



Variance Request Form for Marina Coast Water District

Assigned _____
Reviewed _____
Granted / Denied _____
Account No. _____

PART A – APPLICANT INFORMATION

Requested Variance (include District Code Section) 3.36.030.W

Date of Submittal of Variance Request 5-21-12

Has applicant applied for the same or similar variance previously? ☒ YES ☐ NO ☐ UNKNOWN

If YES, to above, please provide details APPLIED MAY 31, 2007

Request:

Name of Applicant (Contact) ANGIE DENT

Applicant Relationship to Owner CONSULTANT

Billing Name (if different from above) SOUTH COUNTY HOUSING

Street/Mailing Address for Variance 7455 CARMEL ST City GILROY State CA Zip 95020

Street/Mailing Address for Billing (if different) _____ City _____ State _____ Zip _____

Daytime Phone Number 831 970 0318

Fax Number _____

PART B – BASIS OF VARIANCE REQUEST

1. The strict application of the code would result in unfair or unequal treatment, undue hardship, or an emergency condition exists which requires that the variance be granted; and,
2. Granting the variance will not cause a significant adverse effect on the water supply or on service to other persons served by the district; and,
3. The variance is in the best interests of the district.

This variance request may only be based on the above conditions. Please briefly describe the basis of your request and provide documentation of need in Part C. If further space is required in the completion of this form, provide a note of such and attach supporting documentation with application.

SEE ATTACHMENT

PART C – EVIDENCE TO SUPPORT VARIANCE

Provide documentation to support you request. Documentation should concisely prove the need for a variance. Please list documents below and attach copies with your application. Original records will not be returned.

SEE ATTACHMENT

PART D – REQUESTED ACTION

What specific action are you requesting that the Board take?

VARIANCE TO PERMIT MCWD "MASTER METERS" PER
EACH MULTIFAMILY BUILDING, WITH PRIVATE SUB-METERS
PER EACH RESIDENTIAL UNIT.

- ☒ I understand that the application for a variance does not guarantee a variance will be granted.
- ☒ I have contacted the owner and he has given his permission to process this application, or I am the property owner.

Applicant:

Applicant's Name: AUGIE DENT

Applicant's Signature: [Signature]

Date: 5-21-12

PART D – GENERAL MANAGER’S RECOMMENDATION (for internal use by Marina Coast Water District)

- ☐ Having fully considered the above application for variance, I find that the Application has NOT proven by clear and convincing evidence that the requirements of Section 2.08 Variances have been met. Based on the foregoing, a VARIANCE IS NOT RECOMMENDED.
- ☐ Having fully considered the above application for variance, I find that the Applicant has proven by clear and convincing evidence that the requirements of Section 2.08 Variances have been met. Based on the foregoing, a VARIANCE IS RECOMMENDED.

This request will be on the Marina Coast Water District Board agenda currently scheduled for _____. Please call the District to confirm this date.

Explanation _____

Signature of District General Manager

Date

University Villages Apartments - Variance Request

Overview

The University Village Apartments will serve the community with 108 affordable housing units and a Community Center in 10 buildings to be located on approximately 4.5 acres at the northwest corner of 2nd Avenue and 9th Street in the City of Marina. As is typical for this type of high density residential use to achieve community-wide affordable housing objectives, project design includes a single Central Boiler for each building.

The Central Boiler approach will result in equivalent water use efficiency (and increased energy efficiency) as would be experienced with unit-specific water heaters with recirculating systems. The added benefit of the Central Boiler plan as proposed is that it is actually feasible to build, and will allow us to move forward to provide the affordable housing the community so desperately needs.

Implementation of the Central Boilers will involve a looped main running through the project with one "Master Meter" per building to be maintained by MCWD. South County Housing will pay all MCWD monthly charges, greatly reducing the burden on the District for maintenance, billing and collections.

To promote conservation goals, sub-meters will be installed for each residential unit. South County Housing will in turn collect pro-rata water usage fees from University Villages Apartments residents.

As strict application of District Code, requiring individual water meters at property line, would preclude Central Boilers, we request that the Board consider a variance for this project based on the following findings:

Finding #1 - "Strict application of the code would result in unfair or unequal treatment, undue hardship, or an emergency condition exists which requires that the variance be granted."

While we whole heartedly agree with the intent to conserve water, the way the code is currently written, to require individual meters is not well suited to the kind of high density residential development contemplated at University Villages Apartments. The undue hardship created by the code is that it would disallow the use of Central Boilers, and thereby eliminate this much needed opportunity to provide affordable housing for District residents.

In order to implement Central Boilers under current Code, University Villages Apartments would be required to place a total of approximately 220 water meters (2 per residential unit, plus Community Building and Irrigation) along the project frontage at property line. From 109 of those meters, cold water service would snake through the project to each residential unit.

To serve hot water, a series of 3 parallel pipes would be required to 1) direct water in to the boilers, then 2) back out to the street to be metered, and 3) back through 109 individual services into the project and up to the individual units. Even if it were physically possible to find suitable locations for all of those meters and piping, this would be a terribly inefficient way to deliver hot water.

Finding # 2 – “Granting the variance will not cause a significant adverse effect on the water supply or on service to other persons served by the District.”

Central Boilers alone would have the same water conserving effect as individual water heaters with re-circulating systems. In addition to these savings inherent in the Central Boiler concept, in-line sub-meters and third party billing will be also implemented for each residential unit to provide economic incentives for tenants to conserve water.

We realize that when customers pay for water based on actual consumption, they are generally more discretionary with their usage. Through sub-metering, University Village Apartments will meet the intent of MCWD’s ordinance.

Each unit will be billed based on its individual sub-meter reading; and only for the actual cost of the water to South County Housing. South County Housing will review meter readings monthly; and inspect and repair units showing inordinate water consumption. Detailed water usage reports will be provided annually, or upon request if more frequent reporting is desired.

Finding # 3 – “The variance is in the best interests of the District.”

With only 10 meters (compared to 220) to read , bill, and maintain, the proposed Central Boiler plan will benefit the District through lower maintenance and operating costs, and increase revenues as collections issues are minimized by a single responsible party paying MCWD.

Installation, maintenance and reading of the sub-meter system shall be the sole responsibility of the South County Housing. As is customary, MCWD responsibility for maintenance and repair shall end at the downstream side of the Master Meters.

Nothing in this proposal is intended to reduce Connection, Inspection, or any other fees that would otherwise be payable to the District.

This development is financed through 3 distinct government funding sources, all of which will record 55 year regulatory agreements against the property. These regulatory agreements virtually ensure that ownership will not change for at least 55 years. In the event that the project ever did convert from single ownership to individual ownership of units, the entire project shall be subject to then current requirements for metering.

In connection with approval for this variance request, South County Housing will be willing to record a covenant, to run with the land, evidencing the following points:

- An MCWD Master Meter to be installed per each building per District Standards.
- Property Owner to be responsible to pay all MCWD fees and charges.
- Property owner to sub-meter hot and cold water to individual residential units.
- Residents to be billed by Property Owner on pro-rata basis, for actual water use.
- Property owner to provide MCWD annual reports on sub-meter usage, billing and maintenance.
- Future conversion to divided property ownership would require compliance with MCWD provisions in effect at that time.



MARINA COAST WATER DISTRICT

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June 4, 2012

Mr. Augie Dent
South County Housing
7455 Carmel Street
Gilroy, CA 95020

Subject: Variance Request for University Village Apartments

Dear Mr. Dent,

Marina Coast Water District (MCWD, District) received your Variance Request Form on May 21, 2012. District staff appreciates the time extension you permitted to provide you with this letter. The Variance Request is for a project called University Villages Apartments that proposes a 108-unit affordable housing apartment development located between the currently undeveloped 9th and 10th Streets immediately west of 2nd Avenue in Marina, CA.

The Variance Request asks for relief from the requirements of the MCWD Water Code section 3.36.030.W. Metering. 2. New Construction. a. that states:

“Newly constructed multifamily dwelling units, including condominiums, and detached dwelling units will be metered individually as of the effective date of the ordinance codified in this chapter.”

Rather than comply with the Water Code, you are proposing that a variance be granted that allows the project to be designed such that approximately ten (10) meters owned and operated by MCWD are installed to serve just the buildings containing the apartment units (i.e. a “master meter” for each building). Additional details associated with this Variance Request are found within your Request Form (attached for reference) and may be included in the District Board’s final decisions on the disposition of this Request.

Based on the information within the Request Form, the District staffs’ determination is that there is not clear and convincing evidence that the findings required by the Water Code can be made in the affirmative. In particular, the applicant has not shown it is technically infeasible to meter each unit within a reasonable cost as compared to the proposed action in the Request. Specifically, it has not been shown that:

- the strict application of the code would result in unfair or unequal treatment, undue hardship, or that an emergency condition exists; and,

- the variance is in the best interest of the District.

The District staff is continuing to work diligently researching this topic and seeking means and methods that resolve all issues creating a barrier to accommodating your Variance Request; however, at this time, staff must recommend to the Board that this Variance Request be denied.

The next regularly scheduled MCWD Board of Directors meeting is on June 12, 2012. District staff proposes that this Variance Request be brought to the Board at that time so that they can make a final determination regarding your request.

Please do not hesitate to contact Mr. Mr. Brian True (831-883-5937) of the Engineering Department staff or me (831-883-5925) to let us know if you will be attending the Board Meeting on June 12 and if you have any questions regarding this matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'Carl Niizawa', with a long horizontal flourish extending to the right.

Carl Niizawa, P.E.
Deputy General Manager / District Engineer

Enc: Variance Request Form

Cc: Jim Heitzman, Brian True – MCWD