

# The Carmel Pine Cone

Volume 98 No. 22

On the Internet: [www.carmelpinecone.com](http://www.carmelpinecone.com)

June 1-7, 2012

YOUR SOURCE FOR LOCAL NEWS, ARTS AND OPINION SINCE 1915

## County commission wants Pebble Beach to have 'very low income' housing

By KELLY NIX

THE PEBBLE Beach Company should build housing for low income and very low income residents in Del Monte Forest, according to a decision this week by the Monterey County Planning Commission.

The P.B. Co. has argued against putting so-called inclusionary housing in the forest, offering to meet county requirements by paying a \$5 million in-lieu fee that would allow units to be built somewhere else.

The planning commission's vote on the Pebble Beach project includes a recommendation of approval to the county board of supervisors, which is set to weigh in on the project in June.

Though the county's housing advisory committee earlier recommended "moderate income" housing be built in the forest, the planning commission approved a motion by commissioner Martha Diehl that the P.B. Co. be required to build about 20 units for people with "low," "very low" and "moderate" incomes.

"There are many, many employees who work in the Del Monte Forest that are in the 'low' and 'very low' category," commissioner Keith Vandever said.

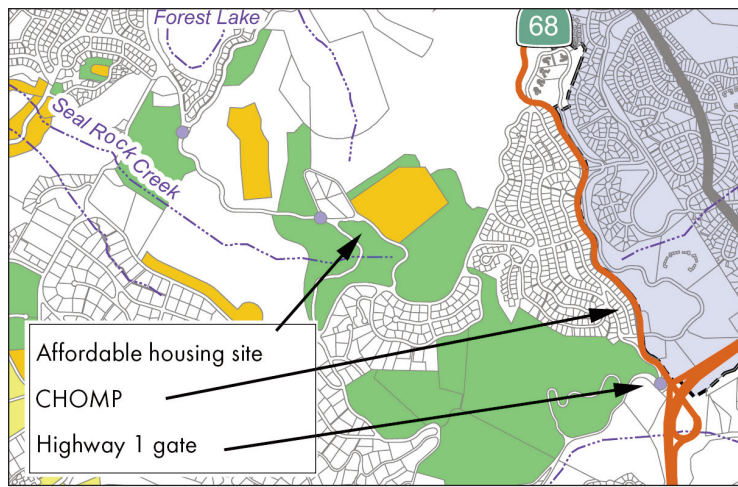
However, the Pebble Beach Co. has said the corporation yard near Spyglass Hill Golf Course — where the affordable units would be built — is relatively isolated, which could make it inconvenient for low

income families to live there.

"The Del Monte Forest lacks shopping, schools, public transportation and other essential services," P.B. Co. executive vice president and general counsel Mark Stilwell told commissioners.

Stilwell also said the \$5 million fee would allow a nonprofit developer to provide a greater number of affordable housing units than could be built in Del Monte Forest.

See HOUSING page 19A



The county planning commission wants housing for "low" and "very low" income residents built at the corporation yard in Pebble Beach. The board of supervisors will have the final say.

## Taxpayers' group steps up campaign to halt 'user fee'

### ■ A postcard for every property owner

By KELLY NIX

MONTEREY PENINSULA home and business owners have less than two weeks to protest a user fee the Monterey Peninsula Water Management District wants to add to their property tax bills. And the proponents and opponents of the fee are making their last stands to get their points across.

The charge, which will go into effect automatically unless half the Peninsula's property owners protest it in writing by June 12, would generate about \$3.7 million a year for the water management district — money the district says it will use to pay for expanded water storage facilities and a groundwater replenishment project.

"These two projects will provide half the replacement water we need" for the Peninsula, water district spokeswoman Rachel Martinez told The Pine Cone, "so we think it's important to get these projects moving."

Martinez said water district officials are continuing to talk to community and business groups to reiterate the district's position that without the fee, the water projects cannot be built.

But the Monterey County Association of Realtors and the Monterey Peninsula Taxpayers' Association are fighting the fee, which the groups argue is a tax that should be brought before voters.

The water district has "said over the years that it would use those fees to augment the water supply," according to Ron

See FEE page 20A

## Agha, P.G. at odds over who will pay to defend lawsuits

By KELLY NIX

AFTER WEEKS of negotiations with developer Nader Agha, the Pacific Grove City Council failed last week to finalize the first of two contracts that would allow the city to build and operate a desal plant on his Moss Landing property.

While the council voted 5-2 to continue to pursue an agreement with Agha, it was unable to iron out details of a clause in the

paperwork that would ensure P.G. is protected from litigation — a hot-button issue that Agha's attorney said if not resolved, could "jeopardize the deal."

While Agha has agreed to indemnify the city against some legal actions, his lawyer, Paul Hart, told the council at a special meeting May 23 that Agha could not provide the city with "unlimited risk."

See ODDS page 22A

## Council puts off vote on budget

By MARY SCHLEY

THE CITY council last week continued its exhaustive discussion of the 2012/2013 budget but did not vote to approve it, instead planning to engage in a more casual talk about money on Monday and then possibly cast votes on the spending plan at a July 12 special meeting. So far, council members have spent more than eight hours in budget talks.

"They wanted more opportunity to deliberate, so they scheduled a workshop for Monday, June 4, to talk about the budget," city administrator Jason Stilwell said this week.

There, they will continue to discuss ways to raise money, within the context of understanding how spending has been reduced during the past few years and what it would take to restore the city's services to pre-recession levels. At the May 24 budget meeting, Stilwell outlined \$2.4 million in items that should be funded but are not included in the budget: three part-time and three full-time positions totaling \$407,000, road maintenance costing \$584,000, \$458,000 for capital improvements and \$293,000 in debt service.

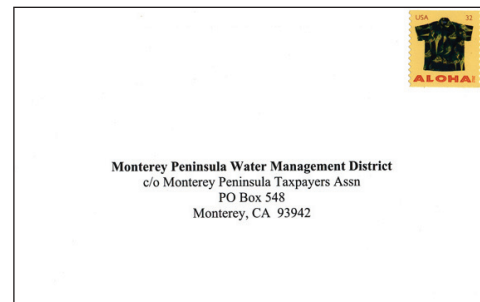
The June 4 discussion will focus on how the city can raise that money.

"I think the community didn't have the information to fully understand the incremental cuts over the years and what that meant to services," he told The Pine Cone Wednesday. "We've been cutting 5 percent per year, and that has been adding up."

He also said the workshop setting would "allow people to have a better discussion about what kind of services they expect out of the city." Stilwell said, "I think there will be

See BUDGET page 24A

Postcards — complete with 32 cent stamps — have been sent to every property owner in the water district to make it easy for them to protest a user fee.



## LandWatch warns that water project may 'induce growth'

### ■ Wants new EIR to examine issue

By KELLY NIX

WHILE CALIFORNIA American Water says its proposed water project will simply replace water being illegally taken from the Carmel River without providing any for lots of record, business expansions, home remodels or new development, LandWatch Monterey County has told The California Public Utilities Commission the plan will, in fact, provide too much water and could lead to "induced growth."

"Newly available information on existing demand and water supply projects suggests that [Cal Am's latest] project may actually contribute to an oversupply of water," says the document, signed by LandWatch attorneys Mark R. Wolfe and John H. Farrow, with the San Francisco firm M.R. Wolfe and Associates.

LandWatch also says "new information" indicates that the EIR for a previous water project, "overstated demand." To save time and money, Cal Am wants to carry over the old EIR to its new project.

But, "the new demand information indicates that a smaller project is feasible" and "would reduce impacts and minimize

See GROWTH page 23A

## 'Play Misty' at Forest Theater



An iconic movie of Clint Eastwood's movie career and the history of the Monterey Peninsula, "Play Misty for Me," starring Eastwood and Jessica Walter, will provide a big boost to this summer's season of movies at the Forest Theater. See page 12A.