

City of San José
Coyote Valley Specific Plan

Summary of Task Force Meeting
October 30, 2006
City Hall, Committee Rooms W118-120

Task Force Members Present

Co-chair Councilmember Forrest Williams, co-chair Councilmember Nancy Pyle, Chuck Butters, Eric Carruthers, Helen Chapman, Pat Dando, Russ Danielson, Craige Edgerton, Supervisor Don Gage, Dan Hancock, Melissa Hippard, Doreen Morgan, Ken Saso, Steve Schott, Jr., and Steve Speno.

Task Force Members Absent

Gladwyn D'Souza, Phaedra Ellis-Lamkins, Chris Platten, and Neil Struthers.

Technical Advisory Committee (TAC) Members Present

Dawn Cameron (County Roads), Mike Griffis (County Roads), Libby Lucas (CA Native Plant Society), Brian Schmidt (Committee for Green Foothills), Tim Steele (Sobrato Development), Stan Williams (SCVWD), and Kerry Williams (Coyote Housing Group).

City and Other Public Agencies Staff Present

Lee Wilcox (Council District 10), Rachel Gibson (Office of Supervisor Don Gage), Laurel Prevetti (PBCE), Darryl Boyd (PBCE), Susan Walsh (PBCE), Jared Hart (PBCE), Stefanie Hom (PBCE), Perihan Ozdemir (PBCD), Regina Mancera (PBCE), Maria Angeles (Public Works), and Matt Krupp (ESD).

Consultants Present

Chuck Anderson (Schaaf & Wheeler), Tom Armstrong (HMH Engineers), Bill Wagner (HMH Engineers), and Roger Shanks (Dahlin Group).

Community Members Present

Julie Ceballos, Roger Costa, Frank Crane, Consuelo Crosby, Jo Crosby, Mini Damodaran, Robert Eltgrogh, Michael Greene, Janet Hebert, Virginia Holtz, Jack Kuzia, Pat Kuzia, Lee Lester, Petri Georgene, Maralee Potter, Art Sanchez, Annie Saso, Christina Schell, Jeremy Schoos, Pete Silva, Sharon Simonson, Marley Spilman, Ken Schreiber, Al Victors, George Thomas Jr, Shelle Thomas, Don Weden, and Kim Weden.

1. Welcome

The meeting convened at approximately 5:30 p.m. with Co-Chair Councilmember Forrest Williams welcoming everyone to the Coyote Valley Specific Plan (CVSP) Task Force meeting.

2a. Acceptance of August 14, 2006 Task Force Meeting Summary

Co-chair Councilmember Nancy Pyle called for a motion to accept the August 14, 2006 Task Force meeting summary. The motion passed unanimously.

2b. Acceptance of August 24, 2006 Community Meeting Summary

Co-chair Councilmember Nancy Pyle called for a motion to accept the August 24, 2006 Community Meeting summary. The motion passed unanimously.

3. Updated Work Plan and Schedule

Laurel Prevetti, Deputy Director with the Department of Planning, Building and Code Enforcement, reviewed the schedule and timeline for the Coyote Valley Specific Plan (CVSP). The schedule lists the Task Force meeting dates for the remainder of the year and 2007 and anticipated major milestones. Community meetings will also be held regularly and the dates will be posted on the website. All Task Force meetings will be in room W-118, 119 and 120, and information will be posted on the CVSP website. The Initial Draft of Specific Plan will be released this December 2006. The Environmental Impact Report (EIR) will be publicly available on March 1, 2007, and there will be a two month commenting period. In the summer of 2007, the City will respond to comments, prepare Plan refinements and prepare form-based zoning.

The Task Force provided the following questions and comments. (Please note that comments are shown first, followed by responses in italics):

- Thanked Planning Staff for keeping the Task Force on schedule, and for allowing two months to comment on the EIR.

- How will the Specific Plan and EIR be circulated? *Laurel indicated that the Task Force will get hard copies of the document at the December 11th meeting. It will also be posted on our website and available on CD, at public libraries, and at City Hall.*
- It is difficult to use long documents on the computer.
- Thanked Planning Staff for the work that has been done so far.

The public provided the following questions and comments:

- Brian Schmidt, with the Committee for Green Foothills, indicated that it is difficult to use CDs to read the website documents. He recommended that there should be paper copies available for a nominal fee.

4. Draft Water Supply Assessment

Laurel introduced Chuck Anderson from Schaaf & Wheeler Hydrology, who is working on preparing the water supply evaluation for Coyote Valley. The City has been working closely with the water district and appreciates the hard work of their staff.

Chuck introduced himself and clarified there are some changes to the presentation that may not be reflected on the handout.

The intent of Senate Bill 610 is to improve the linkage between available water supplies and local land use decisions to determine if there is adequate water to meet the demands of the CVSP project. Chuck explained the requirements of Senate Bill 610. It requires detailed water supply availability information to be provided in CEQA documentation to allow the decision makers to make more informed decisions on projects.

The Santa Clara Valley Water District (SCVWD) is the primary wholesaler for water supply in Santa Clara County, and would be the wholesaler for Coyote Valley as well. In terms of CEQA, SCVWD will act as a responsible agency for certain aspects of the CVSP. The district will participate in selecting water supply alternatives to ensure consistency with the long-term planning goals for the County.

Chuck reviewed the SCVWD's Guiding Principles for the CVSP, which include ensuring a reliable supply of high-quality water, and protecting groundwater resources from contamination. There are three potential water suppliers for Coyote Valley: San Jose Water Company, San Jose Municipal Water Department, and Great Oaks Water Department. As a result there may be more than one water retailer that will serve the Coyote Valley. The City has coordinated with SCVWD to prepare a neutral whatever supply evaluation to evaluate the water retailers.

Chuck explained the existing water conditions in Coyote Valley. All the potable water used in CV is pumped from groundwater and stored in the Coyote Valley Sub-Basin. The water level in the Sub-Basin is stable and in "rough balance." The SCVWD manages releases of stored water from Anderson Reservoir to maintain the basin stability.

The existing water demand in Coyote Valley is 7000 – 8000 ac-ft/yr. It is projected that when Coyote Valley is built out, the demand will double to 18,500 ac-ft/yr. Chuck went over the demands of both potable and non-potable water. They want to maximize use of non-potable wherever possible.

Chuck discussed the projected water supply demands of Coyote Valley. Water supplies would be projected to meet water demands through 2030 for normal, single dry, and multiple dry years through a combination of techniques. He also reviewed the potential sources for ground water, recycled water, water conservation, and surface water utilization. Recycled water would be advanced treated for potable and non-potable use.

Chuck indicated how potable and non-potable water would be supplied to meet the water supply goal of 18,500 ac-ft/yr, while maintaining stable groundwater levels. Potable water would come from existing groundwater and additional groundwater with supplemental recharge. Non-potable water would come from supplemental groundwater recharge and the Silver Creek Pipeline recycled water. A non-potable water alternative would be to expand the South Bay Water Recycling Program.

The next steps in the Water Supply Evaluation include researching the pending November 2006 ruling by the California Supreme Court in *Vineyard Area Citizens for Responsible Growth, Inc v. City of Rancho Cordova*, packaging the water retailer's assessments into appendices in the water supply evaluation report for review by the SCVWD for their endorsement, presenting the final Water Supply Evaluation to City Council for approval, and include the findings in the CVSP CEQA document.

The Task Force provided the following questions and comments. (Please note that comments are shown first, followed by responses in italics):

- Are all three water suppliers actively providing water in this area? What is the criteria for water suppliers? Is it legislative? *Chuck answered in the affirmative. They are regulated by the Santa Clara Local Agency Formation Commission (LAFCO and the public utilities commission..*
- The district has plans in the future to drain several of the reservoirs because they have to do some infrastructure changes to the piping. That could have a huge effect on this plan unless there is another water source besides Anderson Reservoir. *Chuck indicated there are a lot of water sources that feed into Santa Clara County.*
- How do you get outside water sources to Coyote Valley? *Chuck indicated there are new projects needed to move water from other basins into Coyote Valley.*
- Are extractions from different water sources currently possible? *Chuck indicated water can be moved between the Santa Clara sub-basin and the Coyote sub-basin.*
- Would each home use less than one ac-ft/yr of water? *Chuck responded in the affirmative. They look at records for similar developments and cities to generate their data.*
- What is the impact on ongoing development elsewhere in San Jose in conjunction with the development in Coyote Valley? What happens if we get a drought year? *Chuck indicated*

the Urban Water Management Plan includes all demands by surrounding proposed and existing development. The district has the ability to move water around so water would not be depleted from Coyote Valley, even in a drought year.

- If we take approximately a third of the water from the State, a third of water from the Bureau of Reclamation, and a third of water from the ground, this assumes that we keep constant with the Bureau of Reclamation. Will there be an increase take of that water from the State and Bureau of Reclamation? *Chuck indicated the planning is based on entitlements that they currently have. It is assumed that the water the project is entitled to is the water they are going to get.*
- Are we using our full entitlement for Santa Clara County that we have with the Bureau of Reclamation and with the State, or do we still have water left? Is that entitlement subject to the elected public officials in Sacramento? *Stan Williams, CEO of the Santa Clara Valley Water District, indicated they will be able to receive their contract supplies from the State and Federal government in normal years. They also plan for periods of drought where it is assumed that they are not going to get all the water. That water cannot easily be affected by other levels of government because it is contract water. The SCVWD tries to develop a portfolio of reliable water supplies.*
- What is the relationship between the three water retailers? Their assessments can be different. How will the retailer be selected? *Chuck indicated the three water suppliers are not that different. The purpose of the assessments is to evaluate each retailer and compare the differences. If a project wants to move forward, they can select the water retailer.*
- Aggressively protecting groundwater resources from contamination is a great idea. Are there examples of how to proceed with that? *Chuck indicated some strategies are to not to deplete the groundwater resource and to keep water stable and balanced. A lot of septic tanks will be changed to sewers. Some land-use changes will also be beneficial to groundwater protection.*
- Recycled water would be pumped back into the basin. How does that work with the water mixing with the other water that is in the basin? *Chuck indicated that water would not need to be pumped back into the basin. It will percolate into the ground and into recharge basins in the Greenbelt area. They are taking water that is already treated to drinking water standards and using it for recharge. There will be no direct use of recycled water for human consumption.*
- It seems as if the 6,000 ac-ft/yr ground water recharge figure is double counted because it is allocated to both potable and non-potable water. *Chuck clarified the figures in the flow chart.*
- A lot less than 8,000 ac-ft/yr is being drawn out of the sub-basin right now. *Chuck indicated that up to 8,000 ac-ft/yr of water is being drawn out, mostly by agriculture uses.*
- Does water need to be taken out from the Santa Clara basin? *Chuck responded in the affirmative.*
- Does the water coming out of the treatment plant need additional treatment before it can be used to go into the ground? *Chuck responded in the affirmative.*
- Would sewage treatment plant water require an additional plant be installed in Coyote Valley before it can be irrigation water used for landscaping? *Chuck responded in the affirmative.*
- Is there a need for more recharge facilities? Is there a sense of how many acres that is going

to be, and is it going to impact the Specific Plan land use diagram? *Chuck indicated that percolation ponds are already incorporated into the Specific Plan and would not have a major impact on land uses. The recharge ponds are proposed to be located along Fisher Creek in the Greenbelt area.*

- Are there mitigation requirements if water is brought in from the Santa Clara sub-basin? *Chuck responded in the affirmative, and indicated that it is the SCVWD's responsibility to decide whether additional recharge would be necessary. They would just be moving water around in the same basic groundwater basin.*
- How much water is currently moving through the Coyote Valley to the North? *Chuck indicated there is about 5,000 – 6,000 ac-ft/yr that moves to the North. It goes to the Metcalf percolation ponds, and then used in Santa Clara. Projections are based on the same amount of water that is moving through now.*
- How long has water been moving through Coyote Valley to the north? *Chuck indicated that the water historically flows through Coyote Valley to the Bay. The historic problem in Coyote Valley has been that there is too much water.*
- Glad to hear the water supply evaluation will be incorporating all the other plans that are going on in San Jose, and not just thinking of Coyote Valley.
- The public provided the following questions and comments:
 - Brian Schmidt, with the Committee for Green Foothills, suggested the Task Force and City Council invite the water district to do a presentation to them. Additionally, he indicated that the water supply assessment is a projected demand. Does the forecasted build-out include total build-out of Coyote Valley, or it is just build-out up to 2030, which is not total build-out? CEQA requires looking at total build-out.
 - Consuelo Crosby, Greenbelt property owner, wanted to get clarification on what forecasted build-out means. Does it mean property owners in the Greenbelt will be allowed to build? They are currently using well-water for their home, but no water for the land. *Co-chair councilmember Forrest Williams indicated the forecasted build-out projections relate to the Coyote Valley Mid and North Coyote Valley areas, not the Greenbelt. There is no development planned for the Greenbelt, over and above what is currently allowed by the City and County policies. Chuck clarified that build-out means after the complete plan is built.*
 - Jo Crosby, Greenbelt property owner, has had experience with groundwater. There is an assumption that the water available now is going to be available in the future. Groundwater gets into the ground from surface sources. If there is going to be 25,000 people in the northern part of the Coyote Valley, the groundwater recharge will go down. The water that does get into the groundwater basin will be contaminated from automobile run-off, fertilizer from parks, etc. Recharging water is costly.

5. Introduction to the Santa Clara Valley Habitat Conservation Plan/Natural Community Conservation Plan

Supervisor Don Gage, who is a Task Force member and chair of the Santa Clara Valley Habitat

Conservation Plan committee, gave a brief history of the Santa Clara Valley Habitat Conservation Plan (HCP)/Natural Community Conservation Plan (NCCP). It was undertaken in 2002 following a biological opinion from the U.S. Fish and Wild Life Service on certain Santa Clara Valley Transit Authority (VTA) and City of San Jose road projects. Agencies usually prepare HCP's and NCCP's for three major reasons: 1) to increase local control of permitting for species, 2) provide clear and specific mitigation requirements, and 3) to protect and preserve vulnerable plant and animal species and the habitats they rely on.

Dr. David Zippen, project manager and senior staff from Jones and Stokes in San Jose, indicated that a HCP/NCCP is a partnership to protect quality of life in the community, protect listed and rare species and their habitats, and to provide regulatory certainty and cost savings. The HCP is the federal side of the plan, and the NCCP is the state side of the plan.

David provided background on the Santa Clara County HCP/NCCP origins. All local partners signed a Memorandum of Understanding (MOU) in June 2004, which included the County of Santa Clara, the City of San Jose, Santa Clara Valley Water District (SCVWD), Santa Clara Valley Transportation Authority (VTA), the City of Gilroy (2005), and the City of Morgan Hill (2005). A Planning Agreement was signed in October 2005.

David indicated that the HCP/NCCP will enhance and expand conservation lands and open space in Santa Clara County, provide permits to local agencies from the U.S. Fish & Wildlife Services, National Marine Fisheries Service, and the California Department of Fish & Game. The HCP/NCCP will not address all endangered species needs in the County, eliminate other permitting requirements, or solve all environmental conflicts in County.

David presented a HCP/NCCP timeline and an organizational chart indicating all the agencies involved with the Santa Clara Valley HCP/NCCP. David also showed a map showing the HCP/NCCP study area. It is limited by the major watersheds located in Santa Clara County, habitat areas, and jurisdictional boundaries. The study area is approximately 520,000 acres (about 2/3rd of Santa Clara County). The plan is proposing 30 species be covered in the plan. Half are wildlife species and half are plant species.

David went over the activities that will be receiving permits to "take" (hunt, kill, etc.) the covered species in exchange for conservation. It includes all of the urban development planned within the four jurisdictions (San Jose, Morgan Hill, Gilroy, and the Santa Clara County). It does not include any development that goes beyond current general plans. The Coyote Valley Specific Plan is not covered (it is under a separate Endangered Species Act compliance).

The permit term has not yet been determined, but it is likely to be in the typical range of 30 – 50 years. Some considerations include the time horizons of local planning documents, and the time needed to fund implementation. They will continue having public input meetings. More information can be found on their website. There will also be formal opportunities for comments when the public draft HCP/NCCP and EIR is released.

Darryl Boyd, Principal Planner with the Department of Planning, Building, and Code

Enforcement, reiterated that the Coyote Valley Specific Plan is not a covered activity in the HCP/NCCP. Due to timing and being able to be separate from the HCP/NCCP effort, the decision was not to have CVSP be included in the HCP/NCCP as a covered activity. Even though CVSP is a significant contribution to housing and jobs, it does not encompass all new development anticipated in the City.

Because the CVSP has the potential to impact wetlands, the City is required to get a permit from the Army Corp of Engineers under the Clean Water Act. As part of the permitting process, the Army Corps of Engineers is required to consult with the U.S. Fish & Wildlife Service, and there are several options under the federal Endangered Species Act (ESA). The Section 7 option is what CVSP is pursuing, rather than the HCP/NCCP effort.

CVSP still needs to mitigate biological impacts and will coordinate with the HCP/NCCP process. The planning agreement says the HCP effort cannot delay the CVSP. CVSP would have a separate permitting process, but remains committed to the overall HCP process.

The Task Force provided the following questions and comments. (Please note that comments are shown first, followed by responses in italics):

- How can people who are concerned with the habitat feel secure? *David indicated there is new information available that the City and other agencies will use to evaluate the effects of the CVSP.*
- How are non-site specific issues mitigated, as opposed to each land owner trying to mitigate individually as they try to pull permits? *Darryl indicated that the HCP/NCCP effort is about developing a program that mutually benefits all development, as opposed to Section 7/Section 10 where each project must mitigate itself. The intent is to develop an overall mitigation program for the entire project and determine how that translates to an individual property owner's mitigation.*
- How are site specific impacts going to be dealt with, as opposed to more generic impacts? *Darryl indicated that the EIR is looking at potentially significant impacts and potential worst case scenarios for build-out of the entire Specific Plan. There are placeholders for various types of mitigation measures that may be required.*
- If a land owner has wetlands on their property, would they be entitled to a fill permit based on the fact that someone else's land was mitigated? *The City has already filed for two separate Army Corps of Engineers permits. One set of permits would be issued to the City for public infrastructure projects, and the other for private property owners' projects.*
- If the City comes in and says they are going to put a property in wetland condition, who gets the benefit if there is going to be a mitigation associated with that benefit? Is that up for grabs, or does it get allocated as first come first serve? *Darryl indicated it will be incorporated into the overall program so it will not benefit or penalize any one property owner.*
- What are the similarities and differences between Section 7 and the HCP/NCCP? What is the usual process for public input review and comment for the HCP/NCCP and for Section 7? What is the relationship between the Section 7 permit process and the EIR process? *Darryl indicated that the City will need to prepare an Environmental Impact Statement (EIS)*

before Army Corp of Engineers permits can be issued and before the Section 7 process can be concluded. Information from the EIR can be repackaged into the EIS. David added that whenever there is a federal agency involved, the project must go through Section 7. It has less public involvement and standards than the Section 10 process.

- Will the process that the City is contemplating for the EIR and the EIS provide an equal opportunity for public input? What is going to be the outcome on Section 7? *David indicated that the timing of the Section 7 process is independent from the EIR process.*
- Will we be through with the EIR before the start of the EIS? *Darryl responded in the affirmative. The City's expects to begin repackaging the EIR into an EIS after the EIR has gone through the response to comments process.*
- Will there be issues addressed in the EIS that would not be addressed in the EIR? *Darryl indicated that the City will try to avoid that, and they are coordinating with the agencies involved. The EIR is the City's document and the EIS is the Army Corp of Engineer's document.*
- What is the role of the U.S. Fish and Wildlife Service and the Fish and Game agencies in Section 7 relative to the HCP/NCCP? *Darryl indicated that Section 7 only involves the U.S. Fish and Wildlife Service. It is a federal regulation. They may consult with Fish and Game staff, but they have no direct regulatory role in the Section 7 process.*
- If there is a difference between the Army Corps of Engineers and the U.S. Fish and Wildlife Service? Which agency prevails? *Darryl indicated that the U.S. Fish and Wildlife Service prevails on biological issues.*
- How do you anticipate identified mitigations from the specific plan interacting with the HCP given the timing expectations? *Darryl indicated that it is a matter of coordination.*
- Will the HCP hold up Specific Plan mitigations? *Darryl indicated that there could be competition for the same mitigation lands. The intent would be to avoid that. It could be a timing issue, but the HCP would adjust to the Specific Plan. David added that there is an assumption that the Army Corps of Engineers is going to take responsibility for the entire CVSP project, including non-water. If the Corps does not take full jurisdiction, there may be a way to get the plan into HCP/NCCP and on towards permits. But if the Specific Plan moves too far down the path, then it may need to wait until the HCP/NCCP is adopted and go through an amendment process. The assumption is that the Corps is going to take responsibility for the whole project.*
- Cannot wait for all the uncertainties to become certain. The City has to keep moving so they can develop a schedule for build out. If we waited, there will not be a conclusion as to what the outcome will be. As the process proceeds, it will become clear what needs to be done.
- There should be an integration of HCP plan with the CVSP. Does not want to stall the Plan because the HCP/NCCP comes up with something different with the CVSP.

The public provided the following questions and comments:

- Kerry Williams with the Coyote Housing Group, indicated that this is a complicated issue and there needs to be continued updates. The Coyote Housing Group entered into a donation agreement to pay for the City to participate in the HCP/NCCP. There were questions if CVSP should have its own HCP/NCCP, but it was determined that the impacts of the CVSP would be minor because development is going to be on the valley floor, so it

was not necessary to include the CVSP in the HCP/NCCP. The CVSP can be treated as an interim project. The CVSP staff is having on-going meetings with the same agencies that are providing input throughout the HCP/NCCP process.

6. Public Comments

- Brian Schmidt with the Committee for Green Foothills, wanted to know when the revised Fiscal Analysis would be publicly available. The analysis should use updated housing price information. There is already a difference in the housing market since the time the fiscal analysis was released last spring.

7. Adjourn

Co-Chair Councilmember Williams adjourned the meeting at approximately 7:30 p.m.

The next Task Force meeting will take place on November 13, 2006.