



March 20, 2017

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State Water Resources Control Board  
1001 I Street  
Sacramento, CA 95814

Attention: Ms. Kathy Mrowka      Ms. Marianna Aue  
                  Mr. John O'Hagan         Mr. Les Grober

### Re: Additional Comments on Condition 2 – Cease & Desist Order – WR 2009-0060

Dear Ms. Mrowka, Mr. O'Hagan, Ms. Aue and Mr. Grober:

As mentioned in our previous correspondence dated January 18, 2017, the Monterey Peninsula Chamber of Commerce (MPCC) was founded in 1908 and is the leading broad based business organization on the Monterey Peninsula. We represent more than 800 businesses and organizations in the region that employ over 30,000 workers who are also residents of Monterey County. MPCC is also an active member of the Coalition of Peninsula Businesses since 2010.

Our coalition is dedicated to ensuring the delivery of a new water supply, which requires the construction of a desalination plant, a state-of-the-art waste water recycling facility and expanded aquifer storage and recovery facilities. Our business community has long supported implementation of advanced water conservation measures. We have relied on the Monterey Peninsula Water Management District (MPWMD) to oversee a proven water allocation system to ensure businesses are well within set conservation limits. Businesses have, in turn, outperformed residents in water management and conservation by employing recommended best practices for years.

Maintaining flexible distribution of water allocation credits is critical to providing a small amount of economic benefit to the community, which experienced a considerable set back during the Great Recession and subsequent loss of redevelopment funds from the State. We are still striving to return to a healthy, pre-recession economy. The benefits of the current system have included limited creation of jobs and housing stock near work places as well as renovation of blighted buildings.

If the State Water Resources Control Board imposes Condition 2—drastically restricting the change of use or zoning within existing properties—our communities will be deprived of an environment where there is opportunity to strive and thrive. Our efforts to continually improve the economy could be compromised and subsequently revert to another five years of languishment.

When special interests take issue with water allocations, their ultimate agenda is to control land use and growth. However, the issue is not about growth, it's about preserving access to an existing water connection, which is directly related to property value. It's not new water use. Special interests want to deny property owners of their right to water allocation credits they purchased in good faith. The greater restrictions and penalties they support

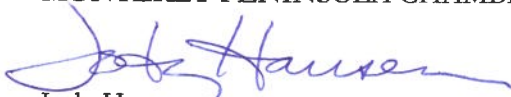
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will undo an effective water management system and will harm our ability for incremental job and affordable housing creation. Water should not be a controlling factor for land use and property rights. That is the function of a general plan document.

The current regulatory framework established by MPWMD is fair, flexible and functional without allowing increased water use from the Carmel River. It simply empowers this water resource agency, elected by citizens, to determine how to manage its resources wisely within the established effective diversion limits.

Please do no harm. Consider the greater good of our community first, rather than assuaging minority special interests, and release the Condition 2 stipulation to restrict change of use or zoning. The existing municipal and regional jurisdictions and the water resource agencies serving the Monterey Peninsula are prepared to continue to manage our water resources responsibly and wisely. Thank you for your serious consideration of our business community's concerns.

Sincerely,  
MONTEREY PENINSULA CHAMBER OF COMMERCE



Jody Hansen  
President and CEO