



CITY OF CARMEL-BY-THE-SEA

Water Management Program Allocation of Water Resources

City Council Meeting
November 3, 2025



Background

Monterey Peninsula Water Management District Ordinance No. 197

- 14 acre feet of water allocated to Carmel-By-The-Sea
- Ordinance effective March 1, 2025
- Pure Water Monterey Expansion project
- Projected completion end of 2025
- Water allocation cannot be sold
- Cease and Desist Order (CDO) still in place
 - District applying for a modification to the order



Background

Carmel Municipal Code Chapter 17.50 - Water Management Program Requirements

- Water allocation resolution must adopted by the City Council
- Each resolution must include:
 - Quantity of water available
 - Land use categories that will receive water
 - Amount of water allocated to each category
 - Amount of water that remains in unallocated reserve
- 10 percent reserved for affordable housing
- Prioritized for coastal recreation, access, and essential public services



Prior Hearings

Planning Commission: September 10th

3 AF: Low & Very Low Income Housing

6 AF: Combined Residential

2 AF: Commercial

3 AF: Municipal

14 AF: TOTAL

City Council: October 7th

3 AF: Low & Very Low Income Housing

3 AF: Single Family Residential
• (Zero to ADUs)

2 AF: Multi Family Residential

6 AF: Unallocated Reserves

14 AF: TOTAL



Commercial Category

- Concerns about placing water in this category
- Expansion of restaurants
- Other non-food commercial uses:
 - Large bathtub or additional shower head to a hotel room
 - Dog grooming
 - Dry cleaner with on-site laundry
 - Laundromat (new, or adding machines to existing)
- Carl Cherry Center request for 2 utility sinks
- Future Housing Element programs



Commercial Category

Option A:

Category #4: Commercial

X.XXX af

This category includes construction of new commercial floor space, conversion of existing space to uses with greater demand for water and the commercial component of mixed-use projects. Excluded from this category is the creation or expansion of full-line or specialty restaurants.

Option B:

Category #4: Commercial

X.XXX af

This category includes construction of new commercial floor space, conversion of existing space to uses with greater demand for water and the commercial component of mixed-use projects.

Category #4a: Full-Line and Specialty Restaurants

0.000 af



Recommendation

Staff recommends the City Council adopt a resolution (Attachment 1):

1. Finding that deciding on the allocation of water resources is **not a project under CEQA** as defined in Public Resources Code Section 21065 and CEQA Guidelines Section 15378; and
2. Establishing an allocation of water resources.

**Should Exhibit A be revised to allow for a commercial allocation using Option A, Option B, or an alternative option?*