



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Joseph Horwedel

**SUBJECT: COYOTE VALLEY
SPECIFIC PLAN PROGRESS
REPORT #5: SOUTH COYOTE
VALLEY GREENBELT STRATEGY**

DATE: February 27, 2006

Approved

Date 2/28/06

COUNCIL DISTRICT: 2

SNI: None

RECOMMENDATION

It is recommended that the City Council accept the Fifth Progress Report of the Coyote Valley Specific Plan (CVSP) regarding the South Coyote Valley Greenbelt Strategy.

EXECUTIVE SUMMARY

The purpose of the study session is to discuss the proposed elements of a draft South Coyote Valley Greenbelt Strategy, which addresses the challenges of creating a non-urban buffer between the Cities of San Jose and Morgan Hill. In addition, the study session will include a verbal update on issues raised at the January study session and public input. An agenda for the study session can be found in Exhibit 1. The Council is not expected to make any decisions at the study session.

BACKGROUND

In August 2002, the Council voted unanimously to initiate a specific plan for the Coyote Valley. At that time, the Council appointed a 20-member Task Force, and specified 16 vision and expected outcomes statements to guide the preparation of the Plan (see Exhibit 2).

Over the course of the process, the City Council has considered and accepted four Progress Reports on CVSP on the following topics:

- September 2004: Environmental footprint as the basis for the proposed “composite” infrastructure framework and affirmation of the expected outcomes statements.
- January 2005: Land use plan concept.
- April 2005: Approach to the Environmental Impact Report alternatives, potential impact of the CVSP on job growth in North San Jose and Downtown, and community involvement process for the South Coyote Valley Greenbelt area.
- January 2006: Plan Refinements (Project Description) and Agricultural Mitigation.

Since the last progress report, the Task Force and community have continued to work on various aspects of the specific plan. Monthly Council study sessions through June 2006 have been approved by the Rules Committee to enable staff to provide the City Council with regular progress reports on the specific plan. Given the scope and complexity of this effort, these updates are important to understand the City Council’s questions, and receive their input on the overall planning process, and to facilitate discussion amongst the Council, staff, and consultants, as appropriate.

ANALYSIS

Historical context

Several key milestones over the last twenty years have led to the creation of a South Coyote Greenbelt Strategy as part of the overall Coyote Valley Specific Plan process:

- In 1984, the San Jose City Council adopted the Horizon 2000 General Plan, which established the concept of a greenbelt in South Coyote Valley.
- In 1994, the Greenbelt concept was affirmed as part of the adoption of the next comprehensive update called San Jose 2020 General Plan.
- Originally adopted in 1996 as an amendment to the San Jose 2020 General Plan, the City Council established an Urban Growth Boundary as the City’s ultimate urban limit. In Coyote Valley, the UGB is set at Palm Avenue (the line between Mid and South Coyote).
- In 2000, the voters in San Jose overwhelmingly approved a ballot measure requiring that the Urban Growth Boundary policies of the San Jose 2020 General Plan can only be modified or repealed by the voters of the City of San Jose.
- In 2001, the County of Santa Clara invited the City of San Jose, City of Morgan Hill, and other interest groups to participate in the formulation of “Interim Planning Principles of

the Coyote Valley Greenbelt". Each of the participating jurisdictions accepted this report.

Relevant Vision and Expected Outcomes

When the Coyote Valley Specific Plan (CVSP) effort was initiated in 2002, the City Council's vision and expected outcomes contained four points related to the establishment of a South Coyote Valley Greenbelt (Greenbelt) as a permanent non-urban buffer:

- Outcome #1: The plan will include Central and North Coyote for land planning and will include South Coyote in the infrastructure financing mechanism only. South Coyote (Greenbelt) is included only to determine financing and other mechanisms to secure this as a permanent Greenbelt.
- Outcome #2: The line (Greenline) between Central and South shall not be moved.
- Outcome #11: The plan must be financially feasible for private development.
- Outcome #14: The plan should seek mechanisms to facilitate the permanent acquisition of fee title or conservation easements in South Coyote.

Coordination to Prepare Greenbelt Strategy

Given these expected outcomes as the guiding principles, the CVSP staff and consultants convened several stakeholder meetings to discuss potential strategies for achieving the Council's goals. These included five meetings with South Coyote Valley property owners (June 5, 2004, July 22, 2004, September 7, 2004, October 25, 2004, and December 9, 2004). In addition, a group of property owners called the Coyote Valley Alliance for Smart Planning presented their suggestions for a Greenbelt approach to the Task Force in September 2004. Coordination also occurred with the County of Santa Clara, Santa Clara County Open Space Authority, Silicon Valley Land Conservancy, Friends of the Greenbelt (FROGs), Nature Conservancy, and others. The CVSP Task Force discussed the Greenbelt Strategy at their January 2006 meeting.

Consultants contributing to the Greenbelt information contained in this memorandum include Sustainable Agricultural Education (SAGE), Economics & Planning Systems (EPS), Dahlin Group, KenKay Associates, HMH Engineers, and Apex Strategies.

Existing Conditions in South Coyote Valley (Greenbelt Research Report)

To facilitate the development of a Conceptual Greenbelt Strategy, the CVSP consultant team began by:

- Conducting research on the existing conditions of the Greenbelt area,

- Interviewing numerous stakeholders (including but not limited to government agencies, property owners and farmers, and environmental, agricultural and food system interests), and
- Identifying case studies of successful open space and greenbelt preservation efforts in Northern California.

The findings of the research were published as “Coyote Valley Specific Plan Greenbelt Research” (available at: http://www.sanjoseca.gov/coyotevalley/info_Greenbelt.htm). The highlights of the research are discussed below, including existing land use, regulatory framework, ownership patterns and parcel sizes, economic challenges, environmental challenges, economic opportunities, and environmental opportunities.

Existing Land Uses: The Greenbelt area west of Monterey Road is a mix of single-family homes on lots of varying sizes, vacant land, greenhouses (some active and others vacant), animal farming, flower growing, other agriculture, mushroom production, and other activities. East of Monterey Road, major features include, but are not limited to, the Santa Clara County Coyote Creek Park Chain and trail, cherry orchards, Coyote Creek Golf Club, and the playing fields of Ann Sobrato High School.

There are existing single-family homes in the area and the potential for additional homes on existing and future lots under the current zoning regulations. Total residential capacity of the South Coyote Valley will be presented at the study session.

Existing Regulatory Framework: Most of the Greenbelt is unincorporated territory with the exception of lands along and in some cases, adjacent to Monterey Road. Existing County and City land use regulations generally require a minimum area of 20 acres per parcel. Properties located in the County, on the east side of Monterey Road, are designated for large-scale agriculture with a 40-acre minimum lot size requirement. In addition, a couple of properties on the western hillsides are subject to 20 to 160 acre minimum parcel sizes depending on the County’s variable slope-density formula.

Existing Ownership Patterns and Parcel Sizes: The South Coyote Valley Greenbelt is the most subdivided area in all of Coyote Valley. Almost 90% of this area (2,300 acres of approximately 3,600 acres) is in private ownership (see Table 1 below). Table 2 identifies the parcel sizes and demonstrates that much subdivision occurred prior to the current regulations.

Table 1: Ownership Patterns

OWNERSHIP	Acres	Number of Parcels	Percent	Improved	Vacant
Public (incl. Right of way)	1,300.80	41	11%	3	38
Private	2,320.40	349	89%	285	64
Recreation (Golf Course)	313.10	10		10	0
Other	2,007.30	339		275	64
TOTAL	3,621.20	390	100%	288	102

Table 2: Private Ownership Parcel Sizes

Parcel Sizes	Total Acres	Number of Parcels	Percent
Less than 20 acres	1494.25	337	96%
Between 20 and 40 acres	242.37	6	2%
Greater than 40 acres	583.78	6	2%
TOTAL	2,320.40	349	100%

Economic Challenges: Based on extensive interviews with property owners and other research, the consultants found the following economic challenges. Environmental challenges and opportunities in both areas are also identified below.

1. Conventional agriculture is less viable due to:
 - a. Depressed markets for conventional farm products, mainly due to imports
 - b. Rising costs of inputs: fuel, fertilizer, pesticides
 - c. Labor: unavailable, too expensive, hard to attract and retain in high-priced area
 - d. Regulatory barriers: many, too expensive, too time-consuming
 - e. Loss of processing facilities, mainly for prunes, a mainstay crop for decades
 - f. Small parcels are inefficient
 - g. Traffic impedes movement of farm machinery
2. Uncertainty is not conducive to expansion of and investment in agricultural businesses.
3. High land prices prevent “new” farmers from buying lands within the Greenbelt.
4. Funding for the purchase of open space and agricultural easements is limited.
 - a. Trusts and similar funding sources may achieve their objectives more efficiently on less expensive land.

Environmental Challenges

1. Farmers report the presence of poor or problematic soils that result in poor crop production.
2. Many wells are low or non-producing and may require expensive retrofitting.
3. High nitrate levels in some wells makes them unsuitable for irrigation.
4. High ground water levels in the rainy season make areas round Fisher Creek prone to flooding, and thus inappropriate for agriculture.
5. There are 19 hazardous materials users and/or spill incidents documented in Greenbelt. Most of these are dangerous on account of Above-Ground Storage Tanks (ASTs) or Underground

Storage Tanks (USTs), which may contain pesticides and herbicides that may impede the establishment of organic agriculture.

6. Pressure from wildlife “pests” (e.g. ground squirrels, wild turkeys, feral pigs) towards the western hills.
7. Potential buffer and liability issues between housing, agriculture, and wildlife uses.

Economic Opportunities and Potential

1. An aesthetic agricultural and natural landscape, intermixed with recreational opportunities could raise home site values and add value to surrounding urban areas.
2. Economic and environmental sustainability, multi-functional land use, and community health, are beneficial for the new development in North and Mid Coyote, as well as the South Coyote Valley Greenbelt.
3. Increasing demand for locally grown food, organic products, and specialty crops, and for on-farm educational programs and experiences based on reports by Bon Appetite and produce purchasers.
4. There is a potential market for locally grown and specialty foods amongst the diverse, high-income population of the San Jose metropolitan region.
5. Coyote Valley climate, natural resources, and proximity to potential markets amongst the diverse population of the San Jose metropolitan are a plus to future farmers.
6. A few Greenbelt farms and agricultural businesses would like to continue and perhaps expand operations.

Environmental Opportunities

1. Potential opportunities to focus appropriate wetlands and habitat mitigation requirements in South Coyote Valley.
2. A wildlife corridor through the Greenbelt would link regional parks on the east and west sides of Coyote Valley.
3. Water quality generally good for irrigation, and use in agro-businesses.
4. Water supply is sufficient and affordable for proposed uses.
5. Potential establishment of new trail systems along fisher creek and augmentation of and connection to existing trail systems and natural habitat areas.

Draft Conceptual Greenbelt Strategy

The Conceptual Greenbelt Strategy (see Exhibit 3) represents City staff's findings and recommendations derived in large part from the Coyote Valley Specific Plan Greenbelt Research report, and from discussions with various stakeholders. The Strategy is not intended to imply consensus amongst stakeholders, but is an attempt to present a concise, comprehensive, and financially feasible vision and approach of a potential strategy for the preservation of the Greenbelt.

Vision: South Coyote Valley should be a special place, maintaining a permanent non-urban buffer between the Cities of San Jose and Morgan Hill. The goal is to create a high quality, multi-use environment that includes riparian amenities, trails, natural habitats, open space, connections to the hillsides, and high quality home sites in a rural setting. South Coyote Valley should support and continue Santa Clara County's agricultural heritage by providing opportunities for all forms of agriculture, including agro-based industries and related activities.

Draft Strategy Components: The Greenbelt Strategy proposes to establish a framework to create and sustain a rural environment that supports high value rural residential home sites, active open space and related recreation, conservation, and various forms of agriculture, including small-scale agriculture and agro-based industries and related activities. Existing and future agricultural uses in the Greenbelt could be an important part of the aesthetic environment supporting high quality residential and open space uses, and a means of maintaining the open space lands and low intensity uses. Like the CVSP, the Greenbelt Strategy is intended to be a long-term plan to be implemented over several decades.

The Strategy assumes no additional subdivision would be approved unless it is consistent with the County's General Plan designations of 20-acre (Agriculture-Medium Scale) and 40-acre (Agriculture-Large Scale) minimums. Properties in San Jose would be subject to the 20-acre minimum parcel size requirement of the San Jose 2020 General Plan.

The Strategy does not contemplate the extension of City services beyond Palm Avenue into the South Coyote Valley Greenbelt area. This is consistent with both the City's and County's General Plans for this area.

Implementation Entity: Implementation of the Greenbelt strategy is proposed to involve the creation of a non-profit organization or quasi-public entity to facilitate the envisioned mix of uses, such as agriculture, open space, recreation, and habitats. The entity would encompass a wide range of activities, including, but not limited to:

- Negotiate and acquire easements.
- Work with interested property owners to facilitate efficient and sustainable agriculture.

- Match farmers and land through outreach and lease coordination.
- Work on “branding” Coyote Valley produce through marketing and promotion, establishing relationships with restaurants, supporting and coordinating farmers markets, establishing farm to school food programs, and other initiatives.
- Coordinate appropriate buffering of agricultural activities, and manage the interface between agriculture, open space, recreation and residential activities in the Greenbelt.
- Raise funds and manage ongoing financial sources to accomplish the goals of the Greenbelt.

Funding: A variety of funding sources would be needed to accomplish the Greenbelt Strategy over the long term. More work is needed to identify the potential sources and magnitude of funding required. Nevertheless, some potential funding sources are described briefly below.

- Seed money to create the non-profit entity and provide ongoing operational funding may be provided through a levy of some kind on the development planned to occur in the North- and Mid- Coyote.
- A limited amount of open space, wetlands, agricultural buffer areas, and wildlife habitat may be funded as appropriate mitigation per the California Environmental Quality Act for North- and Mid-Coyote development.
- Funding and protection of buffer areas and key environmental/open space resources may be achieved through partnerships with open space and conservation organizations, such as the Silicon Valley Land Conservancy, the Nature Conservancy, the Trust for Public Land, and Santa Clara County Open Space Authority, and other entities.
- Some portion of existing tax levies to support regional open space might be directed to the Coyote Greenbelt.
- Grant funding sources are available for various agricultural and conservation purposes that may be pursued in association with specific projects and activities.
- Agricultural management services provided by the entity may be funded in part through fees paid by owners of the agricultural properties under management.

Primary Issues

Easement Program Opportunities: Given the current minimum parcel size requirement of 20 acres, only 2% of the private properties (which are 40 acres or larger) meet the minimum requirement for potential subdivision. Therefore, there is limited ability to create new lots in the South Coyote Valley Greenbelt area.

Considering all private properties larger than 2.5 acres, and assuming a range of 1 to 2.5-acre home sites for each parcel, it is possible to assemble a reasonably contiguous area of between 1,100 and 1,400 acres outside of the home sites through conservation easements and/or fee title. In this way, property owners would retain the residential value of their land, while “selling” the easement/fee value of the residual land. The residual land value is currently under review and discussion after an initial estimate of \$15,000 per acre. This figure is currently a part of the total infrastructure cost of Coyote Valley, which will be borne by the developers.

Together with existing publicly owned land and the private golf course, up to 3,000 acres (or over 80%) of the Greenbelt would be in non-residential uses. This assumes the current ownership patterns.

Property Owner Preferences: Throughout the outreach meetings, a group of Greenbelt property owners (represented by the Coyote Valley Alliance for Smart Planning) has consistently expressed the desire for further subdivision of the Greenbelt and the extension of sewer, storm drainage, and other urban services across the City’s Urban Growth Boundary at Palm Avenue into the Greenbelt. This desire is inconsistent with the letter and spirit of the Council’s vision, the respective General Plans of the City and County, as well as adopted resolutions by the Councils of Cities of San Jose and Morgan Hill and the Santa Clara County Board of Supervisors to maintain the Greenbelt as a special non-urban place with low intensity development characteristic of rural environment. Consequently, a majority of the property owners consider the Council’s vision as an impediment, and are thus not supportive of any strategy that maintains the current 20-acre or 40-acre minimum zoning requirement and prohibition of urban services.

Conclusion

There are considerable challenges associated with the creation of a viable, multiple use Greenbelt in an area with many private owners and established uses. The draft Greenbelt Strategy represents a realistic and flexible approach to address the challenges and capture the opportunities.

OUTREACH

The Coyote Valley Specific Plan effort involves extensive community and property owner outreach, as well as discussions with many other governmental agencies. To date, the Task Force has met 39 times. There have also been several well-attended community workshops,

Technical Advisory Committee meetings consisting of staff from public and non-governmental agencies, as well as numerous Focus Group and other stakeholder meetings. Outreach completed for the Greenbelt Strategy was discussed on page three.

OUTCOMES

The study session provides the Council an opportunity to discuss the Conceptual Greenbelt Strategy. The Council's input is important to the overall Coyote Valley Specific Plan effort.

COST IMPLICATIONS

Pursuant to City Council's direction in 2003 regarding external funding sources for new long range planning activities, the Coyote Valley Specific Plan effort is entirely funded by a group of property owners represented by the Coyote Housing Group, LLC, and has no impacts on the City's General Fund.

COORDINATION

The preparation of this memorandum has been coordinated with the City Attorney's Office. The Specific Plan effort involves almost all City Departments and many outside local, state, and federal agencies, including but not limited to the County of Santa Clara, Santa Clara Valley Water District, Valley Transportation Agency, and the United States Army Corps of Engineers.

CEQA

Exemption, PP03-06-211.


JOSEPH HORWEDEL, ACTING DIRECTOR
Department of Planning, Building and Code Enforcement

Exhibits

1. Study Session Agenda
2. Coyote Valley Specific Plan Vision and Expected Outcomes
3. Draft Greenbelt Strategy

**CITY COUNCIL STUDY SESSION
on the
COYOTE VALLEY SPECIFIC PLAN**

March 3, 2006

AGENDA

- | | |
|---|-------------------|
| 1. Opening Remarks | 5 minutes |
| 2. Introduction | 20 minutes |
| • Overview of the Coyote Valley Specific Plan | |
| • Responses to Issues Raised by the City Council in January | |
| 3. Draft Elements of Proposed South Coyote Valley Greenbelt Strategy | 90 minutes |
| 4. Next Steps | 5 minutes |
| 5. Public Comments | |
| 6. Adjourn | |

City of San Jose

Coyote Valley Specific Plan

COUNCIL'S VISION AND EXPECTED OUTCOMES

1. The plan will include Central and North Coyote for land planning and will include South Coyote in the infrastructure financing mechanism only. South Coyote (Greenbelt) is included only to determine financing and other mechanisms to secure this as a permanent Greenbelt.
2. The line (Greenline) between Central and South shall not be moved.
3. The line between North and Central could be erased to allow for mixed-use throughout as long as 25,000 housing units in Central and 50,000 jobs in North remain as a base. Then, jobs can be added in Central Coyote and housing in North Coyote to achieve mixed-use or develop a property owner agreement to "trade" jobs and housing counts to achieve mixed-use goal.
4. The overall development character of North and Central Coyote Valley should be very urban, pedestrian and transit-oriented community with a mixture of housing densities, supportive businesses and services and campus industrial uses.
5. The Specific Plan should plan for the extension of light rail and heavy rail into Central Coyote and use these facilities to orient development.
6. We shall maximize efficient land usage; i.e., the 25,000 units and 50,000 jobs are both minimums. In North and Central Coyote combined, the total development potential is at least 50,000 jobs and at least 25,000 housing units. Through the Specific Plan process we shall determine the distribution of that potential across north and south, including mixed-use concepts.
7. It will be important to distinguish that the 50,000 jobs referenced are primarily industrial/office jobs, not the additional retail support or public/quasi-public jobs (e.g., City workers) that must also be accommodated in the Plan area for a vibrant, mixed-used, urban community.
8. Identify locations for public facilities (libraries, parks, schools, etc.) in the land use plan as well as include these facilities in the financing plan.
9. North and Mid-Coyote should contain a rich system of parks, trails, and recreation areas.
10. The identification of financing measures for the needed capital improvements to support the planned levels of development.
11. The plan must be financially feasible for private development.
12. The plan must develop trigger mechanisms to ensure that increments of housing may not move forward until the appropriate number of jobs are constructed in a parallel timeline to maintain a jobs/housing balance in Coyote Valley.
13. The Task Force should review the potential to utilize "sub-regions" of the valley that will incorporate jobs and housing that can move forward when the subregion has ability to finance the appropriate infrastructure. Residential projects will be issued building permits in parallel with the development of jobs when either the projects are purely mixed-use in their construction or the jobs and housing are constructed simultaneously.
14. The plan should seek mechanisms to facilitate the permanent acquisition of fee title or conservation easements in South Coyote.
15. The plan should allow for the current General Plan budget triggers to be changed to triggers based upon the Valley or its sub-regions jobs and housing revenues covering the General Fund cost of services.
16. 20% of all units shall be "deed-restricted", below-market-rate units".

Conceptual Greenbelt Strategy

Coyote Valley Specific Plan (CVSP)

Vision

South Coyote Valley should be a special place, maintaining a permanent non-urban buffer between the Cities of San Jose and Morgan Hill. The goal is to create a high quality environment that includes riparian amenities, trails, natural habitats, beautiful open space surroundings and vistas, connections to the hillsides, and high quality home sites in a rural setting. South Coyote Valley should support and continue Santa Clara County's agricultural heritage by providing opportunities for all forms of agriculture, particularly small-scale agriculture, including agro-based industries and related activities.

Key City Council's Vision and Expected Outcomes for the CVSP

- Outcome #1: The plan will include Central and North Coyote for land planning and will include South Coyote in the infrastructure financing mechanism only. South Coyote (Greenbelt) is included only to determine financing and other mechanisms to secure this as a permanent Greenbelt.
- Outcome #2: The line (Greenline) between Central and South shall not be moved.
- Outcome #11: The plan must be financially feasible for private development.
- Outcome #14: The plan should seek mechanisms to facilitate the permanent acquisition of fee title or conservation easements in South Coyote.

Existing Regulatory Framework

Existing County and City land use regulations generally require a minimum area of 20 acres per parcel. Properties located in the County, on the east side of Monterey Road, are designated for large-scale agriculture with a 40-acre minimum lot size requirement. In addition, a couple of properties on the western hillsides are subject to 20 to 160 acre minimum parcel sizes depending on the County's variable slope-density formula¹. Excerpts from County and City regulations are attached.

Findings from Greenbelt Research²

Economic Challenges

1. Conventional agriculture is less viable due to:
 - a. Depressed markets for conventional farm products, mainly due to imports

¹ Excerpts from County and City regulations are available at the following link:
http://www.sanjoseca.gov/coyotevalley/info_Greenbelt.htm

² The Greenbelt Research conducted by CVSP consultant, SAGE, is available at the following link:
http://www.sanjoseca.gov/coyotevalley/info_Greenbelt.htm

- b. Rising costs of inputs: fuel, fertilizer, pesticides
 - c. Labor: unavailable, too expensive, hard to attract and retain in high-priced area
 - d. Regulatory barriers: many, too expensive, too time-consuming
 - e. Loss of processing facilities, mainly for prunes, a mainstay crop for decades
 - f. Small parcels are inefficient
 - g. Traffic impedes movement of farm machinery
2. Uncertainty is not conducive to expansion of and investment in agricultural businesses
 3. High land prices prevent “new” farmers from buying lands within the Greenbelt
 4. Funding for the purchase of open space and agricultural easements is limited
 - a. Trusts and similar funders may achieve their objectives more efficiently on less expensive land

Environmental Challenges

1. Farmers report the presence of poor or problematic soils that result in poor crop production.
2. Many wells are low or non-producing and may require expensive retrofitting
3. High nitrate levels in some wells makes them unsuitable for irrigation
4. High ground water levels in the rainy season make areas round Fisher Creek prone to flooding, and thus inappropriate for agriculture
5. There are 19 hazardous materials users and/or spill incidents documented in Greenbelt. Most of these are dangerous on account of Above-Ground Storage Tanks (ASTs) or Underground Storage Tanks (USTs), which may contain pesticides and herbicides that may impede the establishment of organic agriculture.
6. Pressure from wildlife “pests” (e.g. ground squirrels, wild turkeys, feral pigs) towards the western hills.
7. Potential buffer and liability issues between housing, agriculture, and wildlife uses.

Economic Opportunities and Potential

1. An aesthetic agricultural and natural landscape, intermixed with recreational opportunities could raise home site values and add value to surrounding urban areas.

2. Economic and environmental sustainability, multi-functional land use, and community health, are beneficial for the new development in North and Mid Coyote, as well as the South Coyote Valley Greenbelt.
3. Increasing demand for locally grown food, organic products, and specialty crops, and for on-farm educational programs and experiences based on reports by Bon Appetite and produce purchasers.
4. There is a potential market for locally grown and specialty foods amongst the diverse, high-income population of the San Jose metropolitan region.
5. Coyote Valley climate, natural resources, and proximity to potential markets amongst the diverse population of the San Jose metropolitan are a plus to future farmers.
6. A few Greenbelt farms and agricultural businesses would like to continue and perhaps expand operations

Environmental Opportunities

1. Potential opportunities to focus appropriate wetlands and habitat mitigation requirements in South Coyote Valley.
2. A wildlife corridor through the Greenbelt would link regional parks on the east and west sides of Coyote Valley.
3. Water quality generally good for irrigation, and use in agro-businesses.
4. Water supply is sufficient and affordable for proposed uses.
5. Potential establishment of new trail systems along fisher creek and augmentation of and connection to existing trail systems and natural habitat areas.

Assumptions and Principles

1. No additional subdivision would be approved unless it is consistent with the County's General Plan designations of 20-acre (Agriculture-Medium Scale) and 40-acre (Agriculture-Large Scale) minimums. Properties in San Jose would be subject to the 20-acre minimum parcel size requirement of the San Jose 2020 General Plan.
2. The major economic value of the property is the single-family home site. Open space and agricultural uses in the South Coyote Valley enhance the value of South Coyote Valley home sites.

3. Existing parcels of record are legally recognized, irrespective of size. They can be developed with a house and an additional “granny unit,” or other permitted uses if they pass certain pre-requisites conditions for development, including percolation and water supply.
4. While property owners may choose to engage in farming, there is no intention to force agriculture uses. Instead, agriculture uses are encouraged, not required.
5. Existing land uses that were previously approved by the County or City (for annexed properties) may continue even in their present use even if they are not consistent with the current land use regulations. There is no intention to amortize these “legal non-conforming” land uses.
6. The City and County do not have any plans to condemn, any properties in South Coyote Valley.
7. The City will not extend urban services outside the Urban Service Area, or beyond Palm Avenue into the South Coyote Valley Greenbelt area.
8. Encourage the preservation of existing agricultural uses in the greenbelt and minimize potential land use conflicts with new development.

Draft Strategy Elements

The Greenbelt strategy proposes to establish a framework to create and sustain a rural environment that supports high value rural residential home sites, active open space and related recreation, conservation, and various forms of agriculture, including small-scale agriculture and agro-based industries and related activities. The agricultural uses in the Greenbelt could be an important part of the aesthetic environment supporting high quality residential and open space uses, and a means of maintaining the open space lands and low intensity uses. The strategy framework consists of four principal elements: 1) Regulatory Framework; 2) Organization/Operations; 3) Financing; 4) Resource organizations with expertise for Greenbelt Preservation. Each is described briefly below.

Regulatory Framework

1. Development potential will be in accordance with existing City or County General Plan land use policies and Zoning regulations.
2. The Strategy should preserve opportunities for the location of a variety of uses and activities, including riparian corridors, trails, recreational facilities, agricultural and open space areas, buffers and potential executive home sites based on existing City and County land use regulations.

3. The Strategy should promote the establishment of design guidelines, landscaping standards, roadway design and other elements that enhance the quality of the rural landscape.
4. To the extent feasible, the Strategy should identify regulatory procedures to facilitate its implementation.

Operational Entity

1. Implementation of the Greenbelt strategy is proposed to involve the creation of a non-profit organization or quasi-public entity that is proactively involved in a host of activities designed to facilitate and coordinate small scale agriculture, and conserve open space and environmental resources. The entity would encompass a wide range of activities, examples of which are described below.
2. The entity would work with interested property owners to facilitate efficient and sustainable agriculture through coordination of water issues and assistance in establishing Williamson Act contracts to reduce tax burdens.
3. Agriculture could further be facilitated by the entity through efforts to match farmers and land through outreach and lease coordination. This effort could be enhanced by soil studies that establish soil suitability for particular crops in specific subareas.
4. The entity would actively work on "branding" Coyote Valley produce through marketing and promotion, establishing relationships with restaurants, supporting and coordinating farmers markets, working to establish farm to school food programs, and other initiatives.
5. The entity would work with property owners and public agencies to coordinate appropriate buffering of agricultural activities, and manage the interface between agriculture, open space, recreation and residential activities in the Greenbelt.
6. Implementation of the Greenbelt Strategy requires bringing together multiple outside funding sources (see below), and the judicious application of financial resources. The entity could serve as a proactive fund raiser and manager of certain ongoing financial sources to accomplish the goals of the Greenbelt.

Financing

A variety of funding sources would be needed to accomplish the Greenbelt strategy over the long term. More work is needed to identify the potential sources and magnitude of funding required. Nevertheless, some potential funding sources are described briefly below.

1. Seed money to create the non-profit entity and provide ongoing operational funding may be provided through a levy of some kind on the development planned to occur in the North- and Mid- Coyote.
2. A limited amount of open space, wetlands, agricultural buffer areas, and wildlife habitat may be funded as appropriate mitigation per CEQA for North- and Mid-Coyote development.
3. Funding and protection of buffer areas and key environmental/open space resources may be achieved through partnerships with open space and conservation organizations, such as the Silicon Valley Land Conservancy, the Nature Conservancy, the Trust for Public Land, and Santa Clara County Open Space Authority, and other entities.
4. Some portion of existing tax levies to support regional open space might be directed to the Coyote Greenbelt.
5. Grant funding sources are available for various agricultural and conservation purposes that may be pursued in association with specific projects and activities.
6. Agricultural management services provided by the entity may be funded in part through fees paid by owners of the agricultural properties under management.

Implementation Mechanisms

These measures would generally include the leveraging of available money from various sources. Specific approaches may include:

- Habitat and hydrological recharge and opportunities for dual use.
- Other agency funding to implement their mandates (e.g. trails, open space, etc.)
- "Seed money" for landscape, open space and other right-of-way enhancements, and possible support for land management entity.

Timing

Like the CVSP, the Greenbelt Strategy is intended to be a long-term plan to be implemented over several decades.

Resource Organizations

Research and Farmer Education Institutions	Services
UC Cooperative Extension, Santa Clara County Office, San Jose http://cesantaclara.ucdavis.edu/	Statewide, UCCE works toward the development and protection of the state's land, resources and people. Includes more than 400 campus-based specialists and county-based farm, home, and youth advisors.
USDA Sustainable Agriculture Research and Education www.sare.org	Serves farmers, ranchers, researchers, and consumers. Provides grants and information to Improve Profitability, Stewardship and Quality of Life.
UC Small Farm Center (Division of Agriculture and Natural Resources) Davis www.sfc.ucdavis.edu	Serves as a clearinghouse for questions from farmers, marketers, farm advisors, trade associations, government officials and agencies, and the academic community. Organizes and coordinates statewide conferences and workshops; publishes manuals and other publications about small-scale farming.
Organic and Small Farm Marketing Programs	
California Certified Organic Farmers (CCOF) www.ccof.org	Offers a premier national and international organic certification program for growers, processors, handlers, and retailers.
CDFA California Organic Program Sacramento http://www.cdfa.ca.gov/is/fveqc/organic.htm	Certifies California farmers as organic. Protects producers, handlers, processors, retailers and consumers of organic food sold in California by assuring that foods labeled as organic are, in fact, organic.
CDFA Certified Farmers' Market Program Sacramento www.cdfa.ca.gov/is/fveqc/cfmprogram.htm	Certifies California farmers and farmers' markets to sell direct to consumers. Verifies that each farmer is selling products that they themselves have grown or produced.

Small Farm Advocacy and Education	
Ecological Farming Association Watsonville www.eco-farm.org	Hosts conferences and workshops on various sustainable agriculture topics. The main activity is organizing the annual Ecological Farming Conference, now in its 25 th year. Held at Asilomar every January, this conference attracts over 1,000 farmers, researchers, educators, and marketers.
Farm Succession and Farmer Training	
California FarmLink www.farmlink.org	A non-profit organization that builds family farming and conserves farmland in California by linking aspiring and retiring farmers, and by promoting techniques and disseminating information that facilitate intergenerational farm transitions. Resources include workshops, case studies, and linkage services between retiring and aspiring farmers.
Agriculture and Land-Based Training Program Salinas www.albafarmers.org	A non-profit organization that promotes economically viable agricultural production that concurrently protects the environment through sustainable methods. Two programs, the Rural Development Center (RDC) and the Farmer Training and Research Center (FTRC), offer resources, technical assistance, education, training, and information access to families and individuals who aspire to become independent farmers.
Land Trusts	
Silicon Valley Land Conservancy	