



Memorandum

TO: COYOTE VALLEY SPECIFIC
PLAN TASK FORCE

FROM: Sal Yakubu

SUBJECT: SUMMARY OF EAST SIDE
MONTEREY HIGHWAY
PROPERTY OWNERS MEETING
ON 3/9/05

DATE: April 4, 2005

Approved

Date

Property Owners and Representatives:

Frank Crane, Joe Filice, Harvey Fletcher, Melanie Frost, Art Gonzales, Elaine Hamilton, Jenna, Don Larson, Steve Lo Bue, Victor Lo Bue, Vic Lo Bue Jr., Hwa Luh, Harry Mikami, Hiroko Mikami, June Mikami, Maria Nash, Dick Norman, Kenneth Pusateri, Ron Pusateri, Amanda Saso, Annie Saso, Gretchen Saso, Nino Saso, Tori Saso, Will Saso, Joe Turturica, Sal Turturica, Allen Williams, Allegra Williams, Jay Williams and Masayoshi Yamashita.

Members of CVSP Task Force:

Ken Saso.

San Jose City Staff Present and Consultants:

Sal Yakubu (PBCE), Susan Walsh (PBCE), Sylvia Do (PBCE), Regina Mancera (PBCE), Doug Dahlin (Dahlin Group), Roger Shanks (Dahlin Group), Paul Barber (KenKay Associates), Jim Thompson (HMH Engineers), Jim Musbach (Economic and Planning Systems) and Eileen Goodwin (Apex Strategies).

1) Welcome and Introductions

Eileen Goodwin, with Apex Strategies, welcomed everyone in attendance and reviewed the agenda. She indicated that the purpose of the meeting was to provide an update on the Coyote Valley Specific Plan (CVSP) process and invite continued participation in the process.

2) Open Discussion

Eileen encouraged the attendees to raise questions and comments that they had about the CVSP process. Property owners had inquiries regarding phasing, land dedication, land use and historical significance.

a) Phasing:

Jim Musbach, with Economic and Planning Systems (EPS), explained how financing influences phasing. The financing plan is still conceptual, but EPS is working on the details. The City Council established trigger mechanisms in the General Plan to ensure that industrial development precedes residential development and that the city is in good fiscal condition at the time of plan implementation. The build-out of 25,000 residential units is estimated to be in 25- 30 years, with the development of about 1,000 residential units per year. Housing development will drive the development of public infrastructure.

Jim Thompson, with HMM Engineers, explained how existing and planned infrastructure influence phasing. He indicated that it is important to create infrastructure to support future development. Jim Thompson explained that it would be economically feasible to start at the core area where there is pre-existing infrastructure. An existing 4 million gallon water tank is sufficient to start the CVSP and sustain it 3-4 years into development. Three water supply zones are planned for Coyote Valley based on the three currently existing tanks. A sewer line currently exists at the IBM on Bailey Avenue. He indicated that there are some stormwater detention facilities from the 1980s and a planned Cisco detention basin. Stormwater would be cleaned and filtered before it enters the lake. Pump stations located near the intersection of Monterey Road and Bailey Avenue currently serve areas on the east side of Monterey Road. He explained that there are not any formal drainage systems on the east side of Monterey Road because there is a natural slope that drains water away from that area.

Property owners provided the following comments:

- The 5,000-job trigger is counter-productive and should be removed from the CVSP. *Jim Thompson explained that the job trigger is a policy established in the General Plan by the City Council.*
- Recommend eliminating the lake.
- Recommend building residential units along Monterey Road first. Indication that jobs and employers will come to the Coyote Valley once residential units are built.
- What is the phasing timetable? *Jim Musbach explained that EPS is still working on the phasing plan.*
- Where will the first phase of development occur? *Jim Musbach explained that since the lake would need to be created early in the process, the area around it would be purchased sooner.*

- Could east side Monterey Road be included in the first phase? *Indication that the staff is still determining phasing.*
- Since there is existing infrastructure on the east side Monterey Highway, it should be one of the first phasing areas.
- Indication that there are vacant workspaces in other areas of the city and region.
- Indication that people do not have jobs and cannot afford homes. *Jim Musbach explained that business cycles have high and low ends. Most of the existing vacant workspaces are obsolete. Projected future workspace demand is more for office space uses than research and development (R&D). Some vacant spaces on North First Street and in downtown would be redeveloped.*

b) Land Dedication:

Jim Musbach clarified the public land dedication process. He noted that the percentage of fair share land dedication has changed from 37% to 31%. Jim Musbach explained that property owners would not be charged for development fees until they choose to develop their properties. A financing plan would obligate property owners to the timing of infrastructure implementation. The amount of fair share contribution varies by land use type. Property owners with less public land to dedicate would pay money to compensate those who dedicate more than their fair share of public land. Mello-Roos needs a two-thirds majority vote by property owners for approval. Jim Musbach indicated that the City would prefer negotiating with property owners rather than using eminent domain.

Property owners provided the following comments:

- What if a property owner does not pay into the plan? *Jim Musbach explained that only property owners who choose to support and implement the CVSP would pay their fair share of land dedication.*

c) Land Use:

Doug Dahlin, with Dahlin Group, explained that the city has a regional goal of bringing jobs to the southern part of San Jose. Mid-Coyote Valley has remained an Urban Reserve for 30 years to prevent the area from becoming a bedroom community. Doug indicated that the demand for housing types has changed; people are increasingly interested in higher density housing such as mid-rises, condominiums and apartments. He explained that it is possible to have a place be high-density and livable, and create a natural environmental transition.

Doug indicated that amenities should be developed early enough to market Coyote Valley. There should also be a strong market for all housing types. Doug indicated that east side Monterey Road is easily marketable since the area backs up to the existing open space along Coyote Creek.

Property owners provided the following comments:

- Indication that many east side Monterey Road property owners have previously provided open space for the Coyote Creek Park system. Need to make sure that property owners do not have to go through that again. Need to protect property owners and Coyote Creek.

d) Historical Significance:

Doug indicated that the staff would look at the potential historic reuse of buildings in the Hamlet.

Property owners provided the following comments:

- What would the density be like in the Hamlet? *Doug indicated that there might be 3-story single-family residential units similar to those in Capitola.*

3) Update on CVSP Process

Sal Yakubu, principal planner with the Planning, Building and Code Enforcement Department, indicated that there would be additional EIR scoping meetings in addition to those held on March 2 and 3, 2005. It is undecided as to how the EIR will include the Greenbelt Alliance's Vision, *Getting It Right*, as a project alternative. The Greenbelt Alliance would prefer that individual elements of their Vision, *Getting It Right*, be analyzed rather than the whole plan. However, the Audubon Society would like the Greenbelt Alliance's vision to be included as an alternative. Sal explained that city staff has had on-going dialogue with the Morgan Hill Unified School District (MHUSD), Santa Clara Valley Transportation Authority (VTA), Task Force and east side Monterey Road property owners. Sal encouraged the property owners to attend the next Task Force meeting on March 14, 2005. The third CVSP progress report will be presented to the City Council in early April.

Eileen notified property owners to expect a letter regarding the EIR soon. The letter will ask property owners and tenants for permission to access their property for the EIR research (e.g. soil sampling, surveying, etc.). The purpose of the research is to study the Coyote Valley under its existing conditions.

Property owners provided the following comments:

- Would like everyone, including east side Monterey Road property owners, to be treated fairly.
- Indication that this approach is better than the one attempted 30 years ago. Indication that everyone is listened to better.
- Indication that everyone wants to implement a good plan.
- Indication that the triggers are tying the plan down.
- Indication that Ken Saso is doing a good job on the Task Force.

4) Next Steps/Adjourn

Eileen thanked everyone for their comments. The next Task Force meeting would take place on Monday, March 14, 2005.

The meeting was adjourned at 8:30 p.m.

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