CITY OF MORGAN HILL
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DENNIS KENNEDY
MAYOR

August 13, 2004

The Honorable Ron Gonzales
City of San Jose
801 North First St.
San Jose, CA 95110-1704

Subject: Significant Issues Regarding Coyote Valley Specific Plan

Dear ~~Mayor Gonzales~~ RON:

At the last Task Force meeting, I gave you a copy of a working paper which identified significant issues to be addressed in the Coyote Valley Specific Plan. Since that meeting, Morgan Hill and other South County agencies have met on two separate occasions to formulate the following specific questions regarding the manner and extent to which San Jose will mitigate the impacts which Coyote Valley development will otherwise have on the South County area.

None of the agencies participating in our discussions oppose Coyote Valley development. All of the agencies, however, recognize that if not planned properly, development of that area will adversely impact us. The support of the agency representatives listed at the end of this letter is for those issues over which their respective agencies have jurisdiction. Although time has not permitted the governing bodies of the agencies to take formal action on the issues and concerns identified in this letter, the representatives have each expressed a willingness to recommend such action to those bodies in the future.

On behalf of the South County agency representatives listed at the end of this letter, I would appreciate a written response to our questions. We believe it is critical that these questions be answered before a preferred alternative land use plan is selected by the City Council.

Traffic, Transportation and Housing: Development of Coyote Valley is anticipated to have significant traffic impacts on South County.

1. The Plan is intended to provide for 50,000 primary jobs and 25,000 housing units. Using a standard of 1.7 employed residents per household, the 25,000 housing units planned would house 42,500 employees. ABAG estimates that 1:1.5 to 1:2.0 secondary jobs are created for every primary job. This would result in a total of 125,000 to 150,000 jobs being created. With housing opportunities for only 42,500 employees, as many as 107,500 employees may need to commute to jobs in Coyote Valley.

a. It is clear that San Jose intends to provide space for 50,000 primary jobs within Coyote Valley. It is unclear how many of the secondary jobs that will be created will be located within the Valley. How much land will be designated for secondary businesses and jobs within the Valley and how many secondary jobs are expected to be accommodated on that land?

b. Many of the employees who work in Coyote Valley and do not live in the Valley will choose to live in less expensive areas to the south. How significant will the additional traffic impacts be in the South County area and what will be done to mitigate those impacts?

c. Will housing be provided concurrently with job creation in the Valley? If not, additional traffic impacts will be created on roads in South County in the interim period. How will the City of San Jose mitigate those impacts?

d. Since an insufficient supply of housing will be available for all of the employees in the Valley, demand for new housing elsewhere will increase. To what extent will this situation affect housing prices in South County and what will be done to mitigate that impact?

2. The provision of 20 percent affordable housing will be insufficient to accommodate employees of secondary as well as primary jobs. A much higher level of affordability is necessary to ensure all those employed in Coyote Valley, at both primary and secondary jobs, will be able to obtain housing in Coyote Valley. What level of affordability do you propose?

3. The EIR for the Cisco project assumed that only 20 percent of all commute trips would have origins south of that project. Because housing prices in areas south of Coyote Valley are less than those in areas north of the Valley, many employees will choose to live in the South County area and commute to the north. What realistic assumptions for trip distribution will be used in the traffic modeling for the Specific Plan?

4. How will transportation planning for development of Coyote Valley be coordinated with transportation plans of the County, Morgan Hill and Gilroy to ensure the system works efficiently and congestion is not worsened?

5. What plans have been made to ensure the safe movement of children to the schools planned for the Valley?

Schools: Housing development in Coyote Valley will require development of new schools. As you know, school districts have the ability to purchase and develop school sites without regard to local planning policies.

1. Will school sites designated on the Specific Plan for all levels of education? If so, will those sites be donated to the Districts or will it be the responsibility of the Districts to negotiate the acquisition of these or other sites in Coyote Valley?

2. How will the new schools and support facilities in the Valley be financed to ensure they are available when needed by the residents of the area?

3. What flexibility exists in the plan to make adjustments should a school or college district obtain land in an area that is not designated by the Specific Plan?

Public Facilities: Housing development in Coyote Valley will have a significant impact on existing facilities and the need for new and expanded facilities.

1. The addition of more than 50,000 jobs and 25,000 housing units to Coyote Valley will have a significant impact on the condition of existing County roads. What is planned to mitigate that impact over time?

2. The residents of the planned 25,000 homes will have a significant impact on the existing County parks in the area. What is planned to mitigate that impact over time? How much land is planned to accommodate private recreational facilities (e.g. ball fields, swim clubs, tennis clubs)?

Greenbelt: Establishment of a greenbelt separating San Jose from Morgan Hill is a very positive aspect of the Coyote Valley Specific Plan.

1. What is the vision for the greenbelt and what measures will be employed to ensure that vision is achieved?

Air Quality: Air quality in San Martin, specifically, and all of South County, in general, is a significant problem. Given the direction of prevailing winds, the air pollution created in Coyote Valley will further impact South County.

1. What is proposed to mitigate this impact?

Communications: Once developed, Coyote Valley will, in essence, become the third "city" in southern Santa Clara County. Its development will have a significant effect upon South County and will be significantly impacted by development elsewhere in South County. To ensure its development is well-coordinated with that of other areas of South County, meaningful coordination between agencies is critical.

1. How will planning for Coyote Valley be coordinated with South County agencies to provide for meaningful input to the Specific Plan process and coordination of plans between San Jose and South County agencies?

San Martin Airport: The businesses and residences planned for Coyote Valley will increase the demand for private air travel. The proximity and ease of access to the San Martin Airport will likely make it a desirable choice for this type of travel.

1. What safeguards will be instituted to ensure that this increase in use will not impact South County residents?

Regional Health Care Facilities: Morgan Hill is rebuilding healthcare facilities in the community, including an acute care hospital. The DePaul Health Center is specifically being developed to provide service to future Coyote Valley residents. The existence of this facility, St. Louise Regional Hospital and the Kaiser Santa Teresa hospital will likely be adequate to meet the future healthcare needs of the area. Overbuilding healthcare facilities will have the undesired effect of weakening all facilities and adversely impacting their ability to serve the needs of the area.

1. What healthcare facilities are planned for Coyote Valley and will these facilities impact the viability of other existing or planned facilities in the sub-region?

Ron, I appreciate your past willingness to meet with me and representatives of other agencies in the South County area. Resolution of the issues presented in the questions contained in this letter is of critical importance to all the residents of South County. I look forward to our continued cooperation so that the Coyote Valley Specific Plan can be a model for future urban development which is sensitive to local and regional concerns.

Sincerely,

Dennis Kennedy
Mayor

C: The Honorable Forrest Williams

And on behalf of the following:

- Don Gage, Supervisor, Santa Clara County, Member CVSP Task Force
- Russ Danielson, Member CVSP Task Force
- George Panos, President, Board of Trustees, Morgan Hill Unified School District
- Shelle Thomas, Vice President, Board of Trustees, Morgan Hill USD
- Dr. Carolyn McKennan, Superintendent, Morgan Hill Unified School District
- Steve Kinsella, President, Gavilan College
- Paul Correa, Member, Gilroy City Council
- Craige Edgerton, Chairman, Board of Directors, Santa Clara County Open Space Authority
- Alex Kennett, Board of Directors, Santa Clara County Open Space Authority, Interim President Morgan Hill Chamber of Commerce and Member, Economic Development Committee
- Connie Ludewig, Director, San Martin Neighborhood Alliance
- All members of Morgan Hill City Council