

EXHIBIT 11-B

DRAFT

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

FEBRUARY 22, 2018

- 1. FINDING:** Anthony G. Davi, Sr., a Non-Residential property owner in the City of Monterey, is requesting Board approval of a variance to allow Non-Residential Group II use without a water allocation from the City of Monterey in two lease spaces at 458-460 Alvarado Street, Monterey (Site). The Site currently has a Group I Water Use Factor.

EVIDENCE: Application for Variance attached as **Exhibit 11-A**.
- 2. FINDING:** District Rule 20, *Permits Required*, requires a Water Permit for any Change of Use or expansion of a Non-Residential use to a more intensive use as determined by Rule 24. Rule 23-A-1-g provides that when an application involves an Intensification of Use, the increase in Capacity shall deducted from a Jurisdiction's Allocation or a Water Entitlement as indicated on the Water Release Form.

EVIDENCE: Rules 20, 23, and 24 attached as **Exhibits 11-C, 11-D, and 11-E**.
- 3. FINDING:** Group II businesses includes uses such as coffee shops, bakeries, ice cream shops, delis and pizzerias use more water than Group I businesses.

EVIDENCE: Rule 24, Table 2, *Non-Residential Water Use Factors* (**Exhibit 11-D**).
- 4. FINDING:** Converting 5,300 square-feet of Group I to Group II (the entire building) would require 0.689 Acre-Feet (AF) of water. Conversion of one lease space (2,650 square-feet) from Group I to Group II would require 0.345 AF.

EVIDENCE: Rule 24, Table 2, *Non-Residential Water Use Factors* (**Exhibit 11-D**).
- 5. FINDING:** The City of Monterey has not authorized water from its Allocation for an Intensification of Use from Group I to Group II for either 458 or 460 Alvarado Street.

EVIDENCE: February 7, 2018 telephone conversation between Stephanie Kister Campbell (MPWMD) and Kimberly Cole (City of Monterey, Interim Chief of Planning, Engineering & Environmental Compliance).

6. FINDING: The difficulty in finding tenants for Group I commercial space is not unique to 458 and 460 Alvarado Street. This situation is common among property owners and potential tenants, especially in the Cities of Monterey and Pacific Grove where there is no water available from Water Entitlements or Allocations.

EVIDENCE: Monterey County Weekly article of January 11, 2018, highlighting the lack of available Group II spaces (**Exhibit 11-F**).

7. FINDING: There have been no circumstances where variances were granted to allow an Intensification of Use without water deducted from an Allocation.

EVIDENCE: District records.

8. FINDING: Granting a variance would create an unfair precedent and would tend to defeat the purposes of these Rules and Regulations.

EVIDENCE: MPWMD Rules & Regulations and Ordinances on file at the MPWMD.