

City of San José
Coyote Valley Specific Plan

Summary of Task Force Meeting
January 9, 2006
200 E. Santa Clara Street, Rooms W118-120

Task Force Members Present

Co-chair Mayor Ron Gonzales, Co-chair Council member Forrest Williams, Supervisor Don Gage, Eric Carruthers, Helen Chapman, Russ Danielson, Gladwyn D'Souza, Craige Edgerton, Phaedra Ellis-Lamkins, Dan Hancock, Doreen Morgan, Chris Platten, Ken Saso, Steve Schott, Jr., Steve Speno, and Neil Struthers.

Task Force Members Absent

Chuck Butters and Pat Dando.

Technical Advisory Committee (TAC) Members Present

Dunia Noel (LAFCO), Kathy Presvisich (City of Morgan Hill), Dawn Cameron (County Roads), Mike Griffis (County Roads), Jane Mark (County Parks), Michele Beasley (Greenbelt Alliance), Tedd Faraone (Coyote Valley Alliance for Smart Planning), Melissa Hippard (Sierra Club), Trixie Johnson (FROG), Libby Lucas (California Native Plant Society), Sarah Muller (Working Partnerships), Shanna Boigon (SCCAOR), Beverly Bryant (HBANC), Dennis Martin (HBANC), Pat Sausedo (NAIOP), and Rebecca VanDahlen (SCCAOR).

City and Other Public Agencies Staff Present

Rachael Gibson (Office of Supervisor Don Gage), Jim Cogan (Council District 1), Frances Grammer (Council District 2), Joseph Horwedel (PBCE), Laurel Prevetti (PBCE), Sal Yakubu (PBCE), Darryl Boyd (PBCE), Susan Walsh (PBCE), Mike Mena (PBCE), Sylvia Do (PBCE), Perihan Ozdemir (PBCE), Regina Mancera (PBCE), Gerry De Guzman (Public Works), Rebecca Flores (Housing), and Dave Mitchell (PRNS).

Consultants Present

Doug Dahlin (Dahlin Group), Roger Shanks (Dahlin Group), Ken Kay (KenKay Associates), Paul Barber (KenKay Associates), Bill Wagner (HMH Engineers), Jim Musbach (Economic and Planning Systems), Jodi Starbird (DJP&A), and Eileen Goodwin (Apex Strategies).

Community Members Present

Mayor Dennis Kennedy, Tom Armstrong, Carol Bautista, Allison Brummel, Amanda Butler, Juliana Chow, Roger Costa, Consuelo Crosby, Jo Crosby, Richard DeSmet, Robert Eltgroth, Robert Freiri, Sam Hamilton, Jeffery Hare, Janet Herbert, Dave Higgins, Liz Hirata, Mel Hirata, Virginia Holtz, Matt King, Jack Kuzia, Pat Kuzia, Rick Linqvist, Mike Lipman, Peter Mandel, Chris Marchese, Elly Matsumura, Ken Mikami, Neil Mussallem, Wayne O'Connell, Ash Pirayou, George Reilly, Peter Rothschild, Al Sanchez, Annie Saso, Jennifer Simmons, Sharon Simonson, Al Victors, and Don Weden.

1. Welcome

The meeting convened at 5:30 p.m. with co-chair council member Forrest Williams welcoming everyone to the 38th Coyote Valley Specific Plan (CVSP) task force meeting.

2. Acceptance of December 12, 2005 Task Force Meeting Summary

Council member Williams called for a motion to accept the December 12, 2005 task force meeting summary. The motion passed unanimously.

Mayor Ron Gonzales announced Terry Watt's resignation from the task force due to personal obligations.

The task force provided the following question:

- Will someone replace Terry's position on the task force? *Mayor Gonzales explained that this has not been determined yet.*

3. Discussion of the Draft South Coyote Valley Greenbelt Strategy

Laurel Prevetti, deputy director of the Planning, Building, and Code Enforcement (PBCE) Department, presented the draft South Coyote Valley Greenbelt Strategy. The purpose of this

discussion was to obtain input on the proposed Greenbelt Strategy. Laurel reviewed statements relevant to the Greenbelt from the Council's Vision and Expected Outcomes and the co-chair's memo. She explained the Greenbelt Strategy's vision, goal, assumptions and principles, elements, and the South Coyote Valley land use concept.

The task force provided the following questions and comments:

- Pleased with the Greenbelt Strategy.
- Given the vision the task force was given to implement, this work is commendable.
- This Greenbelt Strategy is a good start, but a lot of work still needs to be done. It is a massive undertaking to establish a greenbelt. The CVSP cannot solve all of the Greenbelt issues. It is not under the purview of the task force to make land use decisions about the South Coyote Valley Greenbelt. The task force can only accomplish the CVSP objectives set forth.
- The Mid-Peninsula Regional Open Space District raised \$250 million to obtain open space land. Financing from existing Urban Reserve property owners is not going to happen.
- There are currently Open Space Authority financial structures existing countywide. As North and Mid-Coyote Valley is subdivided, significant amounts of money will be created and go towards the Open Space Authority. Would like Economic and Planning Systems, the CVSP economic consultant, to develop a funding strategy for open space preservation. Need to keep funds in Coyote Valley to achieve our goals and objectives.
- It may not be possible to place restrictions on Open Space Authority funds, such as keeping funds in Coyote Valley. The Open Space Authority is an independent agency.
- Need to begin quantifying resources. Need to know the anticipated number of parcels and the anticipated bonding capacity of Open Space Authority taxes. In order to establish an effective greenbelt, we need a concerted effort between the City, County, and Open Space Authority to identify additional funding sources beyond Open Space Authority taxes.
- Are there examples of successful approaches to creating a greenbelt? Could they be applied the South Coyote Valley Greenbelt? *Small-scale agriculture has been documented as being economically viable in the Bay Area. There appears to be interest and opportunity for small-scale agriculture in Coyote Valley. Products such as wine and gourmet vegetables are viable. The Greenbelt Strategy will be flexible to respond to potential small and large scale agricultural opportunities in this Coyote Valley.*
- Commended staff's support of agriculture.
- Monoculture is a new agricultural method involving intensive farming. It allows multiple crops to be grown simultaneously with seasonal changes and allows the products to be sold in the region where they are grown. This is taking place in Santa Clara County between Santa Cruz and Watsonville.
- There is a demand, not a "potential market," for locally grown and specialty foods.
- Has been in touch with FarmLink. The organization links aspiring farmers with experienced and retiring farmers.

- FarmLink has members interested in farming, but they do not own the land.
- Has farmed in Coyote Valley his whole life. His property has been annexed into the City for 48 years and is still waiting for urban services.
- Farming is complex. It is not that people do not want to farm; farming needs to be economically viable. Market timing is important.
- There are challenges to farming. Gilroy farmers do not want to farm even though they own their own land. The Greenbelt Strategy has a good vision, but it is not realistic.
- Need to consider how we can establish trails to provide access and connections to open space in the Greenbelt.
- How will trails be established when these are privately owned land?
- The Greenbelt Strategy should also list environmental challenges affecting residential uses.
- Residential development currently permitted in the Greenbelt under A-20 zoning is difficult to implement. Recommended allowing some cluster development. Agricultural enclaves can be created around the cluster development.
- Recommended that the draft strategy elements include a health component. Active living and nutrition are solutions to the nation's health problem. As stated in the Greenbelt Strategy, people can make a livelihood from producing organic and locally grown products. The U.S. Department of Homeland Security has concerns regarding food security. Need to solve issues about how we deliver food across long distances.
- Is this the time for the Greenbelt property owners to engage in the Greenbelt Strategy discussion? *Yes. There have also been on-going discussions at the community meetings.*

The public provided the following comments:

- Rebecca VanDahlen asked where she could find the definition of "Greenbelt." When and how was the South Coyote Valley Greenbelt created? *Mayor Gonzales asked Rebecca to provide her contact information to staff. Staff will respond to her inquiries.*
- Michele Beasley, with the Greenbelt Alliance, stated that the Greenbelt Alliance was supportive of transforming the South Coyote Valley non-urban buffer into a greenbelt. However, the Valley floor is only part of the Greenbelt. Stronger hillside protection combined with a protected Valley floor would create a true greenbelt.
- Melissa Hippard, with the Sierra Club, indicated that a variety of parties have considerable interest in realizing the Greenbelt Strategy. She urged the task force to take this issue seriously and to support pursuing this effort. There is a limit to what the South Coyote Valley Greenbelt can absorb for agricultural mitigation, wetlands, and wildlife habitat. Agricultural mitigation should not be limited to the Greenbelt. Hillside protection is also important. Melissa recommended that the wildlife corridor be located on the north end of Coyote Valley.
- Trixie Johnson, with Friends of the Coyote Valley Greenbelt (FROG), recommended that the Greenbelt Strategy include a section discussing the environmental challenges of adding additional residential development in the Greenbelt. There are many potential funding sources for the Greenbelt. Funding sources are not only needed to purchase fee titles and

- easements for agriculture, but also for management and programmatic purposes to make agriculture work.
- Consuelo Crosby, a South Coyote Valley Greenbelt property owner, indicated that she has seen very little new information regarding the Greenbelt. She is unable to sell her property because the proposed land use designations are unclear. Consuelo would like to know what the preliminary land uses are for the Greenbelt.
 - Richard DeSmet, a South Coyote Valley Greenbelt property owner and member of the Coyote Valley Alliance for Smart Planning, said that he agreed with task force member Dan Hancock’s cluster development recommendation. Cluster development would help generate financing. Richard disagreed with task force member Eric Carruther’s comments regarding farming. He suggested that there be a forum about the experiences of Coyote Valley farmers. Richard has been farming for years and indicated that the land is infertile. Farming is not economically viable. The Greenbelt was established by the general plan in 1975. The Greenbelt designation is outdated. We need to think differently.
 - Shanna Boigon, with the Santa Clara County Association of Realtors, said that the CVSP should take the Greenbelt property owners’ suggestions into consideration. Shanna is a member of the Williamson Act task force and has been looking at how the Williamson Act can fit into the CVSP. The plan needs to determine how estate homes can be created.

4. Review of Proposed Agricultural Mitigation Approach

Joe Horwedel, acting director of the PBCE Department, presented the proposed agricultural mitigation approach. The purpose of this discussion was to inform the task force and public about agricultural mitigation and a proposed approach for San Jose. Joe explained the definition of “agricultural land” per the California Environmental Quality Act (CEQA). He reviewed the city’s natural resources goals and policies per the San Jose 2020 General Plan, potential agricultural land conversion in San Jose, the California land evaluation and site assessment (LESA) model, and the city’s agricultural land impact analysis process. The next step is to develop a mitigation program for converted agricultural land(s).

The task force provided the following questions and comments:

- In regards to the picture on the last slide of the PowerPoint presentation, is this property located in the County? Farmers are not permitted to leave agricultural debris on public roads. This is an example of farming issues that arise; you cannot even turn a tractor around on a road anymore. *The photograph was taken in Coyote Valley.*
- What is the proposed time schedule for working out the details for agricultural mitigation? *The agricultural mitigation approach will be discussed at the fourth progress report to Council on January 31, 2006. It would also be discussed at the upcoming community meeting. The task force is invited to attend these meetings.*

- Where can we obtain more information about the California land evaluation and site assessment (LESA) model? *More information can be found on the State's Resources Agency website.*
- It is important to hear what people think about agricultural mitigation.
- Mitigation strategies are not “one size fits all.” Need to look selectively at how the agricultural mitigation strategy can be implemented.
- As we look at agricultural mitigation policies, we still need to maintain our objectives for affordable housing, economic development, etc. There are competing issues. Flexibility is important.
- As close as possible, would like there to be 1:1 agricultural mitigation requirement.
- South County is a much stronger area for agriculture than Coyote Valley. Need to look at Gilroy's mitigation policy since it discusses issues we are not even talking about.
- The prime agricultural land is still there even if you pave it over. This does not mean that it is the right way to do it, but it is not the end of everything.
- Should look at other options for financing.
- Funding is needed not only to purchase land, but also for putting the deal together and for on-going maintenance. It costs \$25,000-\$43,000 to put a deal together and do the legal paperwork for an agricultural easement. There are a lot of small parcels in South Coyote Valley. Strongly encouraged small parcel owners to work together to keep costs down.
- Not all of the land in this plan is created equal. There are goals and objectives we want to implement. Should consider having a statement of overriding considerations as part of the overall strategy for lands that achieve our goals and objectives.

The public provided the following comments:

- Michele Beasley, with the Greenbelt Alliance, thanked the City for reconsidering its agricultural mitigation policy and for proposing 1:1 agricultural mitigation. The City needs to mitigate 2,300 acres of farmland. San Jose has a rich agricultural history, but it is primarily gone today. It is important for the South Coyote Valley non-urban buffer be transformed into an urban edge agriculture model.
- Melissa Hippard, with the Sierra Club, stated that urban fringe development is expensive and the City's General Plan recognizes this. The Sierra Club supports 1:1 agricultural mitigation, at a minimum. All forms of development should have some amount of responsibility to pay for in-lieu fees. All farmland lost to residential, commercial, or industrial development should be mitigated. Fairfield and Davis have good agricultural mitigation policies, but their in-lieu fee programs focus on residential development. She cautioned against multiple mitigation strategies, particularly when dealing with farmland.
- Juliana Chow, with the Santa Clara Valley Audubon Society, thanked the PBCE Department for opening the discussion on the Greenbelt Strategy and agricultural mitigation. The Audubon Society supports open space preservation and hillside protection. They also support having a wildlife corridor that connects the eastern and western hills. The Audubon Society would like to see a wildlife corridor located in North

and Mid-Coyote Valley, not just in South Coyote Valley. The Audubon Society supports Option IV of the agricultural land mitigation strategy options since it closely mirrors 1:1 mitigation, which is the position of environmental organizations. The Audubon Society would like the City to have a stronger commitment to preserving San Jose's agricultural heritage in South Coyote Valley. Juliana urged the task force to make recommendations that reflect the City's agricultural heritage.

- Richard DeSmet, a Greenbelt property owner and member of the Coyote Valley Alliance for Smart Planning, stated that he has been attending CVSP meetings for years. He mentioned that the Greenbelt Strategy would be discussed at the January 12, 2006 community meeting, and indicated that there was almost a riot at the December 2004 meeting. Greenbelt property owners have come up with ideas, but no one is listening to them. Farmers have indicated that farming is unviable. The plan has had a lot of changes, but it is not being flexible on the Greenbelt. There are not any plans for the Greenbelt. He encouraged the task force to think differently about the Greenbelt.
- Vic LoBue, a Coyote Valley property owner, indicated that his family has owned the property on the east side of Monterey Road for four generations. The LoBue family has farming background. No one in the new generations want to farm. There are agriculturally good properties, but production farming is not viable. Specialty farming is an exception.
- Jo Crosby, a South Coyote Valley Greenbelt property owner, indicated that had been attending CVSP meetings for four years. The land use plan for North and Mid-Coyote Valley has been refined, but the Greenbelt does not have a plan. The City is telling Greenbelt property owners what they must do to satisfy San Jose, and yet South Coyote Valley will never be annexed into the city. Agricultural experts have not asked greenbelt property owners what they have done or what they can do. The city needs to listen to Greenbelt property owners. The Crosby's property value has reduced by 10 percent since the CVSP process began.
- Shanna Boigon, with the Santa Clara County Association of Realtors, stated that affordable housing are for first-time homebuyers and are not necessarily subsidized housing. Residential land values in the county are surpassing industrial land values. There is a need for housing. How can there be affordable housing if we keep adding on fees? There is also a difference between farming and subsidized farming. We need to look at financial figures and find out who is going to farm. We need to create an incentive for property owners to take their land out the Williamson Act and create open space easements. The City needs to talk to property owners since they own the land.

The task force provided additional questions:

- How is fallow land assessed? *Soil is still soil whether people chose to farm or not. The LESA model looks at land that has not in production for six years. Other land evaluation and site assessment criteria take into account whether the land is considered as significant farmland or not.*
- How is open space or land with recreational uses assessed? *This depends on how urbanized the land is.*

5. Discussion of Proposed Community Health Care Strategy

Sal Yakubu, principal planner with the PBCE Department, presented the proposed community health care strategy. The purpose of this discussion was to obtain input on a proposed community health care strategy based on participation from the medical services focus group. Sal reviewed Council's key Vision and Expected Outcomes relevant to health care. He also explained the health care strategy's vision, goals and objectives, and outreach process and outcomes. The draft health care strategy includes: (1) forming a Coyote Valley health foundation/trust; (2) providing seed money, not to exceed \$5 million; (3) supporting providers with \$1 million of start up funding to support storefront clinics during implementation up to 10,000 residences; (4) promoting awareness of existing health care options; (5) conducting a health care assessment at 10,000 residences based on true demographics to determine the need for health care services; and (6) supporting the development and operations of health care facilities with seed money, if necessary.

The task force provided the following questions and comments:

- This is a great place to be at from where we started with the health care discussion.
- This is cutting edge. Does not think this has been done before. Does not think this is something the task force can mandate, only facilitate.
- If the health care community promotes locally grown food and organic products, it could help support agricultural uses in the Greenbelt at the same time.
- Santa Clara County had a Hospital Planning Commission years ago. Skeptical that for-profit health care providers will provide health care services to the under and uninsured.
- Cannot wait until private health care providers meet the needs of Medi-Cal patients. Private hospitals are cutting elective services.
- Not familiar with non-profit health care providers other than Santa Clara Valley Health and Hospital Systems. *Daughters of Charity and O'Connor Hospital are also interested in serving under and uninsured Coyote Valley residents.*
- It is unclear how the \$5 million in seed money can be spent. *The \$5 million can help non-profit and private health care providers provide services to under and uninsured Coyote Valley residents. In the short-term, the \$5 million can be used as grant money and credit to help non-profit and private health care providers. A community health care clinic could ultimately be built if there is a need. No other city has built a health care facility before. However, there is evidence that grants and credits have helped non-profit and private health care providers to build facilities that cater to the under and uninsured.*
- Support for the idea of forming a Coyote Valley health foundation/trust. Believes it is premature to limit seed money to \$5 million. Recommended against supporting health care providers with \$1 million of seed money until there are 10,000 residences; flexibility is important. Recommended against waiting until there are 10,000 residences before conducting a health care assessment.

- Recommended that the medical services focus group develop a plan based on Santa Clara Valley’s Health and Hospital System’s recommendations. Need to look at financing options. This does not have to be a solely paid by developers. Need to look at plans for operators and financing.
- It is important to plan for who will deliver health care services. Concerned about providing a service that is not provided anywhere else in the County. Concerned about relying on partners that may not be able to provide these services.
- Need to follow the following principles: (1) Need to meet Coyote Valley’s needs. Need to assess needs versus the numbers of facilities. (2) Need to leverage public and private grants that have been historically available for these types of facilities. Likes the concept of having seed money. (3) Need a public/private partnership to bridge the gap between the insured and the under and uninsured.
- Just because other cities have not built health care facilities does not mean that San Jose should not do this.
- We are trying to make Coyote Valley be competitive with the region by having objectives such as health care, affordable housing, etc.
- More work still needs to be done since focus group members do not agree on the need to build community clinics and the size of community clinics.
- Recommended that the focus group develop a plan for health care services before there are 10,000 residences, plan for the 50,000 square foot facility and a storefront clinic, develop flexible financing options, and plan for who will deliver health care services.

The public provided the following comments:

- Mike Lipman, with Santa Clara Valley Health and Hospital Systems, stated that he was representing Robin Roche, a member of the medical services focus group. The SCVHHS proposed having a 50,000 square feet facility to meet the needs of the projected 15-20% gap in under and uninsured Coyote Valley residents. There needs to be substantial health care facilities to meet the needs of these residents. Mike recommended having a broader health care strategy, rather than starting small.
- Michele Beasley, with the Greenbelt Alliance, explained that although the Greenbelt Alliance is known for focusing on protecting remaining natural areas and farmland, promoting the livability of existing communities is also a high priority for the organization. The Greenbelt Alliance would like health care facilities to be a part of the CVSP. Coyote Valley residents should have access to good health care. Health care facilities should be included in the first phase of Coyote Valley development.
- Carol Bautista, with St. Julie PACT (People Acting in Community Together), stated that health care facilities in Coyote Valley need to be planned for before the community reaches 10,000 residences. There is a current strain on health care needs. We need to prevent this situation in the future.
- Reverend Carol Been, with the Interfaith Council, indicated that Martin Luther King, Jr. stated that health care is the most inhumane inequality in America today. Even if other cities have not planned for health care facilities before, we have the opportunity to create a

community without health care inequalities. The Interfaith Council proposed having two health care clinics in the beginning, including one 50,000 square foot facility with services that expand as the population grows. The health care facilities need to be public facilities that will serve the most vulnerable populations. The Interfaith Council would like the estimated \$30 million in construction costs for the 50,000 square foot health care facility to be included in the CVSP infrastructure costs. Reverend Been asked developers and everyone benefiting from the CVSP to invest in the community.

The task force provided additional questions and comments:

- It was helpful to have public comments in the middle of this discussion. Would like to encourage this process.
- Commended the medical services focus group.
- Recommended using existing health care facilities in the area until Coyote Valley facilities are built. There is currently an underutilized facility in Morgan Hill.
- Health care facilities are a selling point for families. Need to build the 50,000 square foot facility so that Coyote Valley residents do not have to go far for services. Should not wait until there are 10,000 residences to conduct a health care assessment.
- Everything should be considered at the conclusion since we are considering numerous issues simultaneously.
- Need to be careful not to overload the “donkey” or else it will go down. Need to look at this realistically. Need to determine what we can afford and how we can afford it.
- There needs to be further review and study by the medical services focus group.

6. Public Comments

The public provided the following comments:

- Richard DeSmet, a South Coyote Greenbelt property owner and Coyote Valley Alliance for Smart Planning, commended the plan for North and Mid-Coyote Valley. He asked how the City was planning to purchase the Greenbelt. There are 300 legal lots in the Greenbelt. Property owners can build one house plus a granny unit. There are a lot of expensive homes in this area. The CVSP needs to be flexible. The City and County established the South Coyote Valley Greenbelt in 1975 without consulting property owners. This was a wrong decision. The City needs reevaluate the Greenbelt designation since it is inflexible and does not work.

7. Adjourn

Council member Williams adjourned the meeting at 7:25 p.m. The next task force meeting will take place on February 13, 2006.

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