

FOR IMMEDIATE RELEASE

DATE: March 17, 2022 CONTACTS: Hans Uslar, City Manager

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MONTEREY CITY COUNCIL CALLS FOR END TO STATE WATER RESOURCES CONTROL BOARD CEASE AND DESIST ORDER

Monterey, CA. – The City of Monterey has been working to fulfill a state-mandated regional housing needs assessment (RHNA) that assigned Monterey 3,654 housing units (1,177 very low income, 769 low income, 462 moderate-income, and 1,246 market rate), and to place this housing closer to jobs as well as address equity metrics, all within a 2023 to 2031 timeframe. The aspirational goal to address these issues is impossible with the current water supply restrictions imposed by the State.

To address the lack of water to fulfill the housing needs requirement, City of Monterey Mayor Clyde Roberson, on behalf of the Monterey City Council, <u>sent a letter</u> on March 17, 2022, to the State Water Resources Control Board. In the letter, Mayor Roberson requested that the State Water Resources Control Board immediately lift the <u>Cease and Desist Order (CDO)</u> since the illegal diversions have ceased. If the CDO is lifted, developers could set new water meters and work within the Monterey Peninsula Water Management District's Credit System.

"The State is tying the hands of peninsula cities by requiring additional housing quotas without giving us the water to build those homes," said City Manager Hans Uslar. "We need additional water by 2023 to meet the housing targets. The continued failure of the State Water Resources Control Board has forced developers to scale down projects in Monterey, resulting in the loss of 118 affordable units, which could have been built in the next 18 months. Something must change immediately."

(more)

The City and Monterey Peninsula Water Management District (MPWMD) staff together reviewed the water credits needed per residential type. The City estimates needing between 367 and 406 acre feet by 2023 to meet the regionally and State required RHNA.

In 2019 the City of Monterey rezoned the commercial district on Garden Road to allow converting office space into apartments. The Garden Road area allows 405 new housing units. The City received applications to construct housing at four sites along Garden Road. The original anticipated unit count was 298 units if the City could obtain additional water from the Water District's reserve category. The District conditionally allocated reserve water; however, the State Water Resources Control Staff indicated it would violate the Cease and Desist Order unless the projects used no more water than it did before rezoning. As a result, this opportunity was lost, and projects were reduced to 180 units consistent with the onsite water credits/use. A loss of 118 units could have housed between 300 and 400 residents.

The City also is making four city owned downtown commercial properties available for 100% affordable housing. Likewise, the inability of the State Water Resources Control Board to step up and allow local control over existing water allocations will lead to dramatic loss of affordable housing opportunities and higher per unit construction costs on sites deemed ideal for placement of affordable housing units (close to major employers, public transportation, shopping, recreation, etc).

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