

County of Santa Cruz

PLANNING DEPARTMENT

701 OCEAN STREET, 4TH FLOOR, SANTA CRUZ, CA 95060
 (831) 454-2580 FAX: (831) 454-2131 TDD: (831) 454-2123

ALVIN D. JAMES, DIRECTOR

November 22, 2000

AGENDA: December 5, 2000

Board of Supervisors
 County of Santa Cruz
 701 Ocean Street
 Santa Cruz, CA 95060

PROGRESS REPORT ON ONGOING ACTIVITIES TO MITIGATE OVERDRAFT IN THE PAJARO VALLEY

Members of the Board:

On May 23, 2000 your Board directed staff to provide a comprehensive progress report on activities to mitigate overdraft in the Pajaro Valley. Also on that date, your Board directed staff to provide a comprehensive report on the State of the Basin Report, the Basin Management Plan update, and on an Ordinance of the Pajaro Valley Water Management Agency mandating completion of the Water Conservation Practices Questionnaire. This report back also includes discussion of an interim, urgency ordinance enacted by the Monterey County Board of Supervisors limiting development and new uses of water in north Monterey County (Pajaro Basin), a policy amendment on water service in the unincorporated area by the City of Watsonville, and upon an Action Pajaro Valley Proposal for balancing solutions for the Pajaro Valley overdraft using local sources. This report addresses the above matters and offers recommendations for your Boards consideration,

State of the Basin Report and Basin Management Plan Update

The State of the Basin Report has not yet progressed beyond an administrative draft. Staff at the PVWMA have recently indicated that a draft form of this report should be available prior to the end of the year.

The Basin Management Plan 2000 evaluated four alternative water supply project configurations designed to develop supplemental water for the Pajaro Valley. The recommended project is an alternative that involves local recharge projects, water conservation, recycled water, and "in-lieu" groundwater banking. (The groundwater banking represents 16,000 acre-feet of water that does not get pumped out of the aquifer. The approach assumes that irrigation demands are met from surface water deliveries from Central Valley Project

entitlements). The approach is predicated upon the PVWMA acquiring its Central Valley Project (CVP) entitlement of 19,900 acre-feet per year in addition to the Mercy Springs contract assignment that provides 6,200 acre-feet per year. The construction of an import pipeline for conveyance of the water into the Pajaro Valley is an integral component of the plan.

The variability of annual supply from the CVP requires additional supplies be provided on an annual average to meet the needs of the Pajaro Valley. The recommended project estimates a yield of 23,000 acre-feet per year at a cost of \$137 million dollars. Individual yield components estimate 3,000 acre-feet from the local recharge projects, 4,000 acre-feet from recycled water, and 16,000 acre-feet of “in-lieu” groundwater banking.

Staffs main concern with the BMP2000 is that the update seemed singularly focused on identifying a supplemental water supply project. The plan does not consider other elements of groundwater management that should be considered in a comprehensive basin management planning effort. Staff felt that identifying recharge areas, small public water systems and characterizing the water quality of the different aquifer units should be included in BMP2000. County staff provided comments to the PVWMA on the BMP2000. Staff comments were grouped into process related comments and comments focused on the technical aspects of water resources planning and management.

Process related comments included concern regarding the lack of a technical advisory committee associated with the development and direction of the BMP2000 effort; the need to coordinate the groundwater management efforts of the PVWMA, the Soquel Creek Water District, and other districts in north Monterey County; the need to discuss the deepening of wells into different aquifer units and the CEQA ramifications of whether an environmental determination is necessary; and the lack of a triggering mechanism connecting increasing chloride monitored along the coast and/or declining groundwater elevations to the need to institute more aggressive groundwater management.

Comments regarding the technical aspects of water resource planning and management begin with the concern that the BMP2000 does not adequately address nitrates as a contamination problem to the groundwater resources of the basin. A second concern is the lack of evaluation of the impact of groundwater pumping to stream baseflow conditions and/or dry reaches in Corralitos Creek; a third concern relates to varying assumptions between the 1993 Basin Management Plan and BMP2000 regarding agricultural water use and conservation potential; the last concern expressed included the need to identify and protect recharge areas, and to develop a land use map linking known wells and water distribution systems with wellhead protection strategies. A complete copy of staffs comments on BMP2000 is included as Attachment 1.

Nitrate Issues

Staff believes that a nitrate problem exists in the groundwater of the Pajaro Valley basin. Past county monitoring programs in the Pajaro Valley have verified the problem and that knowledge has been reinforced by more recent data in the technical appendix of the administrative draft of the State of the Basin Report. The data suggest that approximately 35% of the wells monitored exceed drinking water standards for nitrate. Although this may not be a problem for agricultural applications of this water, the presence of this constituent at elevated levels in groundwater is troublesome for drinking water wells and small water systems.

The PVWMA has not developed any recommendations on the matter. Therefore, county staff will assemble

a working group to refine knowledge of the nitrate problem and expand efforts to address the issue over time. It is envisioned that the nitrate working group would be comprised of staff from Environmental Health Services, Planning, the Agricultural Commissioner's Office, the PVWMA, and the Santa Cruz County Farm Bureau. It is also envisioned that the working group would become a sub-committee of the Interagency Water Resources Working Group.

As part of this effort, staff will compile water quality data and begin a mapping effort to identify individual water systems and small community and non-community water systems which may be at risk to elevated levels of nitrate. Given the importance of monitoring nitrates in drinking water and since Environmental Health is responsible for regulating individual and small water distribution systems, staff is recommending a nitrate screening program be established for individual and small public water systems. This program can be made available at no charge for systems providing drinking water and can be implemented within existing budget and staff resources.

Action Pajaro Valley Plan

Since the BMP2000 has been released and reviewed, members of the Action Pajaro Valley visioning process proposed their own Balancing Solutions for the Pajaro Valley overdraft. The Balanced Solution for the Pajaro Valley overdraft lists two objectives: 1) Achieve a coastal zone net reduction of pumping of 18,900 acre-feet and 2) Achieve a basin wide 20,000 acre-feet reduction of overdraft. To accomplish these objectives the Action Pajaro Valley Proposal (APV proposal) includes conservation savings by fallowing land, tiered water rate structures and reducing City of Watsonville consumption. The APV proposal also promotes the development of farm reservoirs in the Springfield and San Andreas road areas, tertiary recycled (and blended) water and capturing local runoff at Harkins Slough, Watsonville Slough, College Lake, Pinto Lake, and Corralitos Creek. Runoff collected would be used directly and/or injected into the basin in the vicinity of College Lake. As indicated, the emphasis of the proposal is for a local balanced solution to the overdraft.

The Pajaro Valley Water Management Agency has directed their water resource planning consultant to evaluate the technical and engineering feasibility of the APV proposal. While county staff have not thoroughly reviewed the APV proposal, we understand that the proposal includes 30 injection wells at College Lake (as opposed to 7 or 8 in the 1993 Basin Management Plan), includes diverting Corralitos Creek to the injection wells and involves the drilling of supplemental water supply wells to meet peak and dry year demands in the coastal area. The proposal is largely conceptual at this point and little detail expanding or evaluating the proposal is available. The evolution of this proposal will be further addressed in subsequent progress reports.

The BMP2000 and the APV proposal recommended solutions come from the frame of reference of water supply planning. Recently two land use planning actions by the County of Monterey and the City of Watsonville have been implemented that may either directly or indirectly provide a nexus between land use planning and water supply planning in the Pajaro Valley groundwater basin.

Monterey County Interim Urgency Ordinance

On September 26, 2000, the Monterey County Board of Supervisors added Chapter 16.75, entitled North Monterey County Hydrogeologic Area Development Limitations to the Monterey County Code. Chapter 16.75 was adopted on an urgency basis as an interim ordinance and imposes certain limitations of limited duration on development in the north Monterey County hydrogeologic study area that proposes to use water,

pending consideration of appropriate amendments to the County General Plan, Coastal Implementation Plan, and/or applicable zoning ordinances for the impact area as defined.

Monterey County Counsel has summarized the ordinance as follows:

“This interim ordinance adds Chapter 16.75 to the Monterey County Code to limit development and prohibit the approval of any discretionary or ministerial application for any development project located in the North Monterey County Hydrogeologic Study Area that proposes to use water, with the exception of an application for an addition, remodel, or reconstruction of an existing residence, or construction of the first residence or commercial or industrial use on a vacant existing legal lot of record, provided that the commercial or industrial use requires no more than 0.4 acre-feet of water per year. This ordinance will not apply to any discretionary or ministerial application or application request for any development project located in the Study Area that proposes to use water which was made on or before August 9, 2000. This ordinance also prohibits the conversion of non-irrigated land to irrigated land for agricultural purposes. An applicant with a discretionary permit made on or before August 9, 2000 and subsequently approved may apply for a building permit for the approved use. This ordinance expires 18 months from its date of adoption unless extended by the Board of Supervisors.”

The Monterey County ordinance is noteworthy in that it prohibits the approval of certain applications that use water including, but not limited to, new subdivisions and conversion of non-irrigated to irrigated land for agricultural purposes. At the same time the ordinance attempts to restrict intensification of water use so as to not exacerbate the existing severe overdraft condition until long-term solutions and a new general plan are developed. A copy of the minute order and ordinance is included for your review as Attachment 2. A copy of the Monterey County staff report is on file for review in the office of the Clerk of the Board (Attachment 3).

It is worth noting that our County already has various safeguards in place against unrestricted development in the unincorporated area. Because of the existence of these policies, staff does not believe it would be appropriate to pursue a similar approach.

Policies Limiting Water Connections In Areas Outside the City of Watsonville

On October 10, 2000, the City of Watsonville amended their water service policies in the unincorporated area of their service area. County staff have concerns that the City’s amended policy may have an impact similar to that of the Monterey County Ordinance in the unincorporated area of Watsonville’s water service area. The City’s decision to amend its water service policy, however, differs from the water supply perspective of north Monterey County. The City’s perspective is based on the premise that the provision of sewer and water utilities to land uses outside of the city limits is a hindrance to the City’s city-centered growth policies. Specifically, the City’s action is intended to encourage an increase in densities in urban service areas, result in the provision of affordable housing and discourage continued low density sprawl.

The City staff report included a recommended water service policy and three additional alternatives for limitations in both urban and rural areas within the unincorporated area of the City’s service area. A copy of the City staff report and the Urban and Rural Water Connection Limitations Alternatives is included as

Attachment 4.

The policy adopted by the Watsonville City Council would allow for water service to be provided to projects in the Urban Area of the unincorporated area if the project met the following criteria: 1) Minimum density of 12 dwelling units per acre; 25% Affordable; and consistent with City housing goals and affordability levels; 2) 100% Affordable Agricultural Worker Housing; 3) An accessory dwelling unit with deed restriction limiting occupant to 60% of County Median Income; and 4) Schools or Day Care with 25 or more students.

In the Rural Area of the unincorporated area, the City Council adopted their staffs recommended policy wherein water service would be provided to projects meeting the following criteria: 1) An Accessory Dwelling Unit with deed restriction limiting occupant to 60% of County Median Income provided that the parcel contains an existing primary residence with a City water connection; 2) a 100% Affordable Agricultural Worker Housing; and 3) Schools or Day Cares with 25 or more students.

The primary concern of County staff regarding the City of Watsonville's new water service policy is that the amended policy may inadvertently encourage the proliferation of private wells wherever the City's new criteria for water service can not be met. Based on the Assessors Land Use Code, staff has identified 282 vacant parcels within this area. Many of the parcels are sizeable and the potential for subdivision may substantially increase this number. Staff will continue to explore the impact of the City's amended water service policy on proposals in the unincorporated area of the County.

Impacts of Watsonville's Amended Water Service Policy

In the Urban area of the unincorporated area, the City's amended policy implies that they will not provide a "will serve" letter for densities less than 12 dwelling units per acre or if other criterion cannot be met. Without a "will serve" letter, the County cannot issue building permits or process applications for development at any density. This policy results in a defacto moratorium on housing projects in the unincorporated area served by the Watsonville Water Department, if the project does not meet the City's housing guidelines.

In both the urban and rural areas, the County has permitting authority for new wells. Toward this end, the County must address the issue of whether to allow new wells in the service area of a water district in a critically overdrafted groundwater basin. Present county policy uses CEQA to evaluate any new well which serves more than two connections. Environmental Health staff do not require CEQA analysis for an individual new drinking water well, thus, the present policy could indirectly influence further development proposals in the direction of low density, single family development within the unincorporated area. Your Board should note that the new drinking water wells which serve individual, developing parcels are neither subjected to the provisions of the City Water Use Reduction Program, nor are they monitored, after the initial well installation, for drinking water quality, especially nitrates. Without the ability to refer applications to the City's Water Use Reduction Program, the County is left without a mechanism to mitigate new water use in a critically overdrafted groundwater basin.

As you can see, the City's new water policy raises land-use and housing issues that are well beyond the established work program of the Water Resources section of the Department. The Department is looking into these issues and will return to your Board with a more detailed discussion about the interface between these critical issues effecting land-use and water policy in the Department.

The City's amended policy is one more indicator of fragmented water policy being implemented in the Pajaro Valley Groundwater Basin. Staff will be meeting to review County well permitting policy that takes into account this new water service policy in the Pajaro Valley groundwater basin. The PVWMA sees the matter simply as a land-use matter and has not "weighed in" on the issue as it may relate to water management. Staff will, therefore, initiate discussion between the County and the PVWMA over the County's concern for water resource matters in the unincorporated area. This discussion could also include water conservation, water quality management, protection of stream baseflow and other matters as discussed under the heading of the Basin Management Plan update. Staff will also request the PVWMA to reconvene quarterly meetings of jurisdictions with responsibility for water management throughout the basin.

Water Conservation Plans

Lastly, the mandatory filing of on-farm agricultural water conservation plans was a concern expressed by your Board at the time of the last progress report. You may recall that the PVWMA Board initially requested voluntary compliance with agricultural water conservation reporting requirements. In June of this year, the PVWMA Board of Directors adopted Ordinance 2000-03, entitled An Ordinance Of The Pajaro Valley Water Management Agency Mandating Completion Of The Water Conservation Practices Questionnaire. The PVWMA is preparing the questionnaire for mailing this month and it is anticipated that the survey results will be available early next year.

It is therefore RECOMMENDED that your Board:

- 1) Accept and file this Progress Report On Activities To Mitigate Overdraft In The Pajaro Valley; and
- 2) Direct Staff to develop and promote a free nitrate screening program for individual and small water distribution systems in the Pajaro Valley groundwater basin; and
- 3) Direct Planning Staff to evaluate the land-use, housing, and water resource policy issues raised by the new Watsonville City water policy and to return to your Board on or before March 20, 2001 with a report on these issues; and
- 4) Direct Staff to provide a comprehensive report back on or before May 29, 2001, on ongoing activities to mitigate overdraft and water quality issues in the Pajaro Valley Groundwater Basin.

Sincerely,



ALVIN D. JAMES
Planning Director

RECOMMENDED



SUSAN A. MAURIELLO
County Administrative Officer

Blc/WRM00-12

- Attachments:
- 1) County staffs August 3 1, 2000 Review of draft Basin Management Plan 2000.
 - 2) Monterey County Ordinance establishing new Chapter 16.75, North Monterey County Hydrogeologic Area Development Limitations.
 - 3) Monterey County Staff Report On The North Monterey County Hydrogeologic Study Area- Moratorium (On File In The Clerk Of The Board).
 - 4) City of Watsonville Staff Report On Policies Limiting Water Connections In Areas Outside The City and Urban and Rural Water Connection Limitations Alternatives.

cc: Pajaro Valley Water Management Agency
City of Watsonville
County of Monterey
County of San Benito
Agricultural Commissioner
Environmental Health Services
Santa Cruz County Farm Bureau



County of Santa Cruz 0198

PLANNING DEPARTMENT

701 OCEAN STREET, 4TH FLOOR, SANTA CRUZ, CA 96060
 (831) 454-2580 FAX: (831) 454-2131 TDD: (831) 454-2123

ALVIN D. JAMES, DIRECTOR

August 31, 2000

Mr. Charles McNiesh
 Fajaro Valley Water Management Agency
 36 Brennan Street
 Watsonville, CA 95076

FE: Review of draft Basin Management Plan 2000

County water resource staff would like to offer some general comments on the draft Basin Management Plan 2000 (BMP2000). We recognize that these comments are late in coming to your agency, but the majority of them have already been orally conveyed to you. It had been anticipated, for some months, that staff would have the opportunity to review the BMP 2000 in tandem with another support document, the State of the Basin Report. As the State of the Basin Report has yet to be released in a public draft form, our staff can only offer general comments on the BMP2000.

The BMP2000 was intended to expand and direct additional PVWMA groundwater management activities from those programs initiated by the 1993 Basin Management Plan. Upon review, the BMP2000 seems singularly focused on supplemental water supply planning and does not consider other elements of groundwater management that should be considered in a comprehensive basin management planning effort. The comprehensiveness of the basin management and planning effort becomes increasingly important in light of the Agency's present inability to contract with the Bureau of Reclamation for water allocated from the Central Valley Project. Because the County also has statutory concerns about the status of groundwater resources, we offer the following general comments on the BMP2000.

General Comments

Our general comments on the BMP2000 can be grouped into two categories. These two categories include process related comments and comments focused on the technical aspects of water resources planning and management. This letter provides a brief comment focusing on our staff's concerns within each of these categories.

Process Related Comments

County staff maintains a concern for process related activities that are either not occurring or that were not addressed in the BMP2000. The first of these concerns has to do with the apparent abandoning of the Agency's Technical Advisory Committee (TAC). The TAC was a good process based forum to exchange technical information and ideas with others. Perhaps the scope and vision of this planning effort would have been expanded to cover some of the technical process issues which are not addressed in the current plan. In the previous Basin Management Plan (BMP93), TAC members reviewed all elements of the plan as it was being

prepared. County staff feels that the BMP93 had more support because of the interactive nature of the process used in the development of the plan. Consensus building and the resolution of current and future issues may benefit from the presence of a TAC. Such issues may include group review of the State of the Basin Report, other technical documents, discussions surrounding the use of methyl bromide, the presence of elevated levels of nitrates, and a tiered rate structure for agricultural water use.

A second process related function not addressed in the draft BMP2000 is the need to coordinate management efforts of the Pajaro Valley Water Management Agency, the Soquel Creek Water District, Central Water District and likely involve districts in north Monterey County. It would appear that all districts could benefit from cooperative exchange regarding the management of a common groundwater basin. All of the above cited districts, including the County of Santa Cruz, have various levels of statutory authority for water resources within this common groundwater basin. It would seem appropriate to attempt to forge cooperative groundwater management policies and programs across the different jurisdictional boundaries. Conservation, drought forecasting, water shortage contingency planning, demand management, wellhead protection, monitoring programs and jointly adopted ordinances are all examples where cooperative programs or policies could be better coordinated. The BMP2000 is the appropriate vehicle to launch these discussions and PVWMA should consider exercising its leadership on this issue.

A third process that is pertinent to County water resource staff involves the deepening of wells into different aquifers and the CEQA ramifications of whether an environmental determination is necessary or not. As you may recall, replacement wells in the same aquifer are exempt from CEQA analysis. New wells and deeper wells must be analyzed for their cumulative affect against the unfavorable background groundwater conditions present in the Pajaro Valley basin. In many sub-areas of the basin, wells are deepened into different aquifer units either to increase groundwater production or improve water quality. An applicant for a new agricultural well will generally attempt to have their application considered as a replacement well and therefore seek exemption from CEQA.

It is a recognized hydrologic premise that deeper aquifers receive less recharge on a per acre basis. Therefore production from new wells in deeper aquifer units further exacerbates cumulative overdraft conditions or groundwater mining of the deep zone. The value of the deep aquifers is their stored water, and the time they afford until a long-term solution can be realized. County staff specifically requested that the BMP2000 address this issue on a programmatic level. This request was made so that individual applicants for new wells do not have to be confronted with an environmental review within a background of a critically overdrafted groundwater basin. It had been previously speculated that local recharge projects, in-lieu recharge or conserved water could be identified in a mitigation bank until such time that a supplemental water source becomes available. If the BMP2000 would address this issue, it would be easier to support policy changes at the County which currently beset PVWMA constituents as they begin the permit process for a new well.

The last process related concern which should be addressed in BMP2000 is the lack of connection between increasing chlorides monitored along the coast or declining groundwater elevations and the need for more progressive groundwater management. It would seem appropriate to establish a connection wherein a predetermined threshold level of chlorides or a decline in groundwater elevation triggers increased monitoring frequency and/or accelerated conservation practices. Contingency planning that addresses deteriorating groundwater conditions should include notification requirements for small water distribution systems along the coast and throughout the basin.

Technical Aspects of Water Resource Planning and Management

County staff also maintains a concern for elements of groundwater resource planning and management which

are not addressed in the BMP2000. The first of these concerns has to do with whether the BMP2000 adequately addresses nitrate as a contamination problem to the groundwater resources of the basin. Our staff's opinion is that groundwater is contaminated by elevated levels of nitrate within the shallow alluvial aquifer and in most other areas of the basin where water table conditions prevail due to the absence of confining clay layers in the sub-surface. Clay aquitards appear to protect the deeper, confined aquifers in the valley floor from this threat.

Previous county monitoring programs and current PVWMA monitoring efforts clearly document a widespread water quality problem with roughly 25 to 35% of wells monitored exhibiting nitrate levels that exceed standards for drinking water. Actions to address the nitrate problem are warranted. The development of these actions should be recommended in the BMP2000. Contingency planning should also include provisions for a replacement supply for small water distribution systems along the coast and throughout the basin. The County recommends the creation of a nitrate advisory committee to evaluate the magnitude of the problem and suggest possible management prescriptions. A similar approach in the Salinas Valley appears to be succeeding in bringing stakeholders together to address the issue there.

A second concern in this category is the lack of recognition or evaluation of the impact of groundwater pumping to stream baseflow conditions and/or dry reaches of Corralitos Creek. Dry streambed conditions in reaches of Corralitos Creek can be attributed to induced infiltration of the surface water from the stress of groundwater pumping. As you are aware, raspberries and bushberries have replaced orchards in many areas throughout the community of Corralitos intensifying per acre water demand and gross pumpage. Our staff's studies indicate that reaches of Corralitos creek are drying up sooner, dry areas are increasing in size and the duration of drying appears to be extended even in recent wet periods. All symptoms indicate regional lowering of the water table. A proliferation of requests for deepening wells in the area seems to support the diagnosis. As Corralitos Creek supports listed anadromous fish and is a focal point to the Corralitos Community Planning effort, further evaluation and management, prescriptions appear to be warranted. A hydrologic investigation of the effects of groundwater pumping upon stream/aquifer interactions should be included as a recommended program of the BMP2000 and included in any strategic planning effort.

A third concern in this category relates to assumption regarding agricultural water use and conservation. As you may recall, the BMP93 assumed that agricultural water use will remain constant over time, Our staff challenged that assumption. The assumption was that any intensification of water use per acre from the conversion of low water using orchards to truck crops or berries will be offset by greater water use efficiencies and technological improvement. Agricultural water use in BMP93 was estimated to be 53,000 acre-feet/year and realizable agricultural water conservation savings were assumed to be 10% or 5,300 acre-feet/year. BMP2000 now estimates agricultural water use to be 59,300 acre-feet/year, approximately 12% higher than six years ago. Potential agricultural conservation savings are now estimated to be 4,500 acre-feet per year, a 15% reduction from prior estimated conservation savings. It is worth noting that all of the previous estimated conservation savings have been eclipsed by the estimated increase in water use. It is commendable that the agency has required mandatory compliance for completion of the Water Conservation Practices Questionnaire (Ordinance 2000-03). Additional efforts appear to be warranted, recommendations in BMP2000 could include the hiring of a full-time conservation coordinator, expansion of the mobile lab program, and evaluating agricultural water use features contained within Monterey County's proposed emergency ordinance to temporarily prohibit application for projects that intensify water use.

A fourth concern in this category is that important aspects of a basin management plan may have been overlooked in the preparation of BMP2000. These aspects include the identification of recharge areas and protecting these areas from activities at the land surface that could lead to blockage or pollution. A land use map should be included in BMP2000. The contiguous boundaries of the Pajaro Valley Water Management

Agency, Soquel Creek Water District, Central Water District and districts in north Monterey County should be exhibited on the map. The map should also locate wells utilized by all water distribution systems whether public, private or mutual. Including this information would provide the first linkage between potential groundwater contamination from activities at the land surface and wellhead protection needs for the water distribution systems. The BMP2000 could also incorporate some classification scheme to assess susceptibility of contamination of the aquifer based on hydrogeologic parameters, land-use and other related factors. This assessment could be simply based on groundwater contours, depth to water, geology, slope of the land surface and soil texture or it could be as complex as the United States Environmental Protection Agency's D.R.A.S.T.I.C. program.

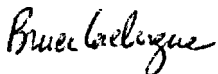
'The above aspects of a basin management plan become more important if the City of Watsonville alters its existing policy on water connections outside their city limits, promoting a greater proliferation of private drinking water wells. Along these lines, County staff would suggest that the PVWMA assert its leadership on matters of water resource policy inside and outside the Watsonville city limits.

Concluding Remarks

Our staff recognizes that the Basin Management Plan 2000 was formulated quickly and that pressure from the County for additional groundwater management was one of several contributing factors that influenced the quick timeline for plan development. The BMP2000 provides clear direction for supplemental water supply measures. While acknowledging the efforts your agency has undertaken to address supplemental water needs, it remains abundantly clear that there is no quick or easy solution to the sizeable overdraft and seawater intrusion problems. Since there is no quick solution, our staff would request that your agency consider amending the BMP2000 to address and initiate the process related comments and technical aspects of water resources planning and management raised in this letter.

As always, we appreciate the ongoing interaction of staff and the opportunity to provide these comments. It is hoped that these comments will help make the plan a better working document and will assist agency efforts to mitigate overdraft in the Pajaro Valley.

Respectfully submitted,



Bruce Laclergue
Water Resources Manager

cc: Alvin James, Planning Director
Diane Evans, Environmental Health Director
Water Advisory Commission

BEFORE THE BOARD OF SUPERVISORS IN AND FOR THE COUNTY OF MONTEREY, STATE OF CALIFORNIA

- 1) Received a Report from the Planning Commission Summarizing Various Options for New Development Located in the North Monterey County Hydrogeologic Study Area (Study Area) that Propose to Use Water;
- 2) Introduced an Ordinance, Waived the Reading, Conducted a Public Hearing and Continued to September 26, 2000 to Adopt a Resolution to Approve a Negative Declaration, and Adopt an Ordinance Establishing and 18-Month Moratorium on Certain Types of New Development Located in the Study Area that Propose to Use Water;
- 3) Directed Staff to Monitor the Impact on the Pajaro Community, Within the County's Pajaro/Castroville Redevelopment Project Area, to Assure the Viability of the Overall Redevelopment Effort

A public hearing is held to receive a Report from the Planning Commission summarizing various options for new development located in the North Monterey County Hydrogeologic Study Area that propose to use water, to consider adoption of a proposed Resolution to adopt the Negative Declaration and to adopt an Ordinance imposing certain limitations of limited duration on development in the North Monterey County Hydrogeologic Study Area that proposes to use water, pending consideration of appropriate amendments to the County General Plan, Area Plans, Coastal Implementation Plan, and/or applicable Zoning Ordinances for the impact area as defined.

Jim Colangelo, Assistant County Administrative Officer-Environmental Resource Policy, introduced the item before the Board. He indicated that staff has distributed a revised draft Board Order changing staff's recommendation from adopting the resolution and the Ordinance today as an Urgency Ordinance. The revised recommendation is to introduce and waive the reading as a standard Ordinance today; close the public hearing; and take final action on the Ordinance at the Board meeting of Tuesday, September 26, 2000 on the Consent Calendar. Because both the Interim Urgency Ordinance and the standard Ordinance would set the cut-off date as August 9th, this revised process would alleviate any confusion among the public about the Ordinance's adoption process. In addition, staff is adding Recommended Action No. 3, and it involves a concern on possible impacts of this proposal on the County's Pajaro/Castroville Redevelopment Project Area, particularly the Pajaro community. This recommendation would direct staff to monitor the impact on the Pajaro community, assure the viability of the overall redevelopment effort. Mr. Colangelo states that staff has also distributed copies to the Board and members of the public of a change in the definition section of the Ordinance. This would clarify

that development does not include the construction, re-construction or demolition of any pipeline, well facility, improvement and/or structure of any public water agency delivering public water supplies for the purposes of replacing or completing water services required to be delivered by that water agency or any other water purveyors. Staff wanted to be very clear that we were allowing this type of use to happen, and the Ordinance would not affect this. This is specifically important for the Pajaro/Sunny Mesa Community Services District and the possibility of their receiving a \$6 million State Grant to help improve the water system in that area. Staff recognizes that by adopting this action is not the solution to the problem. Staff want's to work with the community and all of the interested parties on a solution. But until a solution is in place, staff feels it is imperative that we tell applicants that are coming in to this process that there is a problem here, and they need to know up-front as they enter the application process. He addressed the issue of water use versus intensification of use, and explained staff did not support this issue as they wanted to focus their efforts more on the solution to the problem in this interim period.

Ann Towner, Supervising Planner, stated that this item addresses water issues in North Monterey County, which is an area that is experiencing severe over-draft conditions, resulting in falling water levels and seawater intrusion. Water use is estimated to exceed the average recharge by more than 100%. Nitrate contamination levels are also increasing, and have had a significant impact on the domestic water supply. The County's long-term goal is to balance the water supply, and ensure that it meets health standards. Currently, the County is addressing the long-term solution in the Comprehensive Water Resources Management Plan, which is scheduled for completion by the end of the year. Today's action would implement an 18 month Ordinance which would allow time for the identification, and implementation of long term measures to address the water shortage. She explained the reasons why this matter is before the Board today.

Mike Novo, Acting Supervising Planner, described what the Ordinance will do, how it will affect development in North County, and the correspondence received. He explained the types of development that would be prohibited for 18 months, and presented the list of exemptions included in the document. Applications in process on or before August 9, 2000, will continue to be processed as they currently are, with each having to be determined consistent with the applicable plan policies, and also provide mitigation measures for any significant cumulative impacts unless overriding considerations are adopted. He displayed a list of applications that have been filed after August 9, 2000, which would continue to be accepted and processed, if this Ordinance is adopted but with recommendation for denial. This would be explained to the applicants. He briefly responded to comments included in some of the correspondence received.

The public portion of the hearing is now opened. Marc Del Piero, Attorney representing the Pajaro/Sunny Mesa Community Services District; Norman Welch; Darlene Din, representing the Santa Cruz County Farm Bureau; Chris Bunn, representing the Board of Directors of Common Ground; Jim Ingram; Hewitt Clark, Architect; Pete Skinner; Karen Lynn Engles; Mark Blum, Attorney representing various property owners; Kathy Bernard, Director of the Pajaro Valley Housing Corporation in Watsonville; Alfred Diaz Infante, representing CHISPA; Judy Taylor; Klaus Klepple; Grace Rasmussen; Lynn Riddle; Martha Rau; Sharan Lanini, representing the Monterey County Farm Bureau; Doug Cody, representing the Pajaro Valley Water Management Agency; Larry Seaman, Planner; Jack Compton; Karen Miller; Marjorie Kay; Sister Rosa

Delores; Diane Russell; John Bridges, Attorney; Brian Finegan, Attorney representing a number⁰²⁰⁴ of clients; Juan Uranga, representing the Center for Community Advocacy; Don Chapin, local resident and developer; Linda Murdock; Bill Fenwick; David Freed; Bud Davidson; Drew Hamilton; Maury Klepple; Michelle Kirby; Linda Greer; Jeff LaTourette; Don Hunt; Duncan Blue; Hans Schmidt, President of Manzanita Estates; Julie Ingle; Joanie Elms; Peggy Shirrel; Jan Mitchell; Carolyn Anderson; Lynn Clapton; and Patricia Bernardi address the Board both in favor and in opposition to the proposed Ordinance establishing an 18-month moratorium in the North County Area.

The public portion of the hearing is now closed. Supervisor Potter moves to approve the staff's recommendation, to:

1. Receive a report from the Planning Commission summarizing various options for new development located in the North Monterey County Hydrogeologic Study Area (Study Area) that propose to use water;
2. Introduce an Ordinance, waive the reading, conduct and close the public hearing and continue to September 26, 2000 at 9:30 a.m. (Consent Calendar) to adopt a Resolution to approve a Negative Declaration and to adopt an Ordinance, as proposed by staff, including the amendment to the definition of development requested and proposed by the Pajaro/Sunny Mesa Community Services District, including an amendment to Section 16.75.080 regarding severability, to include language to the effect that "provided that the Board would not have passed this Chapter without the exemptions enumerated in Section 16.75.060;" establishing an 18-month moratorium on certain types of new development located in the Study Area that propose to use water; and indicating that the 18 month period is to be measured from August 9, 2000;
3. Direct staff to monitor the impacts of the Ordinance on the Pajaro community, to make sure that this does not block projects that are consistent with the County's Pajaro/Castroville Redevelopment Project Area; that any perceived conflicts or inconsistencies there would be brought to the Board of Supervisors for resolution; and
4. Direct staff to monitor the effective period of this Ordinance in connection with the General Plan update so that there is no inconsistent overlap.

Supervisor Pennycook seconds the motion. Supervisor Calcagno moves to amend the main motion to include an exemption of the provisions to allow new irrigated agricultural lands to come into production in the proposed Ordinance. The motion to amend is seconded by Supervisor Johnsen. After discussion, the motion to amend is withdrawn. The original motion is approved by the following vote, to-wit:

AYES: Supervisors Salinas, Pennycook, Calcagno, Johnsen and Potter.

NOES: None.

ABSENT: None.

I, SALLY R. REED, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof at page - of Minute Book 70, on September 19, 2000.

DATED: September 19, 2000

SALLY R. REED, Clerk of the Board
of Supervisors, County of Monterey, State of
California

By:  Deputy

ORDINANCE NO.

0206

AN INTERIM ORDINANCE OF THE COUNTY OF MONTEREY, STATE OF CALIFORNIA, ADDING CHAPTER 16.75 TO THE MONTEREY COUNTY CODE, IMPOSING CERTAIN LIMITATIONS OF LIMITED DURATION ON DEVELOPMENT IN THE NORTH MONTEREY COUNTY HYDROGEOLOGIC STUDY AREA THAT PROPOSES TO USE WATER, PENDING CONSIDERATION OF APPROPRIATE AMENDMENTS TO THE COUNTY GENERAL PLAN, AREA PLANS, COASTAL IMPLEMENTATION PLAN, AND/OR APPLICABLE ZONING ORDINANCES FOR THE IMPACT AREA AS DEFINED.

County Counsel Summary

This interim ordinance adds Chapter 16.75 to the Monterey County Code to limit development and prohibit the approval of any discretionary or ministerial application for any development project located in the North Monterey County Hydrogeologic Study Area that proposes to use water, with the exception of an application for an addition, remodel, or reconstruction of an existing residence, or construction of the first residence or commercial or industrial use on a vacant existing legal lot of record, provided that the commercial or industrial use requires no more than 0.4 acre-feet of water per year. This ordinance will not apply to any discretionary or ministerial application or application request for any development project located in the Study Area that proposes to use water which was made on or before August 9, 2000. This ordinance also prohibits the conversion of non-irrigated land to irrigated land for agricultural purposes. An applicant with a discretionary permit made on or before August 9, 2000 and subsequently approved may apply for a building permit for the approved use. This ordinance expires 18 months from its date of adoption unless extended by the Board of Supervisors.

The Board of Supervisors of the County of Monterey ordains as follows:

Chapter 16.75

**NORTH MONTEREY COUNTY HYDROGEOLOGIC AREA DEVELOPMENT
LIMITATIONS**

SECTION 1. Chapter 16.75 is added to the Monterey County Code to read as follows:

Sections:

- 16.75.010 Findings and Declarations.
- 16.75.020 Purpose.
- 16.75.030 Applicability.
- 16.75.040 Definitions.
- 16.75.050 Regulations.

08/31/2000

- 16.75.060 Exemptions.
- 16.75.070 Enforcement.
- 16.75.080 Severability.
- 16.75.090 Actions Held in Abeyance.
- 16.75.100 No Taking of Property Intended.
- 16.75.110 Effective Date.

0207

16.75.010 FINDINGS AND DECLARATIONS.

A. North Monterey County is experiencing severe overdraft conditions resulting in falling water levels and seawater intrusion. The current water use is estimated to exceed the average recharge by more than 100 percent. The North Monterey County Hydrogeologic Study, Volume 1 (Water Resources), prepared in October 1995 by Fugro-West Inc., states that the area is in a state of overdraft, with a deficit of 11,700 acre-feet. Nitrate contamination levels are also increasing and have had a significant impact on domestic water supply in North County. These water constraints apply specifically to the North Monterey County Hydrogeologic Study Area.

B. The North County Area Plan and Land Use Plan recognize the existence of these problems and direct that studies be made to determine the safe-yield of the North Monterey County aquifers and that procedures thereafter be adopted to manage development in the area so as to minimize adverse effects on the aquifers and preserve them as viable sources of water for human consumption. The approval of any new development proposals that would use water, along with current agricultural practices, future urban development accommodated through subdivisions in the North County area, and potential conversion of land to agricultural use, would exacerbate the existing significant adverse cumulative impact to water quantity and quality in this area.

C. There is a current and immediate threat to the public health, safety, and welfare, and approval of new applications for land use permits and entitlements, located within the North Monterey County Hydrogeologic Study Area, that propose to use water while County staff, the Planning Commission, and the Board of Supervisors study and consider possible general and area plan, coastal implementation plan, or zoning ordinance amendments, would exacerbate the current threat to the public health, safety, and welfare.

D. The County is in the process of completing the Comprehensive Water Resources Management Plan for North County. This document is intended to identify long-term measures and short-term strategies that address water shortages in the North Monterey County Hydrogeologic Study Area. Upon completion of the Study, County staff will present various strategies to the Board of Supervisors, one of which will include possible amendments to the County's various land use regulations to address the poor quality and lack of water in this area. In order to avoid the grant of discretionary and ministerial permits that may be inconsistent with any contemplated amendments to the County's land use regulations, it is necessary for the County to adopt this interim ordinance.

16.75.020 PURPOSE.

0208

It is the purpose and intent of this chapter to temporarily prohibit new water consumption in the North Monterey County Hydrogeologic Study Area to protect the health, safety, and welfare of existing water users. This temporary prohibition will allow the identification and adoption of alternatives and methods to achieve a long-term sustainable water supply for the Study Area.

16.75.030 APPLICABILITY.

A. Applicable to Study Area. The regulations set forth in this chapter shall apply to development that proposes to use water located in the North Monterey County Hydrogeologic Study Area, as shown on the map entitled "North Monterey County Hydrogeologic Study Area" attached hereto and made a part of this chapter.

B. Non-applicable. In adopting this urgency ordinance, the Board declares that it is its intent that the ordinance shall not apply to the following:

1. any application for an addition, remodel, or reconstruction of an existing residence, or a development permit for the first dwelling unit for a vacant existing lot of record;

2. any discretionary or ministerial application or application request for any development project located in the North Monterey County Hydrogeologic Study Area that proposes to use water which was made on or before August 9, 2000;

3. an applicant with a discretionary permit application made on or before August 9, 2000, and subsequently approved, may apply for a building permit for the approved use;

4. rebuilding of any structure destroyed by fire, explosion, act of God, or act of public enemy. Except for reconstruction of a dwelling unit, a structure may be rebuilt to a total floor area and volume not exceeding that of the structure destroyed; and

5. any application for new commercial or industrial development on a vacant existing legal lot of record that will not use in excess of 0.4 acre-feet of water per year.

6. Any application for a new or replacement well construction permit.

7. Any construction activity related to a use allowed by this chapter.

16.75.040 DEFINITIONS.

A. "Agriculture" means the art or science of cultivating the ground, harvesting of crops, rearing and management of livestock, tillage, husbandry, farming, horticulture, and forestry, the science and art of the production of plants and animals useful to man or woman, and wildlife management that uses water.

B. "Application Request" means that initial form provided by the Planning and Building Inspection Department to a prospective applicant for the purpose of assisting the planner in a future appointment to discuss the applicant's project. An application request submitted to the Planning and Building Inspection Department on or before August 9, 2000 is exempt.

C. "Development" means physical changes, on land, in or under water, to include:

1. Change in the density or intensity of use of land, including but not limited to:
 - a. Subdivision pursuant to the Subdivision Map Act (commencing with Section 66410 of the Government Code);
 - b. Any other division of land, including lot splits; and,
 - c. Conditional certificates of compliance pursuant to the Subdivision Map Act.
2. Change in the intensity of use of water;
3. Expansion or construction of water wells, surface water diversions, except for replacement thereof;
4. Construction, reconstruction, demolition, of any facility, improvement, and/or structure, including, but not limited to any facility of any private, public, or municipal utility that uses water.
5. Any use of water for new agriculture, as defined.

D. "Discretionary Application" means an application for any permit that requires review and approval by a decision making body including but not limited to the Monterey County Zoning Administrator, Monterey County Planning Commission or the Board of Supervisors.

E. "Intensification of use of water" for the purposes of this chapter means an increased level of use of water for existing agricultural, commercial, industrial, or

residential property over and above that in existence as of the effective date of this ordinance.

. 0210

F. "Ministerial Application" means an application for any permit the issuance of which involves the application of fixed standards or objective measures, and does not involve the exercise of discretion or personal judgment, including but not limited to issuance of buildings permits, business licenses and/or approval of final subdivision maps, utility service connections and/or disconnections.

G. "Water Use" means any activity involving development of real property that requires the use of water.

16.75.050 REGULATIONS.

A. No application shall be approved for any discretionary or ministerial permit located in the North Monterey County Hydrogeologic Study Area that proposes to use water, except as specified in Sections 16.75.030 and 16.75.060 of this Chapter.

B. No person may convert unirrigated land to irrigated land for agricultural purposes.

16.75.060 EXEMPTIONS. This chapter shall not apply to the following:

A. Any application for an addition to, remodel of, or reconstruction of an existing residence, or a development permit for the first dwelling unit for a vacant existing lot of record.

B. Any discretionary or ministerial application or application request for any development project located in the North Monterey County Hydrogeologic Study Area that proposes to use water which was made on or before August 9, 2000.

C. A discretionary permit application for a structure or use made on or before August 9, 2000, and subsequently approved.

D. Rebuilding of any structure destroyed by fire, explosion, act of God, or act of public enemy. Except for reconstruction of a dwelling unit, a structure may be rebuilt to a total floor area and volume not exceeding that of the structure destroyed.

E. Any application for new commercial or industrial development on a vacant existing legal lot of record that will not use in excess of 0.4 acre-feet of water per year.

F. Any application for a new or replacement well construction permit.

G. Any construction activity related to a use allowed by this chapter.

16.75.070 ENFORCEMENT..

A. It shall be the duty of the Director of Planning and Building Inspection of the County of Monterey and all officers and employees of said County herein charged by law with the enforcement of this chapter, to enforce all provisions of this chapter.

0211

B. Any building or structure set up, erected, constructed, altered, enlarged, converted, moved, or maintained, contrary to the provisions of this chapter, and/or any use of any land, building, or premises, established, conducted, operated, or maintained, contrary to the provisions of this chapter, shall be, and the same is hereby declared to be, a violation of this chapter and a public nuisance.

C. The County may summarily abate the public nuisance and the County Counsel or the District Attorney may bring civil suit, or other action, to enjoin or abate the nuisance. The remedies provided in this chapter shall be cumulative and not exclusive.

16.75.080 SEVERABILITY.

If any section, subsection, sentence, clause, or phrase of this chapter is for any reason held to be invalid, such decision shall not affect the validity of the remaining portions of this chapter. The Board of Supervisors hereby declares that it would have passed this chapter and each section, subsection, sentence, clause, and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared invalid.

16.75.090 ACTIONS HELD IN ABEYANCE.

Should any person, firm, or corporation violate the terms of this chapter, and any action is authorized either by the Board of Supervisors, County Counsel, or District Attorney, or is in fact filed by said agencies for said violation, no other action shall be taken on any application filed by or on behalf of said person, firm, or corporation, until the litigation has been resolved.

16.75.100 'NO TAKING OF PROPERTY INTENDED.

Nothing in this chapter shall be interpreted to effect an unconstitutional taking of property of any person. If the Board of Supervisors determines, based on specific evidence in the administrative record, that the application of one or more of the provisions of this chapter to a proposed project would effect an unconstitutional taking of private property, the Board shall disregard such provision or provisions to the extent necessary to avoid such unconstitutional taking.

16.75.110 EFFECTIVE DATE.

0212

This ordinance shall become effective retroactively to August 9, 2000, and shall expire 18 months from its date of adoption unless extended by the Board of Supervisors. No environmental review shall be required prior to the expiration or extension of this ordinance.

PASSED AND ADOPTED this 19th day of September, 2000, by the following vote:

AYES:
NOES:
ABSENT:

Chair, Monterey County Board of Supervisors

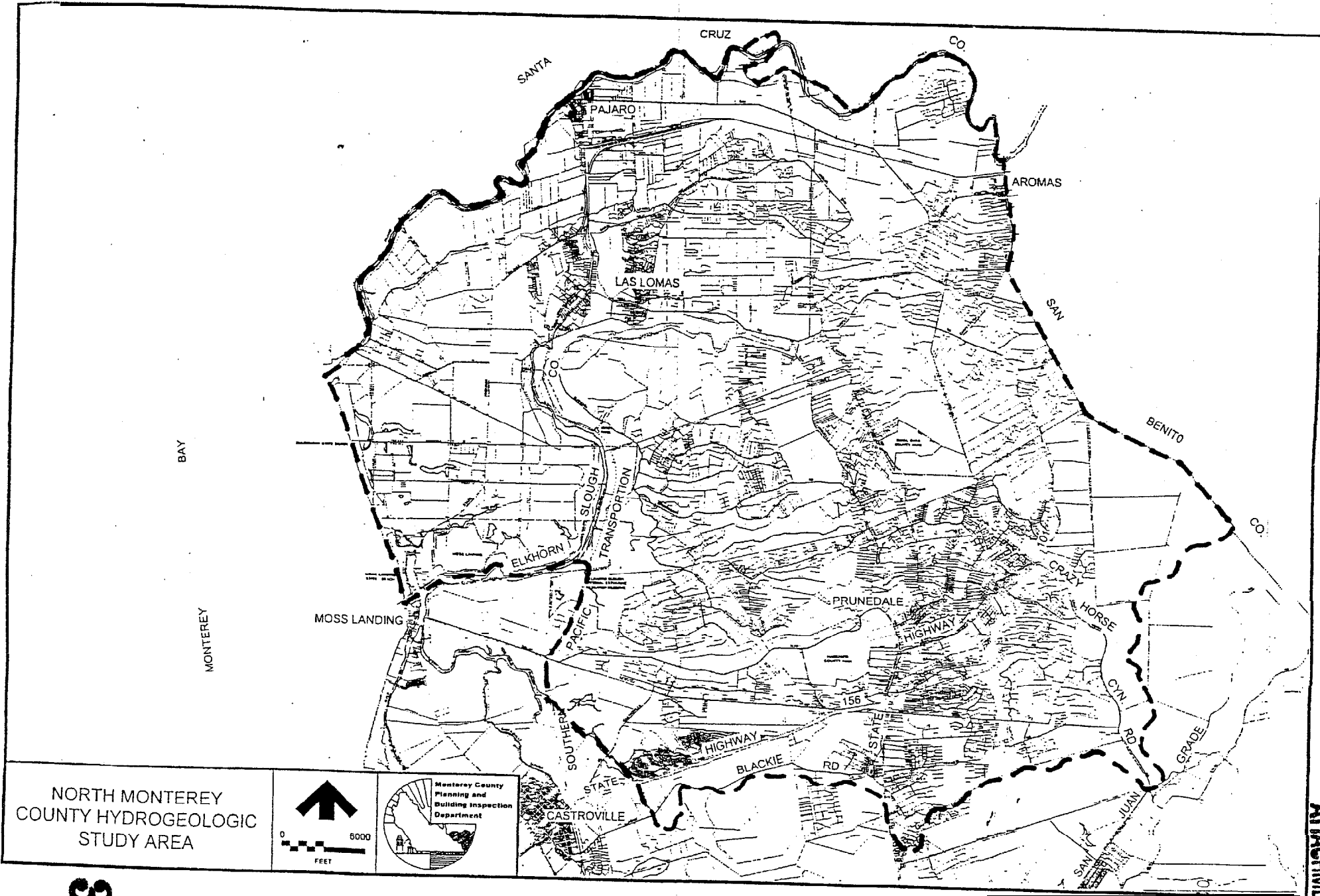
ATTEST:
SALLY R. REED
Clerk of the Board

By _____
Deputy

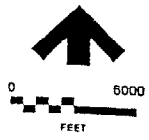
Approved as to Form
ADRIENNE M. GROVER
County Counsel

By _____
Deputy

†
C:\My Documents\Projects\North County Issues\Last Ordinance.doc



NORTH MONTEREY
COUNTY HYDROGEOLOGIC
STUDY AREA



MONTEREY COUNTY

THE BOARD OF SUPERVISORS



NANCY LUKENBILL, CLERK TO THE BOARD
P.O. BOX 1728
SALINAS, CA 93902
(831) 755-5066

September 28, 2000

Mr. Bruce Laclergue, Water Resources Manager
County of Santa Cruz Planning Department
701 Ocean Street, Room 400
Santa Cruz, CA 95060


Re: North Monterey County Hydrogeologic Study Area – Moratorium

Dear Mr. Laclergue:

Please find the enclosed staff report submitted to the Monterey County Clerk to the Board office with regards to the North Monterey County Hydrogeologic Study Area that was heard by our Board of Supervisors on September 19, 2000 at 2:00 p.m. that you requested.

If you have any questions, please do not hesitate to call the office at the number above.

Sincerely


Cynthia Juarez
Board of Supervisors Clerk

cj

Enclosure

Endorsed for presentation
to the City Council

ATTACHMENT 4

MEMORANDUM

City Manager 0215

DATE: September 12, 2000

TQ: Carlos J. Palacios, City Manager

FROM: *JD* John Doughty, Community Development Director
David Koch, Public Works and Utilities Director *DAK*

SUBJECT: Policies Limiting Water Connections In Areas Outside the City

AGENDA ITEM: September 26, 2000 City Council

728-6005
CITY CLERK
To BRUCE HADLER/5
10/1/00
1 of 4 pages

RECOMMENDATION

It is recommended that the City Council adopt the resolution approving policies, included as Exhibit A to the resolution, limiting water connections in areas located outside the City limits, Put within the City's water service area and adopting the Negative Declaration prepared for the project.

BACKGROUND

The Watsonville 2005 General Plan includes an element entitled "Growth and Conservation Strategy". Contained within this element are Goals and Policies to encourage orderly growth (Goal 3.1), containment of urban development (Goal 3.2), foster continuation of agricultural land use (Goal 3.3) as well as a specific policy, Policy 3.A, directing the City to focus efforts on city-centered development. In addition, implementation measures 3.A.1 through 3.A.5 contain specific implementation strategies that include utilizing utility connections as a means to encourage city-centered development strategies.

On April 25, 2000, the City Council approved a contract for the reconstruction of the sewer mains at Pajaro Dunes, a project located outside of the City, but within the sewer service area. Concerns were raised that the City was devoting excessive resources to the provision of utilities outside the City to the detriment of the present and future City residents. The City Council requested that staff return with a report on the City's provision of utility services outside of the City to allow for a more informed discussion and debate.

On June 13, 2000, staff presented its report to the City Council. Various aspects of utility service were presented to the Council. Additionally, staff discussed the related land use issues including whether the City's provision of utilities (water) was a hindrance to the City's city-centered growth policies. Following the presentation, the City Council directed staff to return to the Council with policies to address the limitation of water connections outside of City limits.

DISCUSSION

At the request of the City Council, staff prepared draft policies to establish under which conditions the City will provide water services to a project outside the City. During the Council discussions, it was indicated that the policies should encourage an increase in densities in urban service areas, result in the provision of affordable housing and discourage continued low density sprawl. While there was no specific direction given relative to schools and day care facilities, General Plan policies and the Strategic Plan acknowledge the need to provide additional facilities in the community. The

ATTACHMENT 4

draft policies were developed in consideration of **these** policies and Council directives **as follows**:

0216

I. County Designated Urban Areas

Overview: Objective 1 and the accompanying policies limit water connections within County designated Urban Areas to deed restricted accessory dwellings, affordable projects with a density of at least 12 units per acre, to agricultural worker housing and certain institutional uses such as day care facilities and schools.

Comments: currently three areas designated as Urban Areas in the County General Plan (also included are a few individual parcels adjacent to the City). These areas are located in the area adjoining the Watsonville Airport and Pajaro Lane area. Salsipuedes area and Green Valley Road area (see Exhibit B). These areas are currently served by City water and are located in County sanitation districts. The only limitation to the implementation is the willingness of the County to amend its general plan to accommodate the increased density.

II. County Designated Rural Areas

Overview: Objective 2 and the accompanying policies limit water connections within the Rural Areas to deed restricted accessory dwellings, to agricultural worker housing and certain institutional uses such as day care facilities and schools.

Comment: The Rural Area designation applies to those lands designated agricultural, mountain residential, rural residential or suburban by Santa Cruz County. Included in this designation is the community of Corralitos and adjoining areas. The Corralitos area is currently served by City water or individual wells. Dwellings throughout the Rural Area are primarily sewer by use of individual sewer disposal systems (ISDS-septic systems). The areas are as the designation implies, rural and distant to basic public services such as sewer, libraries or transit. Other than for the provision of agricultural worker housing, the area is not appropriate for significant density increases. The policies have been developed to recognize these limitations and are designed to discourage the further division of land. Based on current policies, the minimum parcel size, with an ISDS and private well would increase from 1 acre minimum to 2.5 acres minimum. However, the vast majority of the area is designated as agriculture with a minimum parcel size of approximately twenty (20) acres; regardless of whether connected to community water.

III. Existing "Water Availability" Letters

Overview: Prior to the issuance of a building permit or approval of a map dividing lands, the owner must provide evidence that water is available for the project. For projects located in the water service area, the City has issued a "water availability" letter to be used as documentation that the City will serve the project. Objective 3 and the accompanying policies address the expiration of existing water availability letters for properties outside the City limits.

Comment: There are twenty-three valid water availability letters ranging from 1997 to April, 2000. As a rule, no expiration date was placed on the letters; however, these letters clearly state that the letter provides no contractual obligation on behalf of the City to provide water service. Staff is recommending that the City Council recognize these existing letters as property owners have made varying expenditures to date in reliance upon the commitment of the City to serve. The draft policies do recommend that an expiration date be provided for each as December 28, 2001; providing in excess of eighteen (18) months from the June hearing to inaugurate the project. Staff considered establishing a varying expiration date based on the issuance date, but for reasons of administration and equity, it is being recommended that the single expiration date be established.

in addition, the City has received an **additional** half dozen requests since the June 13, **2000 City Council** meeting requesting water service. Staff recommends that these requests be considered in accordance with the new water policies.

0217

IV. Continuing Dialogue With Santa Cruz County

Overview: Objective 4 and the accompanying policies **direct** the staff to continue **to** work with and through **Santa Cruz** County to address city-centered development ideals within the Pajaro Valley and on a Countywide basis.. As **Santa Cruz** County represents the governing authority for the area, **continued** dialogue is critical for the ultimate **implementation** of city-centered development principles.

Comment: Staff provided copies of the policies to the Santa Cruz County Planning Department for their review and **comment**. In addition, staff met with the Planning Director to review the policies and to discuss **overall** land use issues as directed by City Council. **Santa Cruz** County staff indicated that they are concerned about the policies' impact on basin overdraft, water quality and limited impact on development activity in the **Pajaro Valley**. It was also indicated that the significant land use issues, such as those being addressed under the policies, would not **likely** be considered by County staff until **the** General Plan update **process** likely to begin within the next twelve to **eighteen** months. It has also been identified that the policies, in combine!?!? **with existing** County policies relative to individual wells may negatively impact some existing smaller lots of record.

Conclusion

The draft policies have **been** created on **the** basis of City Council direction provided on June 13, 2000. **The policies** reflect what staff consider as reasonable, viable and **attainable** in keeping with the **General** Plan goals of city-centered development.

FINANCIAL IMPACT

Adoption **of the** policies will have a minimal impact to the City's Water Enterprise given the **historical** new connection data. If successful: however, the policies could result in additional dwelling **units** and **connection fees** associated with increased density within urban portions of **the unincorporated City** water service areas. Regardless of the action taken by the City Council, the Water Enterprise will serve **existing** customers and maintain existing water infrastructure outside of the City.

ALTERNATIVE

The **City Council may**, based on public comment, modify portions of the proposed policies to more appropriately reflect community issues and concerns.

ATTACH&T(S)

- 1. Watsonville** 2005 General Plan Excerpts

c: City Attorney

Watsonville 2005

ATTACHMENT 4

GROWTH AND CONSERVATION STRATEGY, Chapter 3

greenbelt in previously developed areas at the edge of a city, there may be no greenbelt along portions of the urban limit line. At the time of development of partially developed areas within the city, or at the time of redevelopment, setbacks from creeks or the Pajaro River may fulfill some of the purposes of the greenbelt and therefore be designated as greenbelt. The urban limit line and land use designations for lands within the urban expansion area are shown on the General Plan Land Use Diagram.

SPHERE OF INFLUENCE

A Sphere of Influence (SOI) defines land eligible for annexation to a city. Annexation occurs with the consent of the City and the Local Agency Formation Commission (LAFCO). Since 1983, when the Sphere of Influence was established, virtually all of the city's growth was accommodated within existing city boundaries by building on vacant land and replacing single-family houses with apartments and condominiums. Watsonville has not extended its SOI since it was established in 1983. In 1992, it is clear that the city is running out of land sufficient to meet the needs of its future population and therefore will apply to LAFCO for an amendment to its SOI so the new Sphere boundary will coincide with the city's urban limit line.

THE PHASING OF GROWTH

Within the urban limit line, development will proceed in a compact, logical manner. Prior to development of large areas annexed to the city, after June 1%; specific plans shall be adopted consistent with implementation measures 4.A.5, 4.A.6, and 4.D.8. These plans shall include mechanisms for the phasing of development and provision of public services:

GOALS FOR GROWTH AND CONSERVATION

The following goals, policies, and implementation measures are intended to provide a framework for the management of growth within the existing city and the urban limit line. Guide

0218

for the area within the Planning Area boundary beyond the city. The guidelines are intended to act as a framework for the City's comment to the County on various proposals.

* Goal 3.1 Orderly Growth

Provide for orderly urban development that respects existing community character and provides for a clear separation between urban and agricultural land uses.

* Goal 3.2 Containment of Urban Development

Discourage urban sprawl by maintaining a well-defined boundary to contain urban development.

* Goal 3.3 Agricultural Land Use

Foster the continuation of agriculture in the Pajaro Valley.

POLICIES AND IMPLEMENTATION MEASURES

* Policy 3.A City-Centered Development

Urban development in the Watsonville Planning Area should take place under the City's jurisdiction.

Implementation Measures

3.A.1 Governmental Cooperation - The City shall work with Santa Cruz and Monterey Counties to establish mutually reinforcing goals of city-centered development to prevent the intrusion of rural residential uses and urban development into agricultural lands which are historically important to Watsonville's local economy and character.

Since annexation of Pajaro to Watsonville is not currently allowed under state law, development of those lands should be limited to infill by Monterey County Urban expansion into lands adjacent to the boundary of Pajaro should not be permitted.

Watsonville 2005

0219

- 3.A.2 **Governmental Regulation** - The City shall strongly support regulatory measures to require **city-centered** development and to maintain the **city's** distinct **character**, which includes the agricultural land **surrounding the city's urban limit line** in the **Watsonville Plating Area**.
- 3.A.3 **Utility Extension and Annexation** - The City shall fully **utilize** its powers of utility extension and annexation to support its **policies of city-centered development and m&mining agriculture** and open space surrounding the **urban limit line**.
- 3.A.4 **Urban Services** - The City shall **set** priorities for **providing urban services**. New development in the city shall **receive** highest priority
- 3.A.5 **Adequate Supply of Land For Urban Needs** - The City shall **seek** an expansion of its **Sphere of Influence** to coincide with the city's designated urban **limit line**.

with subdivision or other development approvals. Areas include:

- **Northwood, Buena Vista/Calabasas**, as **modified by Implementation Measure 4.A.5**
- **Atkinson Lane**
- **Riverside**

3.B.4 **Unbuildable Land** -Annexation of **lands unsuitable for urban development (e.g., excessive slope)** shall not be permitted **unless the lands are used as greenbelt and/or designated environmental management.**

3.B.5 **Annexation of Land in an Adjacent County**- The City shall urge the **state legislature to adopt legislation permitting cities to annex unincorporated, urbanized land** contiguous with a **city, but in a different county.**

Policy 3.B Annexation

The City shall pursue annexation of undeveloped and underdeveloped **land between the City limit boundary and the urban limit line.**

Implementation Measures

- 3.B.1 **Sphere Adjustment** - The City shall petition **Local Agency Formation Commission (LAFCO)** to amend the **Sphere of Influence** to coincide with the urban limit line. It is **intended** that the **area shown on Figure 4-7** be added to the **Sphere of Influence.**
- 3.B.2 **Phasing of Development** - Where **large parcels** of land are annexed at the same time in **order to provide coordinated and comprehensive plating for infrastructure improvement**, actual **development shall proceed according to the phasing schedule in the specific plan for the area-**
- 3.83 **Specific Plan Approval** - The following **areas, shown in Figure 4-11, shall require a specific plan approval prior to, or concurrent**

Policy 3.C Urban Limit Line

The City shall **establish** an urban limit line to contain urban **development.**

Implementing Measures

3.C.I **Urban Limit Line Location** - **To the extent possible**, the urban limit line shall follow **parcel boundaries. However, the urban limit line may follow physical features** such as **slope, floodplain, wetlands, groundwater recharge areas and creeks and other boundaries that better serve the purposes of the urban limit line.**

The **location** of the urban limit line **has** been based on **practical considerations such as:** the **size of parcels, location of lot lines, existing development at urban densities, environmentally sensitive areas;** and other natural **features** such as the **Corralitos Creek, Sal-sipuedes Creek, Pajaro River, sloughs, and topography.**

3.C.2 **County Cooperation** -The City shall **participate in the revision of the Santa Cruz and Monterey County General Plan 9 and other planning efforts in the Watsonville Planning Area. The City shall encourage both Coun-**

WATER CONNECTION LIMITATIONS ALTERNATIVES

RURAL AREAS

Recommended Policy

Water connections to be provided to projects meeting the following:

1) An Accessory Dwelling Unit w/deed restriction limiting occupant to 60% of County Median income provided that the parcel contains an existing primary residence with a City water connection

2) A 100% Affordable Agricultural Worker Housing

3) Schools or Day Cares with 25 or more students

Alternative No. 1

Water connections to be provided to projects meeting the following:

1) A principal residence on an existing legal lot of record provided an accessory dwelling unit w/deed restriction limiting occupant to 60% of County Median income is constructed concurrently **
** No service will be provided to a parcel created by a division of land tentatively approved after June 12, 2000

2) A 100% Affordable Agricultural Worker Housing

3) Schools or Day Cares with 25 or more students

Alternative No. 2

Water connections to be provided to projects meeting the following:

1) Any property owner in receipt of a water availability letter issued after June 12, 2000 **/***
• City Council to provide property owners ___ days following adoption of policies to submit written request for water service
** expiration of letter on 12128101
• ** one letter per legal lot of record

2) A 100% Affordable Agricultural Worker Housing

3) An Accessory Dwelling Unit w/deed restriction limiting occupant to 60% of County Median Income

4) Schools or Day Cares with 25 or more students

Alternative No. 3

Water connections to be provided to projects meeting the following:

1) A principal residence on an existing legal lot of record **
** No service will be provided to a parcel created by a division of land tentatively approved after June 12, 2000

2) A 100% Affordable Agricultural Worker Housing

3) An Accessory Dwelling Unit w/deed restriction limiting occupant to 60% of County Median Income

4) Schools or Day Cares with 25 or more students

13-117 2000 01:53

408/634065

CITY OF WATSONVILLE

PAGE 01

ATT: ATTACHMENT 4

BRUCE LACROIX

FAX 454-2131

0220

ATTACHMENT 2
Page 1 of 1

6

WATER CONNECTION ALTERNATIVES

LIMITATIONS

U R B A N A R E A S

Recommended Policy

Alternative No. 1

Alternative No. 2

Alternative No. 3

Water connections to be provided to projects meeting the following:

Water connections to be provided to projects meeting the following:

Water connections to be provided to projects meeting the following:

Water connections to be provided to projects meeting the following:

1) Min. density of 12 du/acre; 100% Affordable; and Consistent with City housing goals and affordability levels

1) Min. density of 12 du/acre; 50% Affordable ~~w/in~~ the City's Sphere of Influence; 100% Affordable outside of the City's sphere of influence; and Consistent with City housing goals and affordability levels

1) Min. density of 12 du/acre; 75% Affordable; and Consistent with City housing goals and affordability levels

1) A principal residence on an existing lot of record ** No service will be provided to a parcel created by a division of land tentatively approved after June 12, 2000

2) A 100% Affordable Agricultural Worker Housing

2) A 100% Affordable Agricultural Worker Housing

2) A 100% Affordable Agricultural Worker Housing

2) A 100% Affordable Agricultural Worker Housing

3) An Accessory Dwelling Unit w/deed restriction limiting occupant to 60% of County Median Income

3) An Accessory Dwelling Unit w/deed restriction limiting occupant to 60% of County Median Income

3) An Accessory Dwelling Unit w/deed restriction Limiting occupant to 60% of County Median income

3) An Accessory Dwelling Unit w/deed restriction limiting occupant to 60% of County Median Income

4) Schools or Day Cares with 25 or more students

4) Schools or Day Cares with 25 or more students

4) Schools or Day Cr. es with 25 or more students

4) Schools or Day Cares with 25 or more students

30