
2: There exists additional supplies presently, but not included here: Table 13 rights, additional Sand City desal, Seaside Basin carryover credits the total of which has averaged over 900 AF each of the past 4 years. Plus we will start WY2020-21 with 1,200 AF ASR in storage...

We are effectively "off the Carmel River" next year. New supply is needed for future needs and Seaside Basin recharge, not CDO compliance



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Hartnell College

Bruce Taylor
Chairman & CEO, Taylor Farms

Susan True
CEO, Community Foundation
Santa Cruz County

Staff: Kate Roberts, President & CEO

March 30, 2021

ATTN: Erik Ekdahl
Deputy Director, Division of Water Rights
State Water Resources Control Board
PO Box 100, Sacramento, CA 95812

RE: Relief from Condition 2 of WR 2016-0016 and WR 2009-0060
Cease and Desist Order (CDO) for Affordable Housing &
Climate Stabilization

Dear Mr. Ekdahl,

The [Monterey Bay Economic Partnership](#) (MBEP) is requesting the State Water Resources Control Board (SWRCB) approve the Monterey Peninsula Water Management District's (MPWMD) application for relief of current water restrictions for affordable housing projects on the Monterey Peninsula. The Housing Crisis Act of 2019 (SB 330) articulates removing impediments to housing production, and other legislation has already articulated prioritizing water supplies for affordable housing (Gov. Code, § 65589.7), which should be enacted to address the health and safety concerns posed by the state's housing crisis which has been exacerbated by the COVID-19 pandemic and ongoing climate crisis.

The conditions outlined in Condition 2 of the Carmel River Cease and Desist Order 2016-0016 (CDO) have impeded the development of affordable housing on the Monterey Peninsula. Approving the (MPWMD) application for relief of the Condition 2 restrictions would help facilitate greater affordable housing development *without* compromising the water-related goals of the CDO.

The housing crisis on the Monterey Peninsula is well documented, and has been compounded by the current health and economic crises.¹ Even before the pandemic took hold in our region, MBEP's member employers on the Peninsula struggled to retain and recruit talent due to an inadequate supply of affordable housing. Our [Housing and Water Study](#) finds that the constraint of limited water supply on the Peninsula is just as much a legal and political issue as it is an environmental and economic one. Barriers presented by the CDO, particularly related to Condition 2, are reflected in the study. These conditions not only restrict flexible access to water for affordable housing, but they also disincentivize planning in areas where increased supply is

¹ [Monterey Bay Economic Partnership COVID-19 Housing Response](#), July 2020.



critical to our short term recovery efforts and long term economic sustainability.

Condition 2's limitations on where water is used, meter size, and change of use restrict housing development beyond the CDO's underlying intent of limiting increased water use. This challenges local jurisdictions' ability to meet their Regional Housing Needs Assessment (RHNA) goals set by the state. It is incumbent upon state agencies to work with local jurisdictions and water districts to provide temporary means of distributing water allocations until the CDO is lifted and a more permanent sustainable supply is implemented. The need for increased supply of affordable housing is an issue not only of economic sustainability, but of regional equity. It therefore merits immediate attention and implementation of short-term solution(s).

Two proposed projects illustrate the conflict between housing and water policies. The shovel-ready projects at 2000 and 2600 Garden Road would transform underperforming industrial areas and create higher density centrally located affordable housing in the City of Monterey, adding as many as 66 affordable housing units, of a total of 92 units. Prioritization of water for projects like these is supported in our [study](#) where we show that multi-family dwellings use less water than single family homes on average. Condition 2 of the CDO, however, is delaying these and other developments, even though they could be approved while maintaining water neutrality within MPWMD's coverage area. Placing affordable housing near jobs and transit vehicle miles traveled and helps meet the State's Greenhouse Gas Emissions Reductions goals as well. Prior to COVID-19, over 80% of the Monterey workforce commuted to work from outside the City of Monterey which suggests that we are behind on these goals.

Other projects on the Peninsula could similarly benefit from increased flexibility in Condition 2 of the CDO and together could yield nearly 400 affordable housing units. Any increased flexibility should therefore apply to *all* affordable housing projects proposed in any jurisdictions served by the MPWMD. If the cities on the Peninsula have remaining water allocation that they seek to prioritize for affordable housing, where the water is used, meter size, and change of use should not matter so long as it does not violate the CDO's Effective Diversion Limit, and is serving all constituents under MPWMD.

We urge the SWRCB to revisit the effects of the CDO with regards to Condition 2 and help bring water policies in line with state mandated housing goals. It is imperative that local and state agencies collaborate to implement affordable housing solutions during the health crisis, and economic recovery period. Please contact Matt Huerta at mhuerta@mbep.biz or Ashley Gauer at agauer@mbep.biz for more information. Thank you for your time and consideration.

Regards,

Kate Roberts
President and CEO

Sierra Club Letter In Opposition to MPWMD Petition

March 30, 2021

Eric Ekdahl, Chief, Water Rights Section
State Water Resources Control Board
Delivery by e-mail: Eric.Ekdahl@waterboards.ca.gov

RE: Sierra Club Opposition to MPWMD Petition Seeking Relief From CDO Condition 2

The Monterey Peninsula Water Management District has submitted a petition to the SWRCB asking for a waiver or exception from the moratorium provisions of the CDO (Condition 2, Order 2009—0060) with respect to 75 AF of Carmel River water in order to build low or moderate income housing in the MPWMD service area. The Sierra Club is an advocate for low income housing in the Peninsula, but opposes this petition because it is being submitted at a time when it appears California American cannot, by December 31, 2021, comply with the terms of the 2016 CDO (2016-0016), and will have to seek an extension of time in order to be in compliance. And there is insufficient evidence in the record as to the need for (unlawful) Carmel River water, obtained through a waiver of the CDO moratorium, to satisfy future housing needs of the Peninsula. In any event, with the upcoming expiration of the 2016 CDO, the Board needs to consider in a public hearing a number of matters--the setting of a new effective diversion level, a determination of the required percentage decreases in use of Carmel River water over the CDO extension period, as well as the request by the District for any exceptions to Condition 2. The Board should also consider present conditions in the River this year as a harbinger of possible future low water levels due to diminished rainfall. It must also consider, in light of future conditions in the River and the need for additional years for compliance with the CDO by California American whether there could be deleterious effects on the threatened steelhead in the River as a result of dedicating in this scarce water year 75 acre feet of Carmel River water to future housing uses rather than instream uses. Also there should be consultation with NMFS, with respect to the current and future status of the threatened steel-head. Finally, there must be consideration of whether there are any possibilities of the availability of additional Carmel River water for instream uses. In 2016 there was considerable discussion among the parties of Carmel River water that might be dedicated for instream uses.

Taking into account the lack of runoff in the Carmel River, and the prospects for low water conditions in the River during the summer, which will cause steelhead mortality, Sierra Club believes it is singularly an inappropriate time to be dedicating 75 AF of Carmel River water to a wide spectrum of vaguely described housing uses at this time. In light of the twenty six year history of this matter (and the findings of Order 95-10 and CDO 2009-0060 with respect to the extent of California American's illegal water diversions and their deleterious effect on the River's threatened species of steelhead, it is ironic that now, just as an alternative water supply is on the horizon, the District is asking for an exception from the moratorium provisions of the CDO.

In a letter dated June 1, 2020 to the Executive Director of the California Coastal Commission John Ainsworth, Petitioner MPWMD stated: "PWM {Pure Water Monterey} is more than sufficient to lift the CDO in our community, Based on the most recent pumping and demand history, only approximately 800 AF of new supply is required to do so....At 2250 AFY PWM expansion is more than sufficient." At this point in time, California American has

Sierra Club Letter In Opposition to MPWMD Petition

not yet filed a document with the Board indicating whether it will be able to meet the requirements of the CDO by ceasing its unlawful diversions from the Carmel River by December 31, 2021, or whether it will have to seek an extended CDO compliance date and an extension of time to comply with the terms of the 2016 CDO. Without the information that would be contained in any such filing, the SWRCB lacks sufficient information to make a determination concerning waiver of Condition 2 for housing needs in the Peninsula. Therefore, Sierra Club, for these reasons, urges denial of this Petition.

In its March 29, 2021 letter to Mr. Engdahl, California American states: “.....in the short term with no new water resources, supplies are critically short and likely insufficient to meet the needs of existing customers, especially if drought conditions persist or worsen.....Even with the expansion of the Pure Water Monterey project there is insufficient water to meet current demand in drought years, and future demand in any type of water year.....”. The Petitioner District represents the following in its Petition: “Such restrictions [Condition 2] are likely to remain in place up to several more years until a more permanent replacement water supply is available.” (“Permanent replacement water supply for the Monterey Peninsula has been identified, yet remains at least three years away.”) It is unclear whether Petitioners are concerned that since the moratorium will stay in effect until a desal plant is constructed and operational (which would be a “more permanent” replacement water supply) a moratorium exception is warranted now. Given the conflicting statements by Petitioner District, and a total lack of information concerning how much water is currently being delivered by PWM and how soon the PWM supplemental water project will be operational, it is clear that any request for relief from the moratorium must be conducted in the context of a full Board hearing, with party participation, with respect to any Petition seeking relief from the December 31, 2021 deadline imposed under CDO 2016-0016. In connection with Cal-Am’s request for an extension of time in order to comply with Order 2009-0060, there were extensive negotiations, sponsored by the Division, among all the parties to the 2009 CDO, before the Board approved CDO 2016-0016. Sierra Club urges that a similar process take place once Cal Am submits its application for a new compliance date for eliminating its unlawful diversions and obtaining a reliable, permanent water supply that will not involve using Carmel River unlawfully.

Sierra Club believes that the SWRCB’s deliberations concerning extension of the CDO and waiver of the moratorium requirement with respect to dedication of Carmel River illegal water to housing uses must take into account a number of factors pertinent to conditions in the River during this Water Year 2020-2021. Run-off to the River to date is 42% of average. The annual report concerning the status of the threatened steelhead will not be available until July 2021. Because small amounts of water have been pumped for Aquifer Storage and Recovery, only small amounts of water will be available to augment diminished river flows this coming summer. Steelhead juvenile mortality will likely be high. Petitioners have presented no information as to when such low income or moderate housing projects will be approved by local bodies. To the extent some projects may be ready for final approval and could be built this water year, there could be a need for the use of water from the Carmel River dedicated to housing uses (by virtue of any waiver from Condition 2 moratorium provisions) this Water Year.

Also, Sierra Club believes the request of the Petitioner for 75 AF of water to be dedicated for housing uses is unduly vague and certainly does not justify an exception to the moratorium. Petitioners request that the Division or the Board allow “projects for

Sierra Club Letter In Opposition to MPWMD Petition

moderately, low, or very low income housing.” Petitioner adds, however, a proviso that only projects involving 100% market rate rents would be excluded. This means that if the market rate is \$1500 any project that proposes rents of \$1485 could be approved (99% of market rate). A second criterion, unqualified by any reference to low or moderate income housing, is to “allow projects that may result from a change in zoning or a change in use.” Sierra Club fears that under these broad criteria virtually any housing project, or even tourist hotels could be approved. (Further, there is no indication of what portion of a project must be dedicated to low or moderate income housing. Would 1% (2 units) of a 200 unit project suffice?)

Sierra Club believes that the Board needs to perform a thorough investigation as to whether the future supplemental 2200 AF of Pure Water Monterey Water, together with the 3500 afy already approved, but at present not completely delivered from PWM, will give the Peninsula a secure, permanent, and reliable adequate water supply for the future-----that in future years, even in the event of a drought, will not necessitate use of Carmel River water in excess of the lawful amounts granted to Cal Am. This is clearly what was contemplated in Order 95-10 and the CDO Orders. Sierra Club has concerns that the Pure Water Monterey augmentation project (2200AF), which has not yet have a completed SEIR, faces an uncertain and perhaps litigious future with respect to the legal provenance of its augmented water supply. See the attached letter from the Monterey County Water Resources Agency, which raises questions as to the effects of use of agricultural effluent water on the Salinas Valley aquifers that already are experiencing salt water intrusion. If it is in fact true that a supplemental water supply from PWM will not be available in the near term, and the desal project not completed in the near future, the Peninsula does not have available an adequate, permanent, reliable and diverse water supply that would protect the Carmel River in the future from diversions in excess of those lawfully possessed by CalAm. Only once such an adequate, reliable, permanent supply is available, water can be used for housing and other uses without the constraints of Condition 2.

Sierra Club looks forward to participating in a comprehensive hearing involving any necessary extension of the 2016 CDO. However, it urges that for the present the District's Petition be summarily denied. Thank you for your consideration of this letter.

{signed}

Laurens Silver, Attorney for Sierra Club

cc.Rich.Svindland@amwater.com

cc. dstoldt@mpwmd.net

cc. Eileen.Sobeck@waterboards.ca.gov

cc.dave@laredolaw.net

cc. red@eslawlawfirm.com

cc. Steven.Westhoff @waterboards.ca.gov



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Argus Financial

Erik Ekdahl
Deputy Director, Division of Water Rights
State Water Resources Control Board
PO Box 100, Sacramento, CA 95812

Re: Request for modification of interpretation of Condition 2 of WR 2016-0016 and WR 2009-0060 Cease and Desist Order or waiver to allow for the development of affordable housing on the Monterey Peninsula

Dear Mr. Ekdahl,

First Community Housing was recently awarded a site to build 50 units of affordable housing for very low income families and veterans in the City of Monterey. It is our understanding the City of Monterey planned to work with California American Water and the Monterey Peninsula Water Management District to re-allocate water credits to provide enough water to supply new, critically needed affordable housing developments in Monterey.

However, the State Water Resources Control Board's current interpretation of the cease and desist order, specifically Condition 2, indicates that water credits may not be re-allocated, even if total acre-feet of water has decreased in the area. This lack of water rights makes the development of affordable housing in Monterey impossible.

The State of California is experiencing an extreme and prolonged housing crisis, with a shortfall of 1.5 million units. Gavin Newsom, the State Legislature, and the State's Housing and Community Development department are all in agreement that, for California to continue to thrive, agencies must work together to prioritize, in particular, the development of affordable housing. The 2019 Housing Crisis Act goes so far as to specify prioritizing affordable housing in the allocation of water supplies (Gov. Code, § 65589.7).

First Community Housing appreciates the sensitive environmental factors that have led to the stringent interpretation of the Cease and Desist Order. As a mission-oriented nonprofit, we are looking to net zero energy and Passive House certification for our prospective development in Monterey, including the use of intensive water saving, storing, and recycling systems.

Affordable housing prevents displacement and sprawl, reduces greenhouse gas emissions, improves a community's livability, and mitigates poverty. If the Monterey Peninsula Water Management District is given flexibility about how to apply credits via a reinterpretation of Condition 2, or a waiver for the development of affordable housing, it should be able to maintain water neutrality within the coverage area, given the overall decrease of water usage in recent years.

Enforcing the Cease and Desist Order using the current interpretation is neither sensible nor sustainable. We strongly request that the State Water Board either create a waiver or reconsider the interpretation of Condition 2 to bring water policy in line with the State's housing goals. An equitable, green future in our State is possible, but only if all communities, even those with tight water supplies, are able to build affordable housing.

Sincerely,

Geoffrey Morgan
President & CEO
First Community Housing

April 4, 2021

Mr. Erik Ekdahl
Deputy Director, Division of Water Rights
State Water Resources Control Board
PO Box 100
Sacramento, CA 95812

RE: Allocation of Water to Support Affordable Housing on the Monterey Peninsula

Dear Mr. Ekdahl:

I am writing on behalf of Youth Arts Collective (YAC). YAC is an afterschool art studio and mentorship program for 14-22 year olds, founded in 2000. Mid Pen Housing has invited us to partner with them in a building project for affordable/workforce housing on Calle Principal in downtown Monterey. YAC would purchase at cost and occupy the street level retail space in the four story residential building. To have a permanent home would be a dream come true for YAC and the many youth we serve, for generations to come.

There is great need for affordable housing in our area. So many people, including some of the kids we serve, are living in substandard housing. Mid Pen has had great success in solving this serious problem by creating livable, affordable housing for hundred of residents in our area. We are thrilled that they have been awarded the contract from the city of Monterey to build three new complexes. This will provide housing for the individual tenants, all the while improving the health of the economy and of the culture of Monterey.

It is my understanding that Water Rights stands in the way of proceeding to design and build these much needed complexes. I am writing to ask you to honor the Monterey Peninsula Water District's request of 75 acre-feet to support the state required development of affordable housing on the Monterey Peninsula.

Thank you for your compassion and for considering this important request.

Sincerely,

Marcia Perry
Executive Director/Founder
Youth Arts Collective

Rudy Fischer

59 Country Club Gate
Pacific Grove, CA 93950

(831) 236-3431

rudyfischer@earthlink.net

Mr. Erik Ekdahl
Deputy Director Division of Water Rights
State Water Resources Control Board
PO Box 100
Sacramento, CA 95812

Via Email to: Erik.Ekdahl@waterboards.ca.gov

Subject: Opposition to Monterey Peninsula Water Management District request for Relief from Condition 2 of WR 2009-0060 and WR 2016-0016 Cease and Desist Order (CDO) for Health and Safety Needs Related to Housing

Dear Mr. Ekdahl:

Your office recently received a letter and filing from Mr. David Laredo, the Attorney for the Monterey Peninsula Water Management District (MPWMD). Their claim is that the Monterey Peninsula requires an exception from the CDO your agency placed against it many years ago.

I disagree, and wish to go on record in opposition to this request. While I very much want to see more affordable housing built on our Peninsula, I also believe it is the very people on the Monterey Peninsula who have blocked the actual development of a sufficient and reliable source of water for decades who are the ones now asking for relief. I also believe that approving this request would put your agency in a tenuous legal position.

In my city of Pacific Grove there are 123 “lots of record” on which people wish to build but cannot because water projects to provide the water for the Peninsula to get past the CDO have been blocked for decades. In Monterey there are 274 such lots; in Carmel 6; and in the city of Del Rey Oaks there are at least 58. Indeed, though these numbers are probably underestimates, at least 572 lots of record have been identified in the cities of the Cal Am service territory by Land Watch – and almost 7,000 lots of record have been identified in Monterey County overall.

The people who own these lot – and in who in some cases have owned them for years – cannot build because there is no legal supply of water for property owners who wish to add water meters and build. Over the years many projects to provide such water have been proposed by water officials and provider; and then opposed by those who want to limit growth. Now they claim they want water for the specific purpose of building low-income housing – but only low-income housing. What about the owners of properties who have been paying taxes on their properties but have been kept from building by those same people and their opposition to water projects other than the one they politically approve – a takeover of the local water company?

I absolutely oppose making such an exception and believe the Monterey Peninsula should be required to meet all the conditions of your agency’s CDO. Doing anything less undermines the

State Water Resources Control Boards' authority and could leave the agency legally liable to actions by the owners of property that are excluded from being able to use that water. The Monterey Peninsula can and should meet all conditions to get out from under the CDO. Once that occurs, the residents of our area can build as much low income and market rate housing as they want legally.

The letter from MPWMD states that the Monterey Peninsula needs to meet its RHNA numbers. While true, that is nothing new. The Association of Monterey Bay Area Governments has been issuing these numbers for decades. But to say that there should now be a special allocation for only low and moderate housing – and not for those who own lots of record on which they wish to build – puts a public agency in the position of determining land use policy (which is not supposed to be the role of that agency) and in determining housing winners and losers.

The SWRCB has the authority and discretion to alter or modify the CDO if a health emergency arises, but that is not the case at this time, and it is silly for the MPWMD to now claim that. This is simply a case of some members of the Board of Directors of the MPWMD (and Public Water Now) having decided that the only housing that should be built on the Peninsula is “affordable” housing.

With the Pure Water Monterey recycled water project moving forward, it is to be hoped that the Monterey Peninsula will soon have a sufficient source of water. At that point the MPWMD and other public officials should be in a position to petition for a lifting of the CDO so that the Peninsula cities can approve projects for all residents and projects. Indeed, the General Manager of the MPWMD has stated that once PWM comes on-line we will have more than sufficient water for the Peninsula's identified needs.

The current MPWMD request does not help our area “especially in the affordable housing area” It creates housing ONLY for public and affordable housing, leaving the legal owners of almost 600 properties who are ready to build - at their own expense - at a disadvantage. The building of homes on those 600 or so lots would free up 600 apartments and homes now used and go a long way to alleviating this area's housing shortage; and would do so without the use of public funds.

The SWRCB should take one of three steps:

1. Continue the CDO as originally implemented until the Monterey Peninsula develops the water sources as ordered.
2. Modify the order to allow for the building of both very low, low, moderate, above moderate, and market rate housing on existing lots of record.
3. Set aside the CDO and allow the Monterey Peninsula to develop the water sources it needs at its own pace.

Please feel free to contact me at the number above if you wish to discuss anything, and I look forward to the appropriate action being taken by the State Water Resources Control Board.

Sincerely,

Rudy Fischer

Rudy Fischer

Copies to:

Eileen Sobeck, SWRCB Eileen.Sobeck@waterboards.ca.gov

Steven Westhoff, SWRCB Steven.Westhoff@waterboards.ca.gov

Richard Svindland, California American Water Rich.Svindland@amwater.com

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April 4, 2021

Mr. Erik Ekdahl
Deputy Director, Division of Water Rights
State Water Resources Control Board
PO Box 100
Sacramento, CA 95812

RE: Allocation of Water to Support Affordable Housing on the Monterey Peninsula

Dear Mr. Ekdahl:

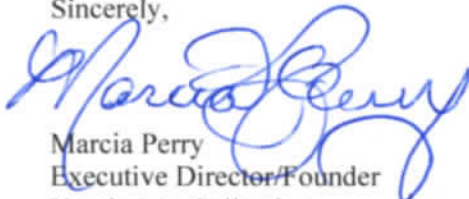
I am writing on behalf of Youth Arts Collective (YAC). YAC is an afterschool art studio and mentorship program for 14-22 year olds, founded in 2000. Mid Pen Housing has invited us to partner with them in a building project for affordable/workforce housing on Calle Principal in downtown Monterey. YAC would purchase at cost and occupy the street level retail space in the four story residential building. To have a permanent home would be a dream come true for YAC and the many youth we serve, for generations to come.

There is great need for affordable housing in our area. So many people, including some of the kids we serve, are living in substandard housing. Mid Pen has had great success in solving this serious problem by creating livable, affordable housing for hundred of residents in our area. We are thrilled that they have been awarded the contract from the city of Monterey to build three new complexes. This will provide housing for the individual tenants, all the while improving the health of the economy and of the culture of Monterey.

It is my understanding that Water Rights stands in the way of proceeding to design and build these much needed complexes. I am writing to ask you to honor the Monterey Peninsula Water District's request of 75 acre-feet to support the state required development of affordable housing on the Monterey Peninsula.

Thank you for your compassion and for considering this important request.

Sincerely,


Marcia Perry
Executive Director/Founder
Youth Arts Collective

Board of Directors

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President

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Janet Myer
Grant Writer/
Development

Suzi Cray
Bookkeeper

April 4, 2021

Mr. Erik Ekdahl
Deputy Director, Division of Water Rights
State Water Resources Control Board
PO Box 100
Sacramento, CA 95812

RE: Allocation of Water to Support Affordable Housing on the Monterey Peninsula

Dear Mr. Ekdahl:

I am writing on behalf of Youth Arts Collective (YAC). YAC is an afterschool art studio and mentorship program for 14-22 year olds, founded in 2000. Mid Pen Housing has invited us to partner with them in a building project for affordable/workforce housing on Calle Principal in downtown Monterey. YAC would purchase at cost and occupy the street level retail space in the four story residential building. To have a permanent home would be a dream come true for YAC and the many youth we serve, for generations to come.

There is great need for affordable housing in our area. So many people, including some of the kids we serve, are living in substandard housing. Mid Pen has had great success in solving this serious problem by creating livable, affordable housing for hundred of residents in our area. We are thrilled that they have been awarded the contract from the city of Monterey to build three new complexes. This will provide housing for the individual tenants, all the while improving the health of the economy and of the culture of Monterey.

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Thank you for your compassion and for considering this important request.

Sincerely,

Marcia Perry
Executive Director/Founder
Youth Arts Collective

Westhoff, Steven@Waterboards

From: Kirstie Wilde <kirstiewilde@gmail.com>
Sent: Wednesday, April 7, 2021 5:29 PM
To: Ekdahl, Erik@Waterboards
Cc: Sobeck, Eileen@Waterboards; Westhoff, Steven@Waterboards; Rich.Svindland@amwater.com; ACerasuolo@amwater.com; Christopher.Cook@amwater.com; jrbobmck@gmail.com; Jeff.Davi@mphtre.com; theamswim@yahoo.com
Subject: Water for Affordable Housing is great - but please don't forget others who have waited for a decade for their own home!

EXTERNAL:

Hello Folks,

We definitely need more housing in the Monterey Peninsula, and to build it, we need water. This is obvious, and providing both is laudable.

But PLEASE don't forget the people who have been waiting on the Pacific Grove Water Wait List for YEARS! Our City has spent millions of dollars building a sustainable new water supply, in the local water reclamation plant that went online in December, 2015. This green project was supposed to allow those who own empty lots in our town to finally build their homes.

But because of the SWRCB's "Water Meter Moratorium" we can't get a meter, and that means we can't get water.

My 29-year-old son, Eli Miller, and my 31-year-old daughter, Hannah Bell, invested in two small lots in Pacific Grove several years ago, hoping that they could return to their home town and raise a family here. They both have approved plans that cost more than \$15,000 to get through the city's Architectural Review Board. One of their lots was put on the Water Wait List ELEVEN YEARS AGO. The other one went on the wait list in 2015.

Can you honestly vote to give water and meters for "Affordable Housing" and ignore the young people who also wish to build a modest home in Pacific Grove? We need water and meters for local property owners, too, especially those who are on the official Water Wait List for years.

For my family, and others, I ask you to be fair. If you are going to approve water and meters for affordable housing, then do the right thing and remove the Water Meter Moratorium for the City of Pacific Grove so our young people can build modest homes, too.

To allow the builders of affordable housing to jump over the people who have been waiting and waiting and waiting for water, is a slap in their faces.

Thank you for listening,

Kirstie Wilde
Eli Miller
Hannah Bell

Westhoff, Steven@Waterboards

From: Ekdahl, Erik@Waterboards
Sent: Monday, April 12, 2021 8:48 AM
To: Westhoff, Steven@Waterboards
Cc: Tran, Ky-An@Waterboards; Nick, Julia@Waterboards
Subject: FW: City of Monterey RHNA & Water Request

Categories: [Requests]

Steve – looks like they tried to include you but used an incorrect email.

Ky-An, can you add this to the CalAm condition 2 folder?

Thx
E

From: esther malkin <esthermalkin@yahoo.com>
Sent: Monday, April 12, 2021 7:36 AM
To: Ekdahl, Erik@Waterboards <Erik.Ekdahl@waterboards.ca.gov>
Cc: Sobeck, Eileen@Waterboards <Eileen.Sobeck@Waterboards.ca.gov>; Esquivel, Joaquin@Waterboards <Joaquin.Esquivel@Waterboards.ca.gov>; stevenwesthoff@waterboards.ca.gov; Kate Daniels <Kate.Daniels@sen.ca.gov>; Hans Uslar <uslar@monterey.org>; Tyller Williamson <twilliamson@monterey.org>; Alan Haffa Council <haffa@monterey.org>; Clyde <roberson@monterey.org>; Dan Albert <albert@monterey.org>; Susan Moore 647-7755 <district5@co.monterey.ca.us>; Yuri <andersony@co.monterey.ca.us>; Lisa Berkley <lalberkley@icloud.com>; Wendy Root Askew <wendyrootaskew@gmail.com>; Susan Nine <NasusNine@Hotmail.com>; Karen ONeal <monterey2u@gmail.com>; Dave Stoldt <dstoldt@mpwmd.net>; rileyforwaterdistrict@gmail.com; Gary Karnes <gary.karnes@comcast.net>; Rafa Sonnenfeld <rsonn27@gmail.com>; Emily Ham <eham@mbep.biz>; Ashley Gauer <agauer@mbep.biz>; Matt Huerta <mhuerta@mbep.biz>; Olivia Arena <oarena@nlihc.org>; Jean Rasch <Jean@JeanRasch.com>; Jason Reed <JasonXReed@Gmail.com>; Jason Asmus <jasmus1@gmail.com>
Subject: City of Monterey RHNA & Water Request

EXTERNAL:

April 12 2021

Dear Mr. Ekdahl:

The Monterey County Renters United requests that the State Water Resources Control Board support the Monterey Peninsula Water Management District request for relief from Condition 2 of WR 2009-0060 and WR 2016-0016 Cease and Desist Order (CDO). The requested additional 75 acre feet will support our efforts in prioritizing the much needed development of affordable housing in our region which we advocate diligently for on behalf of the majority of residents in our region, RENTERS.

Our 2019 Monterey County identified a total homeless population of 2,422, a number we undoubtedly expect to increase for 2020 & in the immediate post pandemic future starting as soon as the current eviction moratorium is lifted.

There are 18 million renters in the state.

The state has a deficit of at least 3.5 million housing units that continues to grow due to the actions or lack of actions of the state.

The state pressure regarding our region's need to meet our Regional Housing Needs Assessment allocations is unattainable without addressing this water obstacle & is a burden carried by the most vulnerable communities.

The state cannot have it both ways of requiring the city to build housing while it is the main obstacle preventing it to do that nor should it prioritize Steelhead fish over its residents.

The City of Monterey, which has at least 441 units in the pipeline of which includes projects for 100% affordable housing that came about from the direct pressure from Monterey County Renters United to create.

The city is donating its own properties to be developed for 100% affordable housing projects as suggested by us. That effort shows the level of importance the city is giving the need for affordable units & how seriously it takes meeting the RHNA goals set by the state.

If granted, this request would allow us to move forward with supporting the most vulnerable community members without violating the CDO's Effective Diversion Limit.

Monterey County Renters United strongly supports the Monterey Peninsula Water District request for relief from Condition 2.

We implore you to not be the reason these housing projects not be built due to your denial of this very reasonable request by the city of Monterey to help house its residents affordably.

We also ask that a policy of the prioritization & fast tracking of 100% affordable projects be established ASAP as more working class low wage renters, aka essential workers now, are pushed out of the region by the escalating "market rates" they will never be able to afford.

Thank you.

Best Regards,

Esther Malkin

Monterey County Renters United

Founding Director

(831) 238-4765



April 13, 2021

Mr. Erik Ekdahl
Deputy Director
Division of Water Rights
California State Water Resources Control Board
P.O. Box 100
Sacramento, CA 95812

Via Email Erik.Ekdahl@waterboards.ca.gov

**Subject: Letter of Support for the Monterey Peninsula Water Management District
Request for Relief from Condition 2 of WR 2009-0060 and WR 2016-0016 Cease and
Desist Order (CDO) for Health and Safety Needs Related to Housing**

Dear Mr. Ekdahl:

The City of Monterey requests that the State Water Resources Control Board support the Monterey Peninsula Water Management District request for relief from Condition 2 of WR 2009-0060 and WR 2016-0016 Cease and Desist Order (CDO) for health and safety needs related to housing.

Housing production in the City of Monterey is basically at a standstill due to the Cease and Desist Order (CDO). Last year, the City only produced 13 accessory dwelling units. These units could only be developed when the main home's water credits were reduced such as bathroom removed. Housing production in the City is woefully inadequate to meet demand, prevent homelessness and meet State and regional housing goals for the City.

There are at least 441 units in the pipeline readying for construction including: 289 units on Garden Road and 152 100%-affordable housing units on City owned parcels. In addition to the 289 units proposed on Garden Road, the District's request from relief would allow up to 400 units. The City would need approximately 25 acre feet of water to construct the 400 housing units. Without relief from Condition 2, development of these projects is uncertain.

The City of Monterey has long experienced high housing cost and a lack of access to affordable housing, which significantly impacts low and moderate income members of our community. In 2019, the City completed two reports that documented the lack of access to affordable housing,

the Regional Analysis of Impediments to Fair Housing Access (Regional AI) and the Vulnerable Communities Needs Analysis. The Regional AI concluded that low income and moderate income households have limited opportunities for affordable housing in both the rental and homeownership markets. The Vulnerable Communities Needs Assessment also concluded that the lack of available affordable housing has a significant impact on vulnerable communities, such as low and moderate income youth, families with children, seniors, veterans, people with disabilities, victims of domestic violence.

The lack of access to affordable housing is continuing and becoming an increasing challenge for our community. According to the California Association of Realtors' 2020 Housing Affordability Update, the median price for a single family home in Monterey County is \$830,000, and an average family would need to earn \$149,600 a year to afford the monthly housing payment of \$3,740. Conversely, the 2020 low income level for a family of four in Monterey County is \$77,500, and the moderate income level for a family of four is \$97,900. Clearly, the median housing price far exceeds what is affordable for low and moderate income families in Monterey County.

The inability of Monterey to produce new housing units exacerbates the existing housing crisis. Although the demand for housing is increasing, the lack of available water means that Monterey is unable to increase the supply of housing to meet the new demand. This fundamental imbalance results in increasing prices for both rental and ownership housing as the community competes for the limited supply of available housing. Without an increase in available water for housing, it is anticipated that housing costs will continue to rise, further limiting access to affordable housing for our low and moderate income community members.

To further clarify, our request is that the overall legal limit remains intact, but the Condition 2 prohibition on an increase in use at a particular site be waived for housing. Any increase in use would come from the built up savings due to conservation activities over time. Stated differently, assuming legally authorized supplies exceed current demand, the community has built up a buffer of savings, a small amount of which would be annually allocated or repurposed for housing uses. There is no intent to get authorization for an increased withdrawal from the River beyond the legal limit.

The City supports the Monterey Peninsula Water District request for relief from Condition 2 due to the health and safety needs related to housing.

Sincerely,

A handwritten signature in blue ink, appearing to read "C. Roberson", is written over a horizontal line.

Mayor Clyde Roberson

CC: Senator John Laird, California Senate District 17
Assemblymember Mark Stone, 29th California Assembly District
Monterey City Council
Supervisor Mary Adams, Monterey County District 5

Board and General Manager of the Monterey Peninsula Water Management District
City Manager and City Council of Cities of Carmel by the Sea, Pacific Grove, Sand City,
and Del Rey Oaks

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BANKING AND FINANCE
BUDGET
BUDGET SUBCOMMITTEE NO. 5 ON
PUBLIC SAFETY
HUMAN SERVICES
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SELECT COMMITTEES

CHAIR, COASTAL PROTECTION AND
ACCESS TO NATURAL RESOURCES
VICE CHAIR, JOINT COMMITTEE ON
FISHERIES AND AQUACULTURE

Assembly California Legislature



MARK STONE
CHAIR, JUDICIARY COMMITTEE

ASSEMBLYMEMBER, TWENTY-NINTH DISTRICT

STATE CAPITOL

P.O. BOX 942849
SACRAMENTO, CA 94249-0029
(916) 319-2029
FAX (916) 319-2129

DISTRICT OFFICES

701 OCEAN STREET, ROOM 318B
SANTA CRUZ, CA 95060
(831) 425-1503
FAX (813) 425-2570

99 PACIFIC STREET, SUITE 575G
MONTEREY, CA 93940
(831) 649-2832
FAX (831) 649-2935

April 15, 2021

Mr. Erik Ekdahl
Deputy Director
Division of Water Rights
California State Water Resources Control Board
P.O. Box 100
Sacramento, CA 95812

Via Email Erik.Ekdahl@waterboards.ca.gov

Re: Support for the Monterey Peninsula Water Management District Request for Relief from Condition 2 of WR 2009-0060 and WR 2016-0016 Cease and Desist Order (CDO) for Health and Safety Needs Related to Housing

Dear Mr. Ekdahl:

I write to request that the State Water Resources Control Board support the Monterey Peninsula Water Management District (MPWMD) request for relief from Condition 2 of WR 2009-0060 and WR 2016-0016 Cease and Desist Order (CDO) for health and safety needs related to housing.

Monterey Peninsula has long experienced high housing costs and a lack of access to affordable housing, which significantly impacts low and moderate income members of our community. One of the major factors contributing to this limited affordable housing stock is a severely constrained supply of water for development. Housing production in the City of Monterey (City) is woefully inadequate to meet demand, prevent homelessness, and meet State and regional housing goals for the City.

The inability of Monterey to produce new housing units exacerbates the existing housing crisis. The demand for housing is increasing, and the lack of available water means that Monterey is unable to meet this new demand. This fundamental imbalance results in inflated prices for both rental and ownership housing as the community competes for a limited supply. Without an increase in available water for housing, it is anticipated that housing costs will continue to rise, further limiting access to affordable housing.

My colleagues in the California State Legislature and I recognize the housing crisis as a health and safety concern, and we have been working diligently to remove impediments to housing production in an environmentally responsible manner. A portfolio of varying solutions is necessary to address this momentous challenge, and allowing the Condition 2 prohibition on an increase in use at a particular site to be waived for housing is a reasonable approach. Cities on the Peninsula have remaining water allocation that they want to use for affordable housing, and the District is seeking exemption for 75 acre feet of water to be put to such a use.

MPWMD is not asking the State to exceed the overall limit on withdrawals from the Carmel River; it is asking to waive the limitation on an increase in use at an existing site if it has an affordable housing element to it. Any increase in use would come from the built up savings due to conservation activities in the District over time. Stated differently, assuming legally authorized supplies exceed current demand, the community has built up a buffer of savings, a small amount of which would be allocated annually or repurposed for housing uses across local jurisdictions.

Approving MPWMD's application for relief from Condition 2 restrictions would help facilitate greater affordable housing development without compromising the water-related goals of the CDO. Without relief from Condition 2, development of 152 100%-affordable housing units on City owned parcels, as well as other shovel-ready housing projects, is uncertain.

Thank you for considering for this proposal. Please feel free to contact me at (831) 649-2832 if you have any questions.

Sincerely,



Mark Stone
Assemblymember, 29th District

April 16, 2021

Dear Mr. Ekdahl:

The Monterey Peninsula Housing Coalition requests that the State Water Resources Control Board support the Monterey Peninsula Water Management District request for relief from Condition 2 of WR 2009-0060 and WR 2016-0016 Cease and Desist Order (CDO). The requested additional 75 acre feet will support our efforts in prioritizing the much needed development of affordable housing in our region. Local leadership, in coordination with state directives, is essential as we work towards providing for the health and safety of our residents.

The Monterey Peninsula Housing Coalition is a group of elected representatives from across the Monterey Peninsula who advocate for housing solutions that promote affordable housing for all members of our community and workforce. We are committed to championing solutions for a sustainable long term water supply in our region, in fact we know this is an essential element as we work on meaningful solutions to our housing crisis.

Unfortunately, many of our local residents were struggling pre-COVID-19, so we are working diligently to keep our residents housed. Our 2019 Monterey County Point-in-Time Count¹ identified a total homeless population of 2,422, a number we undoubtedly expect to increase for 2020 and beyond. In March 2020, a count of students experiencing homelessness² in the Monterey Peninsula Unified School District identified 1,812 students, or nearly 19% of all students in the district. Five-hundred of these students (28%) are living in shelters. The Monterey Peninsula Housing Coalition is reaching across city boundaries and developing truly regional solutions that will help us all weather present and future disruptions.

One of the Coalitions' goals is responding to the increased state pressure regarding our jurisdiction's need to meet our Regional Housing Needs Assessment (RHNA) allocations. Each of our municipalities are behind on meeting our allocation, particularly at the very low, low, and in many cases even moderate income housing levels.

An example of our efforts can be seen in the City of Monterey, which has at least 441 units in the pipeline. Many of those units are part of 100% affordable housing development projects!

¹ <https://www.co.monterey.ca.us/home/showdocument?id=81207>

² <https://nche.ed.gov/mckinney-vento-definition/>

Decisive action to protect residents by creating housing opportunities is potentially the greatest impact we can have to stabilize our region during these difficult times. We ask for support from all decision makers as we develop tangible solutions. Our responsibility to keep our residents safe, now and in the future, requires swift and bold action. Decisions we make today to ensure stable housing for our workforce will support our efforts to resolve our region's long term water supply needs.

If granted, this request would allow us to move forward with supporting the most vulnerable community members without violating the CDO's Effective Diversion Limit. The Monterey Peninsula Housing Coalition supports the Monterey Peninsula Water District request for relief from Condition 2.

Sincerely,
Monterey Peninsula Housing Coalition

—

Wendy Root Askew, Supervisor
County of Monterey

Alison Kerr, Mayor
City of Del Rey Oaks

Ian Oglesby, Mayor
City of Seaside

Kimberly Shirley, Councilmember
City of Del Rey Oaks

Jeff Baron, Councilmember
City of Carmel-By-The-Sea

Lisa Berkley, Councilmember
City of Marina

Alan Haffa, Councilmember
City of Monterey

Tyller Williamson, Councilmember
City of Monterey

Jenny McAdams, Councilmember
City of Pacific Grove

Jon Wizard, Councilmember
City of Seaside

Yuri Anderson, Board of Trustees
Monterey Peninsula College (MPC)

Amanda Whitmire, Trustee
Monterey Peninsula Unified School District

Jessica Hare, Trustee
Monterey Peninsula Unified School District

Veronica Miramotnes, Trustee
Monterey Peninsula Unified School District



SEASIDE CITY MANAGER

440 Harcourt Avenue
Seaside, CA 93955
www.ci.seaside.ca.us

Telephone 831-899-6701
Fax 831-624-5839

April 16, 2021

Erik Ekdahl
Deputy Director, SWRCB
Erik.ekdahl@waterboards.ca.gov

Dear Mr. Ekdahl:

The citizens of Seaside are facing a housing availability and affordability crisis, which is only growing worse with each passing day. It is not just a housing crisis. It is a health and safety crisis.

The City of Seaside is wholly committed to providing quality affordable housing but is stymied by State actions and decisions which exacerbate the housing, health and safety crisis.

The City supports the Monterey Peninsula Water Management District's effort to secure water to bring a solution to the housing, health and safety crisis.

If you have any questions regarding the level of crisis or the City's support of MPWMD's efforts, do not hesitate to call me directly at 831 899-6701.

Sincerely,



Craig Malin
City Manager



Planning for Success.

April 16, 2021

Erik Ekdahl, Deputy Director
Steve Westhoff, Office of Chief Counsel
State Water Resources Control Board
1001 I Street
Sacramento, CA 95814

Re: Support for MPWMD's Application for CDO Relief

Dear Erik and Steve,

I am writing to request that the SWRCB aligns with the current housing priorities of the Governor. The Housing Crisis Act of 2019 (SB 330) articulates the Legislature's recognition of the housing crisis as a health and safety concern and its policy to remove impediments to housing production. The Legislature has previously articulated a policy to prioritize water supplies for affordable housing (Gov. Code, § 65589.7), which is critical now more than ever as the housing crisis has only been exacerbated by the COVID-19 pandemic and ongoing climate change impacts.

Our firm represents a developer ready to construct and rehabilitate three major properties in an underdeveloped Monterey light-industrial corridor with affordable housing ratios more than double the minimum standard of units. These sites would be a short bike ride away from all that downtown Monterey has to offer, including post-secondary education, cultural, and recreational opportunities. Only a severe interpretation of condition #2 stands in the way of nearly 300 new multi-family homes being built Monterey.

EMC PLANNING GROUP INC.
A LAND USE PLANNING & DESIGN FIRM

301 Lighthouse Avenue Suite C Monterey California 93940 Tel 831-649-1799 Fax 831-649-8399
www.emcplanning.com

Some of these project sites have been recently rezoned by the City of Monterey with a multi-family zoning overlay, in the City's attempt to comply with state legislation to encourage affordable housing. The following modifications to condition #2 are essential in order to move forward with this housing production:

- Allow projects that may result from a change in zoning or a change in use;
- Allow a modest increment of increased use at existing or new service addresses for projects that enable moderate-, low-, or very-low income housing.

Water serving the nearly 300 multi-family units in Monterey would be a combination of legacy allotment for uses no longer being served in those locations and a small amount from the water district that would not exceed the Effective Diversion Limit (EDL) under the Cease-and-Desist Order. Additionally, the Monterey developer is dedicated to investing in grey-water systems to maximize conservation efficacy.

The conditions outlined in Condition 2 of the Carmel River Cease and Desist Order 2016-0016 (CDO) have impeded the development of affordable housing on the Monterey Peninsula. Approving the Monterey Peninsula Water Management District's (MPWMD) application for relief of the Condition 2 restrictions would help facilitate greater affordable housing development without compromising the water-related goals of the CDO.

Current projects on the Peninsula could yield nearly 400 affordable housing units from increased flexibility in Condition 2 of the CDO. However, these projects will take time to be fully permitted and come out of the ground. MPWMD cites the Fifth Cycle (2014-2023) Regional Housing Needs Allocation (RHNA) for Peninsula cities is 1,271 units. Sixth Cycle Regional Housing Needs Allocations (RHNA) to the Monterey Bay Area jurisdictions are likely to increase, and Peninsula RHNA numbers were significantly reduced in comparison to other County jurisdictions based on the lack of an available water supply due to the CDO. These nearly 400 affordable, transit-oriented housing units would greatly benefit the communities on the Peninsula, and the current workforce commuting in from Salinas Valley and elsewhere, but does not come close to meeting the sixth cycle housing needs numbers.

The District is not asking the State to exceed the overall limit on withdrawals from the Carmel River, it is asking to waive the limitation on an increase in use at an existing site if it has an affordable housing element to it. Cities on the Peninsula have remaining water allocation that they want to use for affordable housing, the District is simply seeking exemption for 75 AF of water, which is less than 1% of the 10,000 AFY of water use currently in the District. Such relief would meet the co-equal high-priority objectives of two State agencies. A powerful "WIN-WIN" for the environment, housing, and economic vitality.

We urge the SWRCB to revisit the effects of the CDO with regards to Condition 2 to help bring water policies in line with state mandated housing goals that it will support. It is especially imperative that local and state agencies collaborate to implement affordable, environmentally-sound housing solutions during the health crisis, and economic recovery period.

Sincerely,

A handwritten signature in black ink, appearing to read 'M. Groves', with a long, sweeping horizontal line extending to the right.

Michael Groves, AICP
President/Senior Principal



Gathering for Women · Monterey

Providing homeless women with supportive resources and a caring community

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Amy Sands
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Kent Glenzer

Sandy Hale

Emily Ham

Kate Daniels Kurz

Thomas Muir, LCSW

Abdel Seck

Dee Steiner

Staci M Alziebler-Perkins
Executive Director

Mailing Address
Post Office Box 601
Monterey, California
93942

Physical Address
147 El Dorado Street
Monterey, California
93940

Federal ID#
47-4275163

831.241.6154

gatheringforwomen.org

The mission of
Gathering for Women Monterey
is to provide supportive resources
in a caring environment for the
homeless women of the Monterey
Peninsula.

We do this with H.E.A.R.T.



May 4, 2021

ATTN: Erik Ekdahl
Deputy Director, Division of Water Rights
State Water Resources Control Board
PO Box 100, Sacramento, CA 95812

RE: Increased Flexibility of Condition 2 of WR 2016-0016 and WR 2009-0060 Cease and Desist Order (CDO) for Affordable Housing & Climate Stabilization

Dear Deputy Director Ekdahl and Chief Counsel Westhoff:

Gathering for Women – Monterey (GFW) joins Monterey Bay Economic Partnership, Landwatch, United Way Monterey County, and other community based organizations in supporting the Monterey Peninsula Water Management District's application for relief from certain aspects of the State Water Resources Control Board's Cease and Desist Order. This relief would facilitate more affordable housing development on the Monterey Peninsula.

GFW is one of many local nonprofits who address the needs of homeless and housing insecure women on the Peninsula. In virtually every aspect of our work, an inadequate supply of safe and affordable housing continues to be the greatest obstacle to housing vulnerable women. The lack of affordable housing is at crisis levels in our community. The pandemic and subsequent economic downturn has increased the number of housing insecure individuals straining already stressed resources. As more and more Peninsula residents struggle to pay their rent and face evictions, the number of people experiencing homelessness threatens to grow and impedes the ability of those already unhoused to find suitable accommodations.

While we acknowledge that there are numerous drivers of housing unaffordability, inflexibility of water credit usage poses a unique challenge to the Monterey Peninsula. We therefore urge the State Water Resources Control Board to reevaluate Condition 2 of the Carmel River Cease and Desist Order 2016-0016 (CDO) and offer a more flexible policy when a zoning change has occurred. Approving the MPWMD's application for increased flexibility of Condition 2 of the CDO would mean immediate steps forward on affordable housing development, including two of the highest impact projects that the Monterey Peninsula has seen in its history.

Increased supply of affordable housing is critical to our community's public health and safety. Thank you for considering our request.

Sincerely,

Ann Packer
President

Staci M Alziebler-Perkins
Executive Director

Westhoff, Steven@Waterboards

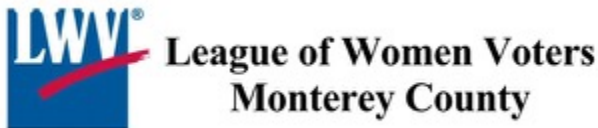
From: Ekdahl, Erik@Waterboards
Sent: Wednesday, May 5, 2021 11:13 AM
To: Westhoff, Steven@Waterboards; Nick, Julia@Waterboards
Cc: Tran, Ky-An@Waterboards
Subject: FW: Water Supply For Affordable Housing Project Stalled by Cease & Desist Order

Hi Ky-An, can you add to the Monterey folder for tracking these?

Thanks,
E

From: Howard Fosler <hfosler@sbcglobal.net>
Sent: Wednesday, May 5, 2021 8:30 AM
To: Ekdahl, Erik@Waterboards <Erik.Ekdahl@waterboards.ca.gov>
Subject: Water Supply For Affordable Housing Project Stalled by Cease & Desist Order

EXTERNAL:



May 4, 2021
Erik Ekdahl, Deputy Director,
Division of Water Rights State Water Resources Control Board
PO Box 100
Sacramento, CA 95812
via: Erik.Ekdahl@waterboards.ca.gov
USPS

Re: Relief from Condition 2 of WR 2009-0060 and WR 2016-0016 Cease and Desist Order (CDO) for Affordable Housing and Climate Stabilization

Dear Mr. Ekdahl:

The League of Women Voters of Monterey County (LWVMC) supports measures which would ensure an adequate supply of affordable housing. We recognize that the scarcity of affordable housing constitutes a crisis. We stress that priority be given to development of housing for low and moderate income persons. We support both public and private programs aimed at providing affordable housing. We encourage governmental officials to keep abreast of the most recent and innovative ways to promote increased affordable housing. (LWVMC Position on Housing)

The LWVMC supports the Monterey Peninsula Water Management District's (MPWMD's) Application for Order Modifying State Water Board Order WR 2016-0016 and WR 2009-0060 Cease And Desist Order (CDO). The State Water Resources Control Board can make a difference in this housing crisis by permitting some new hookups and increased use at existing sites to accommodate a limited number of new affordable housing projects. The exemption is for 75 acre feet of water which is less than 1% of the 10,000 acre feet per year currently used by the District. This will allow the Monterey

Peninsula to make a start at meeting the Legislature's affordable housing requirements. The Legislature's housing priorities for the Peninsula are now impossible because of the CDO.

California American Water Company will not be in compliance with the terms of the 2016 Extension of the CDO by December 31, 2021 due to the multiple problems with its desalination proposal and lack of support from the involved communities. However real progress is being made by the Monterey Peninsula Water Management District and Monterey One Water with their recycled water project and its expansion. By Dec 31, 2021 the recycled water project will provide 3,500 acre feet of new water toward the CDO. The expansion will take two more years to bring on line an additional 2,250 acre feet of new water. These projects, combined with ongoing conservation and aquifer storage and recovery should meet the CDO requirements.

The LWVMC urges you to alter the CDO to address this housing crisis now.

Sincerely,

Howard Fosler

President

PO Box 1995

Monterey, CA 93942

Westhoff, Steven@Waterboards

From: David Wynne <user@votervoice.net>
Sent: Wednesday, May 5, 2021 11:18 AM
To: Westhoff, Steven@Waterboards
Subject: Support for MPWMD's Application for CDO Relief

EXTERNAL:

Dear Office of Chief Counsel Westhoff,

The MPWMD (water district) seeks support of housing advocates to request the State Water Resources Control Board (SWRCB) approve the Water District's application for relief of current water restrictions for affordable housing projects. I am writing to request that the SWRCB further aligns with the current housing priorities of the Governor. The Housing Crisis Act of 2019 (SB 330) articulates the Legislature's recognition of the housing crisis as a health and safety concern and its policy to remove impediments to housing production. The Legislature has previously articulated a policy to prioritize water supplies for affordable housing (Gov. Code, § 65589.7), which is critical now more than ever as the housing crisis has only been exacerbated by the COVID-19 pandemic and ongoing climate change impacts.

[ADD YOUR NARRATIVE HERE]

The conditions outlined in Condition 2 of the Carmel River Cease and Desist Order 2016-0016 (CDO) have impeded the development of affordable housing on the Monterey Peninsula. Approving the Monterey Peninsula Water Management District's (MPWMD) application for relief of the Condition 2 restrictions would help facilitate greater affordable housing development without compromising the water-related goals of the CDO.

Shovel-ready projects on the Peninsula could yield nearly 400 affordable housing units from increased flexibility in Condition 2 of the CDO. MPWMD cites the Fifth Cycle (2014-2023) Regional Housing Needs Allocation (RHNA) for Peninsula cities is 1,271 units. Sixth Cycle Regional Housing Needs Allocations (RHNA) to the Monterey Bay Area jurisdictions are likely to increase, and Peninsula RHNA numbers were significantly reduced in comparison to other County jurisdictions based on the lack of an available water supply due to the CDO. These shovel-ready affordable, transit-oriented housing units would greatly benefit the communities on the Peninsula, but the workers commuting in from Salinas Valley and elsewhere as well.

The District is not asking the State to exceed the overall limit on withdrawals from the Carmel River, it is asking to waive the limitation on an increase in use at an existing site if it has an affordable housing element to it. Cities on the Peninsula have remaining water allocation that they want to use for affordable housing, the District is simply seeking exemption for 75 AF of water, which is less than 1% of the 10,000 AFY of water use currently in the District. Such relief would meet the co-equal high-priority objectives of two State agencies. A powerful "WIN-WIN" for the environment, housing, and economic vitality.

We urge the SWRCB to revisit the effects of the CDO with regards to Condition 2 to help bring water policies in line with state mandated housing goals that will support. It is especially imperative that local and state agencies collaborate to implement affordable, environmentally-sound housing solutions during the health crisis, and economic recovery period.

Sincerely,

David Wynne
25 Lincoln Ave

Salinas, CA 93901
salinasdew@yahoo.com