



## **Task Force Meeting No. 9 Synopsis**

**October 29, 2020**

**Task Force Members Present:** Teresa Alvarado, David Pandori, Dev Davis, Pam Foley, Sylvia Arenas, Michelle Yesney, Mariel Caballero, Linda LeZotte, Luis Arguello, Jeffrey Buchanan, Steven Solorio, Pat Sausedo, Vincent Rocha, Nate LeBlanc, Karl Lee, Michael Van Every, Erik Schoennauer, Harvey Darnell, Juan Estrada, Megan Fluke, Jason Su, Leslye Corsiglia, Shiloh Ballard, Andre Luthard, Jim Zito, Sam Ho, Robert (Bob) Levy, Smita Patel, Tamiko Rast, Margie Matthews, Jesus Flores, Shawn Milligan, Ray Bramson, Bonnie Mace, Susan Butler-Graham, and Roberta Moore (verified by Zoom participant panel)

**Task Force Members Absent:** Jessie O'Malley Solis, David Bini, Eddie Truong, Don Little, and Kevin Zwick (verified by Zoom participant panel)

**City Staff, Consultants and Other Public Agency Staff Present:** Rosalynn Hughey (PBCE), Michael Brilliot (PBCE), Jared Hart (PBCE), Kieulan Pham (PBCE), Jessica Setiawan (PBCE), Robert Rivera (PBCE), Rob Eastwood (County of Santa Clara Planning & Development), Michael Meehan (County of Santa Clara Planning & Development), Dena Belzer (Consultant – Strategic Economics).

**Public Present:** 81 public attendees on Zoom, 52 live viewers on YouTube and Granicus

### **1. Welcome, Introductions, and Overview of Agenda**

The meeting convened at approximately 6:00 p.m. The Co-Chair David Pandori welcomed the Task Force and the public. Division Manager Jared Hart presented the agenda and the format of the meeting.

### **2. Approval of the September 21<sup>st</sup> Meeting Synopsis**

Motion to approve by Ray Bramson and second by Planning Commissioner Mariel Caballero with an addition from Harvey Darnell stating that “Because Valley Transportation Authority (VTA) is constantly under pressure, aren’t able to increase service and seems to decrease service,

those people who we placed in housing without transportation are going to suffer.” No Task Force members opposed.

### **3. Staff Recommendations on the Long-Term Future of Coyote Valley**

PBCE – Citywide Planning Division Manager Jared Hart presented an overview of the land use history and existing conditions in Coyote Valley and staff recommendations on the long-term future of Coyote Valley. Michael Meehan, Senior Planner with the County of Santa Clara Planning and Development Department, also presented additional background into the agricultural resource context of Santa Clara Valley and the current planning regulations for agricultural uses in the county.

### **4. Public Comment**

Nineteen community members provided public comment. General overall comments included:

- Metropolitan Transportation Commission (MTC) is considering new ways to talk about very low, extremely low, and mixed income housing developments. For urban village plans, Downtown [San José] and affordable housing plans, and they want to learn how to facilitate with local governments.
- There will be technology issues in Coyote Valley and recommend looking into the Davis area for ideas.
- Praise city staff for coordination across jurisdiction (i.e., County of Santa Clara).
- Support the Task Force’s amendment for further evaluation with the Alviso community before reallocating 5,000 jobs to the Alviso Master Plan area for equity and environmental justice.

Comments in support of staff recommendations for Coyote Valley included:

- Support staff recommendations on Coyote Valley.
- Support permanent protection of Coyote Valley.
- Support restoration of agricultural lands.
- Protect the groundwater sub-basin.
- Make San José an innovative climate smart city.
- [Coyote Valley] is a food belt and [generates] farm to family food boxes.
- The city is in danger of climate change and open space like Coyote Valley will absorb carbon gases from the atmosphere.
- Support flood protection; since 2017, extreme weather becomes more frequent.
- Staff recommendations will result in a wildlife linkage between Mount Diablo and the Santa Cruz Mountains.
- Prevent water contamination.

- Protection of agricultural resources.
- Property rights have to be superseded for the survival of our species.
- Coyote Valley is one of two wildlife corridors in the area and allowing future development to cut off the corridor would compromise genetic diversity.
- North coyote valley is a roadkill hotspot.
- Protection against wildfires.
- Current land use designations increase habitat fragmentation and result in habitat degradation from noise and vehicle pollution.
- Staff recommendations are a response to the City's emergency declaration and Climate Smart San José plan. It aligns with Governor Newsom's executive order to align 30% of the State's lands and waters by 2030.
- Preserve the valley's functions in the age of climate change
- Staff recommendations are consistent with the State's position and State law AB 948 to establish a conservation program in Coyote Valley that will protect waters and irreplaceable wetlands.
- In 2016, a warehouse project was proposed and brought in a handful of jobs and not making an economic difference while bringing in trucks daily that threaten wildlife and corridors and resulted in road degradations.

Comments that do not support staff recommendations for Coyote Valley include:

- South Coyote Valley, like the Cherry Orchard/Marchese 220 acres, should have more analysis before providing any recommendations. Most property parcels in South Coyote Valley are less than five acres.
- South Coyote Valley was not included in the City Council scope [for the 4-Year Review].
- Staff's recommendations for North Coyote Valley would leave these properties with no economic use.
- There will be loss of job diversity with staff's recommendations.
- Staff did not interview the developer under contract with the properties in North Coyote Valley and looking for the potential for industrial development.
- If the community wants to use these properties [North Coyote Valley with an Industrial Park land use designation] as a resource, the community needs to buy them.
- Urge the Task Force to reject staff recommendations in North Coyote Valley for fairness to middle income workers and property rights to the owners.
- Our property (Foster properties near Santa Teresa Boulevard and Bailey Avenue) outside of flood plain and not a habitat for endangered species [and should not have an agricultural designation].

- Staff recommendations for land use changes from Industrial Park to Agriculture is unfair to the property owners and families that currently have opportunity to put jobs on their lands under existing designations.
- The City made a contract for annexation [in North Coyote Valley] that says municipal services will be available with annexation.
- Concerned about removing the Urban Reserve designation in Mid-Coyote Valley before the City has a policy/plan to address housing in the San José area. Greater San José has 1/4 as much housing as greater Seattle. If we don't allow people to build in San José, then we are pushing people to commute from Salinas and Los Banos.
- Unconstitutional deprive property rights unless compensation is paid.
- A few hundred acres out of thousands could go a long way to provide jobs in Coyote Valley.
- North Coyote Valley along Monterey Road already have a variety of uses like an RV park.

## **5. Task Force Discussion – Coyote Valley**

Task Force member Megan Fluke made the following motion:

Adopt the 10 recommendations in the Task Force overview memo under Item No. 4 and recommend that the City requests the County to impose protections or exceed the City's protections.

The motion was seconded by Smita Patel, Harvey Darnell, and Bob Levy.

Multiple Task Force members expressed concerns about staff recommendations affecting the rights of property owners including Task Force member Shawn Milligan, Harvey Darnell, Roberta Moore, Pat Sausedo, Michael Van Every, Jim Zito, Karl Lee, Sam Ho, and Erik Schoennauer. These Task Force members discussed the effects of staff recommendations as summarized below:

- The need for economic compensation to property owners affected by the proposed land use designation changes to Agriculture and the loss of value of these properties.
- The concern that the City may end up in court which could delay or halt the implementation of these policies.
- The property owners should have been consulted on these policy recommendations and be made aware of the timeline for these recommendations going to City Council.
- The concern that the proposed credits program has not been initiated.
- The recommendation could be a property takings issue and unconstitutional.
- The limited economic development opportunity because there are many acreages in Coyote Valley and there is already plenty of open space in Mid-Coyote Valley.

- The need for further analysis into the potential for development on properties of owners who expressed concerns for the change of land use designations to Agriculture.
- The potential adverse effects of Proposition 15 and 19, if passed and can disincentivize property owners from leasing land to tenants for agricultural uses.
- Limiting job opportunity in the area would not achieve the General Plan's goals to reverse commute.
- Acquiring all land in Coyote Valley for public ownership will ensure the preservation of the area and protection against urban development.

Staff responded that the proposed credits program is envisioned to facilitate development in urbanized areas and further conservation in Coyote Valley and could potentially be a tool for property owners in the valley to attain some monetary value from their properties. The credits program concept would be presented at City Council for direction on whether it should be explored further. Staff noted that the recommendations did not consider the effects of Proposition 15 and 19, if passed. Staff also clarified that changing the land use designations to Agriculture is not a taking because, while the designation would not allow the highest economic use, the City would not be depriving the property of all potential for economically viable uses.

Co-Chair Pandori commented that contracts are between the landowner and developer and the new development plans have to conform to City plans anyway, which is very restricted in North Coyote Valley. There is nothing pending before the City that conforms to that. Division Manager Jared Hart confirms that there are no pending applications that conforms to the current land use policies in North Coyote Valley and no pending applications in the Coyote Valley Urban Reserve.

Co-Chair Pandori elaborated that the constitution does not guarantee the highest value or use, the decision before the Task Force is not dealing with properties in the process for development. Coyote Valley has always been difficult to develop due to development standards that are more intense here than other areas of San José because this area was viewed as a resource for large industrial campus development in 1983 and 1984. The planning for the area was for a corporate company (i.e., Tandem) that could not assemble the amount of acreage for the desired campus. Later on, there was also hope that the Apple campus would come here one day. Today, the opposite has happened where Google assembled lots at great expense to themselves to cobble their campus. Co-Chair Pandori commented that there was never really expectation to property owners in Coyote Valley that a fortune 500 company would developed in the area, and anyone who bought land in Coyote Valley was buying into speculation.

Task Force member Pat Sausedo asked staff if a full environmental review (environmental impact report [EIR]) be required for the proposed land use changes in North Coyote Valley.

Staff responded that as part of all recommendations for the General Plan 4-Year Review, an environmental analysis under the California Environmental Quality Act (CEQA) will be

conducted to analyze the effects of changing the land use designations from Industrial Park to Agriculture on the environment. Staff does not anticipate any changes that would result in an EIR.

Task Force member Pat Sausedo followed up with a concern about removing the Urban Reserve designation from Coyote Valley since life 10 to 15 years in the future can be different and the land use changes will remove economic opportunity except for agriculture and open space. She asked staff the amount of area for Urban Reserve remaining in the city, if this designation is removed from Coyote Valley.

Staff responded that the South Almaden Urban Reserve would remain and is approximately 1,000 acres.

Task Force member Pat Sausedo commented that these recommendations would likely drive up the cost of housing because there is less potential land available. With one urban reserve remaining, the future development will be within the urban service area and most within the urban growth boundary (UGB), unless the UGB is moved.

A few Task Force members (Bob Levy, Bonnie Mace, Smita Patel, and Jason Su) asked other clarifying questions, including:

- Can staff clarify land use and zoning?
- What is the City's jurisdiction in South Coyote Valley and can it be used for credits and protect open space elsewhere since the area is mainly developed and has small parcels?
- How many property owners are affected by staff recommendations and has staff reached out to them?
- How many property owners in the area from contracts for development?
- For city-initiated land use designation changes, are there typically compensation for loss of value?
- Can the County staff elaborate on agricultural viability in the area?

Staff explained that the General Plan designation determines the types of use allowed on a property and the zoning district sets the standards for development (e.g., building setbacks and height). Currently, there are properties in Coyote Valley with mis-matched General Plan designation and zoning district. Under SB 1333, the City needs to rezone those properties for conformance with the General Plan. Staff also noted that all of Coyote Valley is within the City of San José's sphere of influence and that there are some underlining zoning districts in the city limits and in the county's jurisdiction that may not align with the General Plan designation on those properties.

Staff commented that most of South Coyote Valley is outside of San José's jurisdiction; however, the General Plan land use designations are currently Agriculture, Open Space, or Open Hillside. Staff is proposing an agricultural overlay on Coyote Valley to align the County's regulations with San José's General Plan designations and would not result in any modifications to the underlining land use designations. After the Task Force meetings, staff will have follow up outreach to affected property owners. Currently, staff has had discussion with some property owners in the area. Staff clarified that typically there are no compensation to property owners for city-initiated land use designation changes.

For clarification on agricultural viability, County staff explained that they studied farmers across the Bay Area and the number one barrier to sustaining agricultural uses has been access to land. Typically, the farmers have access to capital, good climate and water aquifer for crop production, and a couple of cooperatives and technical advisories through the UC extensions. The farmers, however, cannot afford land due to the speculative cost of land for development. While certain agricultural operations may not be successful in some areas, many farmers would like to farm in Coyote Valley.

Multiple Task Force members expressed support for staff recommendations on Coyote Valley during the discussion, including Megan Fluke, Smita Patel, Michelle Yesney, Juan Estrada, Shiloh Ballard, Jim Zito, Linda LeZotte, Susan Bulter-Graham, Jason Su, Jeffrey Buchanan, Harvey Darnell, and Co-Chair David Pandori. Comments in support included:

- Supportive of turning land into open space.
- Wonderful legacy for trails for the future generations.
- Preservation of Coyote Valley is crucial to the future of our kids.
- Coyote Valley is a carbon sink for better climate resilience.
- This recommendation will provide environmental stewardship to the county, water security with groundwater conservation, and flood protection.
- Open space allows people to relieve stress, especially during the pandemic.
- In Coyote Valley, the value to the public out ways economically here. For example, it appears the only viable economic development is an Amazon distribution center and these uses generate a low number of jobs.
- With climate change issues, the value of [natural resources] should outweigh individual property rights.

Task Force member Michelle Yesney recounted her various roles with land use planning in Coyote Valley from lead staffer on the original plans to advocacy work under Greenbelt Alliance. She commented that providing housing in Coyote Valley will bring sprawl to San José. The development of enclaves around this open space will result in sprawl. She also elaborated that with urban development, urban services will have to be brought into Coyote Valley as well.

Yesney noted that there are legal processes available to the property owners and the City, so she is not concerned with property rights. Overall, Task Force member Michelle Yesney stated that the staff recommendation is a good, long-term consistent and inherently valuable proposal to Coyote Valley and will bring pride to San José for many years.

Task Force member Bob Levy commented that Coyote Valley protects the City from climate change. The aquifer in Coyote Valley is very valuable and needs to be protected from periods of drought and hot weather. Also, the wildlife corridor should be protected for animals to migrate, especially with more fires forcing their migration. Levy states his support for staff recommendations on North and Mid-Coyote Valley.

Task Force member Andre Luthard commented that Alviso and the Downtown are historic communities and is concerned about the proposed reallocation of jobs and residential units to those areas. He elaborated that the Downtown has many historic neighborhoods that are architecturally significant resources, and there has been not enough survey work completed to know all the historic significance. Downtown is a place of eclectic architecture from all eras of evolution and we are losing that very quickly. Overall, he stated that the jobs and housing proposal does not address and perpetuates the legacy sprawl and higher vehicle miles travelled and low density housing in the suburbs of San José.

Task Force member Erik Schoennauer stated that preservation of Coyote Valley is a natural evolution to our politics. He commented that another step the City and other interested entities can take to ensure protection of the area is to acquire all Coyote Valley land in public ownership. The interested groups should work hard to find funds to reasonably compensate the property owners and the public gets the land. Schoennauer also noted that for lands near Bailey Avenue and interchange, it would not be unreasonable to believe that industrial development could occur in the future.

Task Force member Margie Matthews requests a friendly amendment to Megan Fluke's motion to have staff reevaluate with Alviso community about the possibility of reallocating 5,000 jobs to the Alviso Master Plan area. She elaborated that all these resources in proximity to rest of urban area is an asset to historic and open space resources.

Two Task Force members (Linda LeZotte and Michelle Yesney) expressed support for Task Force member Margie Matthews' amendment for engagement with the Alviso community for the reallocation of 5,000 jobs to the Alviso Master Plan area. Task Force member Yesney commented that Alviso is an equally fragile community.

Task Force member Megan Fluke agrees to the amendment to the motion and Bob Levy seconded.

Co-Chair David Pandori expressed that the existing plans for Coyote Valley made sense at the time with San José as a bedroom community; but that has change. Big companies have changed



the types of land they seek and the Task Force needs to think about long-term future of the city. The Co-Chair recommends the following text change in red to staff recommendation number six:

Add an action item to the General Plan to move the Urban Service Area boundary north as soon as possible consistent with the proposed land use changes in North Coyote Valley. Properties proposed to retain an urban land use designation (i.e., Industrial Park and Public/Quasi-Public) should stay within the Urban Service Area.

This will provide a clear and consistent message for future development, rather than waiting four to six years to move the Urban Service Area boundary with a comprehensive General Plan update.

Task Force members Megan and Bob agree to the amendment to the motion.

#### Motion #1

Task Force member Megan Fluke made the following recommendations with friendly amendments by Task Force members Margie Matthews and Co-chair David Pandori:

The Task Force recommends the following actions pertaining to the long-term future of Coyote Valley:

#### North Coyote Valley

1. Reallocate all 35,000 jobs from North Coyote Valley, specifically evaluate, in conjunction with the Alviso Community, the possibility of reallocating 5,000 jobs to Alviso Master Plan Employment Lands Growth Area and 30,000 jobs to the Downtown Growth Area.
2. Amend the General Plan text to remove North Coyote Valley as an Employment Lands Growth Area from the General Plan.
3. Change the land use designations of properties in North Coyote that have been purchased by the City and POST/OSA for preservation from Industrial Park to Open Space, Parklands and Habitat.
4. Change the land use designations of remaining properties in North Coyote that have not already been developed for industrial uses from Industrial Park to Agriculture, except for the area occupied by the Gavilan College Coyote Valley Center (South Bay Regional Public Safety Training Consortium), which would be changed from Industrial Park to Public/Quasi-Public. These properties would also be rezoned as needed to align with the appropriate General Plan land use designations.
5. Explore a credits program in parallel with proposed land use designation changes to support further conservation actions in Coyote Valley and facilitate development in urbanized areas of San Jose.

6. Add an action item to the General Plan to move the Urban Service Area boundary north as soon as possible consistent with the proposed land use changes in North Coyote Valley. Properties proposed to retain an urban land use designation (i.e., Industrial Park and Public/Quasi-Public) should stay within the Urban Service Area.
7. Add an Action Item to the General Plan to consider creating an overlay that would restrict office buildings as an allowable use in certain Industrial Park and/or Combined Industrial Commercial designated areas, or redesignate some areas from IP and/or CIC to Light Industrial to preserve and support existing industrial businesses.
8. Add an Action Item to the General Plan to explore creating an industrial overlay allowing for new office construction only if the office building includes some manufacturing or logistics space.

#### Mid- and South Coyote Valley

9. Amend the General Plan to remove the Mid-Coyote Valley Urban Reserve designation and designate properties in Mid-Coyote Valley to either Agriculture, Private Recreation, Public/Quasi-Public, or Combined Industrial Commercial. Properties in Mid-Coyote Valley within the City's jurisdictional boundary would also be rezoned as needed to align with the appropriate General Plan land use designations.
10. Create and apply a new Coyote Valley Agriculture Overlay that increases the minimum lot size from 20-acres to 40-acres on certain properties (see Attachment G) with an existing or proposed Agriculture land use designation that are:
  - a. Within North, Mid- and South Coyote Valley and are inside the City's jurisdictional boundary; and
  - b. Within Mid- and South Coyote Valley that are outside of the City's jurisdictional boundary and are zoned *Exclusive Agriculture* under the County's Zoning Ordinance, which sets a minimum lot size of 40-acres (A-40ac).

Additionally, the Task Force recommends the City requests the County to impose protections in Coyote Valley that match or exceeds the City's protections.

The motion was seconded by Robert (Bob) Levy and was passed.

Motion passed (26): Teresa Alvarado, David Pandori, Sylvia Arenas, Michelle Yesney, Linda LeZotte, Luis Arguello, Jeffrey Buchanan, Vincent Rocha, Nate LeBlanc, Erik Schoennauer, Harvey Darnell, Juan Estrada, Megan Fluke, Jason Su, Leslye Corsiglia, Shiloh Ballard, Andre Luthard, Sam Ho, Robert (Bob) Levy, Smita Patel, Tamiko Rast, Margie Matthews, Jesus Flores, Ray Bramson, Bonnie Mace, and Susan Butler-Graham.

Motion is opposed (6): Pat Sausedo, Karl Lee, Michael Van Every, Jim Zito, Shawn Milligan, and Roberta Moore.

Motion is abstained (4): Dev Davis, Pam Foley, Mariel Caballero, and Steven Solorio.

## **6. Task Force Discussion & Recommendation – Redistribution of Planned Growth**

Task Force member Lesley Corsiglia states that she does not believe that staff recommendations for redistribution of planned growth (jobs and residential units) would accommodate the needs of the future, but it's a course of action in that direction that we should take. She recommends staff recommendations.

Task Force member Bob Levy presented the following questions:

- Why not full concept on jobs like housing?
- Why not more allocation to BART areas (e.g., Little Portugal and Berryessa Bart Urban Villages)?
- Stevens Creek does not have transportation network yet, why move 4,000 jobs to the Stevens Creek Urban Village (because of the existing pending entitlements like fortbay/promenade to allow them to proceed)

Division Manager Jared Hart responded that the neighborhood village residential pool concept is a way for us to facilitate housing in urban village areas of our city that current do not have much residential growth. Staff do not see a need to move more jobs or create a pool for jobs. The job allocation existing and proposed changes would provide adequate jobs. For Edenvale employment area, staff looked at the job capacity and found it adequate. With Berryessa Bart Urban Village (UV), we are going through an urban village planning process and are working on extensive capacity studies and found that there are more than enough planned jobs for future growth of the area. Mr. Hart noted that staff will be updating the Five Wounds Bart Urban Village plans, which includes Little Portugal UV, next year with VTA's adopt of their playbooks to align the City and VTA's goals in the plans. The proposed 4,000 jobs shift to Stevens Creek UV is in response to recent entitlements including the Stevens Creek Promenade project.

Co-Chair Pandori commented that these redistributions of jobs into growth areas are adjustments and is not because these areas lack jobs.

Task Force member Andre Luthard commented that people in these areas are still getting in their cars and drive to their jobs. He expressed that to reduce our vehicle miles travelled, we should provide jobs where people are living, and not where we planned for people to live in the future because this perpetuates sprawl. Mr. Luthard does not see how staff recommendations will address the institutional or systematic baseline that isn't going to change.

Task Force member Shawn Milligan supports moving units to Downtown San José and supports Task Force member Corsiglia's motion.

Task Force member Margie Matthews requests an amendment to evaluate the reallocation of 5,000 jobs to Alviso in conjunction with the Alviso Community. Both Task Force member Corsiglia and Bramson agreed to the amendment.

### Motion # 2

Task Force member Leslye Corsiglia made the following motion with a friendly amendment by Task Force member Margie Matthews about engagement with the Alviso community:

- Amend Appendix 5 (Planned Job Capacity and Housing Growth Areas by Horizon table) of the General Plan to reallocate planned residential units and jobs as shown in Tables 1 and 2, and detailed in [Attachment J](#) of the October 29, 2020 Task Force meeting overview memo;
- Amend the General Plan to add a policy to allow planned residential units within Neighborhood Urban Villages to be captured in a pool and to be reflected in Appendix 5 – Planned Job Capacity and Housing Growth Areas by Horizon table;
- With every [General Plan] 4-Year Review, provide the opportunity to explore housing; and
- Specifically evaluate, in conjunction with the Alviso Community, the possibility of reallocating 5,000 jobs to Alviso Master Plan Employment Lands Growth Area.

Motion was seconded by Ray Bramson.

Motion passed (29): Teresa Alvarado, David Pandori, Sylvia Arenas, Michelle Yesney, Linda LeZotte, Luis Arguello, Jeffrey Buchanan, Pat Sausedo, Vincent Rocha, Nate LeBlanc, Karl Lee, Michael Van Every, Erik Schoennauer, Harvey Darnell, Juan Estrada, Megan Fluke, Jason Su, Leslye Corsiglia, Jim Zito, Sam Ho, Smita Patel, Tamiko Rast, Margie Matthews, Jesus Flores, Shawn Milligan, Ray Bramson, Bonnie Mace, Susan Butler-Graham, and Roberta Moore.

Motion is opposed (1): Andre Luthard.

Motion is abstained (6): Dev Davis, Pam Foley, Mariel Caballero, Steven Solorio, Shiloh Ballard, and Robert (Bob) Levy.

## **7. Adjourn**

Co-chair David Pandori adjourned the meeting at approximately 9:30 p.m. The next meeting will reconvene on November 19, 2020 at 6:00 p.m.