Coyote Valley Policy Context and Land Acquisition Considerations

City Council Study Session January 22, 2019



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Introduction

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Meeting Purpose:

To provide basic information and surface key issues about Coyote Valley as context for Council consideration of public purchase of land with proceeds form the Measure T bond measure for projects that prevent flooding and water quality contamination.

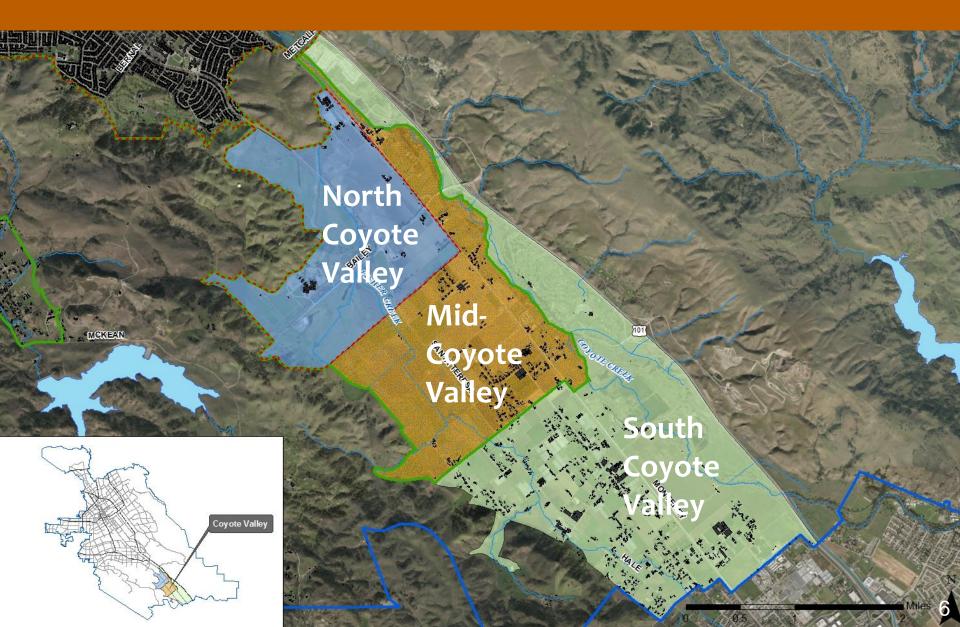
Agenda

- 1 Introduction (5 min.)
- 2 Land Use Planning Context/Q&A (40 min.)
- 3 Environmental Perspective/Q&A (60 min.)
- 4 Development Perspective/Q&A (40 min.)
- 5 Council Perspective and Feedback (30 min.)
- 6 Public Comment

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Land Use Planning Context

Coyote Valley Planning Areas



Envision San José 2040 General Plan

- North Coyote Valley designated as Employment Lands Growth Area (35,000 planned new jobs)
- Mid-Coyote Valley designated as an Urban Reserve (no planned urban development through 2040)
- South Coyote Valley designated to remain as permanent non-urban Greenbelt buffer between San José and Morgan Hill

<u> 1960s – 1970s</u>

- 1960 General Plan designated portions of Coyote Valley for industrial uses
- IBM Silicon Valley Lab was approved in the early 1970's
- General Plan '75 designated most of Coyote Valley for agricultural uses, with some low-density residential

1980s

- The City convened an Economic Development
 Task Force in 1982 which recommended allowing industrial uses in North Coyote.
- Horizon 2000 General Plan, approved in 1984, allowed industrial development in North Coyote and established Mid-Coyote as an urban reserve.
- The Coyote Valley Industrial Development Plan was adopted in 1986.

<u>1990s</u>

- The Horizon 2020 General Plan, adopted in 1994, established the Greenline/Urban Growth Boundary, which was later ratified by the voters in 2000. North and Mid-Coyote were inside the Boundary, while South Coyote was outside.
- Horizon 2020 also established new triggers for development in Mid-Coyote.

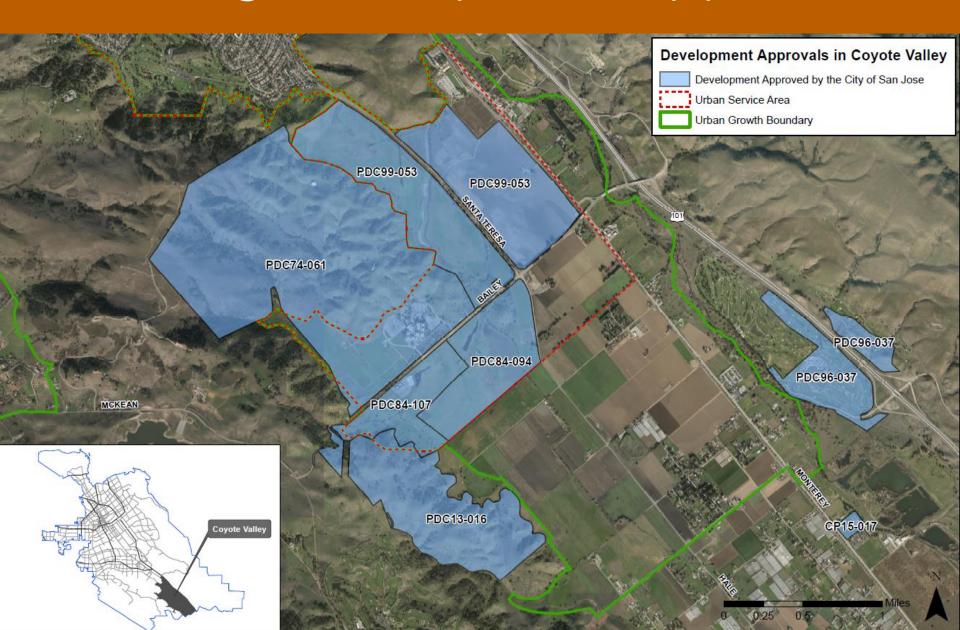
2000s

- In 2000, the Council approved a Planned
 Development Rezoning for Cisco's Coyote Valley
 Research Park in North Coyote Valley. The project
 was never constructed.
- In 2001, the City Council initiated an effort to prepare a **Coyote Valley Specific Plan**, to guide the development of 50,000 jobs and 25,000 housing units in North Coyote.
- Work on the specific plan ceased in 2008 without the plan being adopted.

<u> 2010 – Present</u>

The 2040 General Plan reaffirms the goal of developing North Coyote with industrial uses, but removed all residential capacity from Mid-Coyote.

Existing Development Approvals



Relevant General Plan Major Strategies

Major Strategy #3 – Focused Growth

- Directs growth within identified Growth Areas
- Does not support conversion of industrial areas to residential use or urbanization of Urban Reserves

<u>Major Strategy #4 – Regional Employment Center</u>

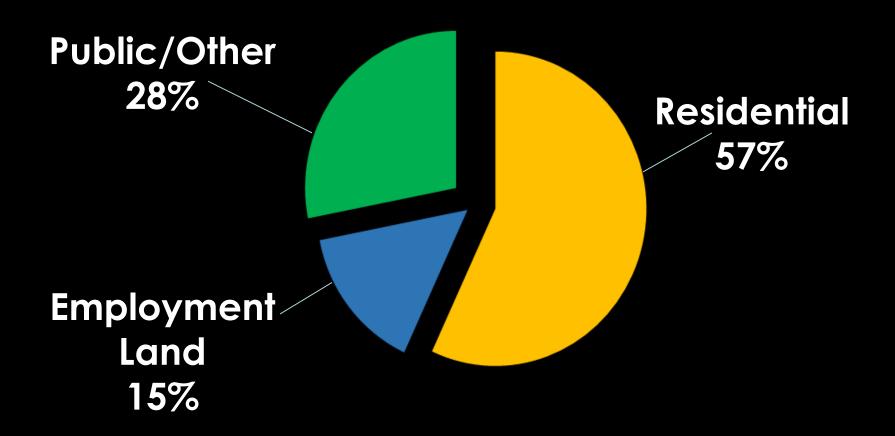
- Emphasizes development of employment lands
- Establishes Jobs to Employed Resident (J/ER) ratio of 1.1 to 1 by the year 2040

Relevant General Plan Major Strategies

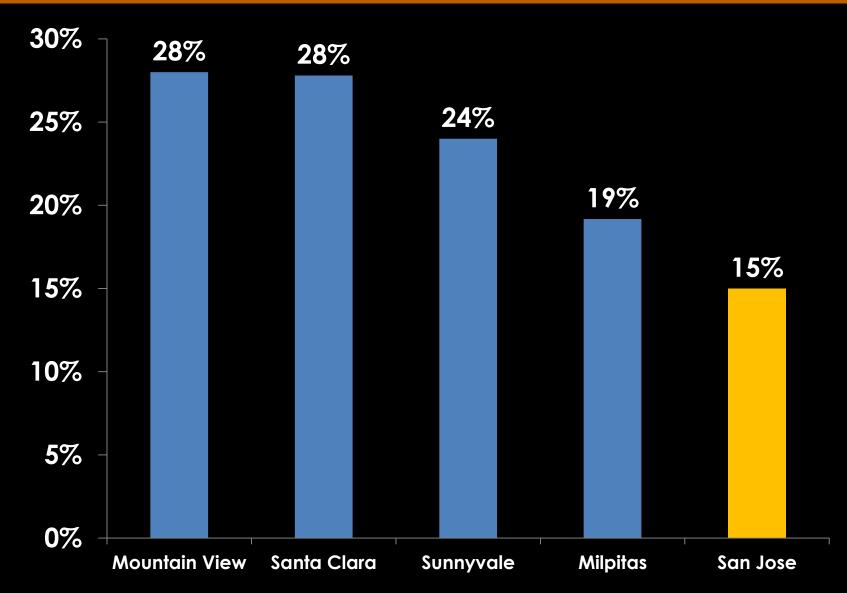
Major Strategy #8 – Fiscally Strong City

 Promotes a balance of land uses to strengthen fiscal health of City and enable delivery of highquality municipal services

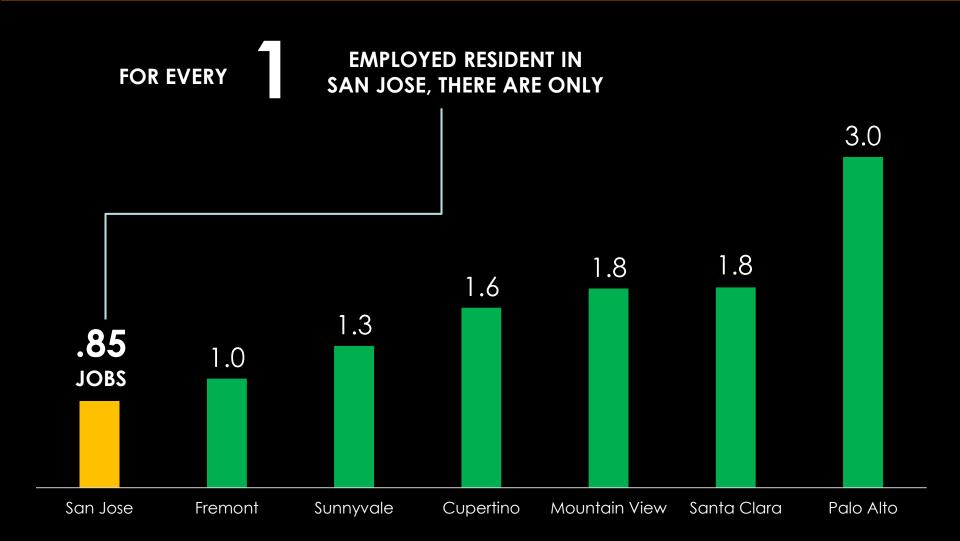
Of Existing Lands, Only 15% are for Employment Uses



Other Cities Use 20-30% of Lands for Employment; Better Fiscal Health



Jobs Per Employed Resident San José vs. Nearby Cities



Relevant General Plan Major Strategies

<u>Major Strategy #10 – Life Amidst Abundant Natural</u> <u>Resources</u>

 Promotes access to natural environment and preservation of open space resources by reinforcing the Urban Growth Boundary as limit of the City's urbanized area

Major Strategy #11 – Design for a Healthful Community

 Supports preservation of existing agricultural lands adjacent to San José to increase supply of locallygrown foods

Climate Smart San Jose

- Approved by the Council in February 2018
- Sets out a strategy for reducing carbon emissions in San José by 2050 even as the city grows
- Strategy 2.1 calls for developing a lower water-use paradigm and carefully managing water resources
- Strategy 3.1 calls for creating local, transitaccessible jobs that reduce the need for car journeys

Entitlement Process for Development

Consistent with Existing PD Zonings:

- Require approval of a PD Permit
- Initial Study needed to determine level of CEQA environmental review

New Development not Consistent/Permitted under existing PD Zonings:

- Necessitate approval of rezoning <u>and</u> development permit
- Initial Study needed to determine level of CEQA environmental review

Existing Infrastructure Improvements

\$116

**Similar

**Million

In infrastructure improvements in North Coyote Valley since the 1980s

Approximately
60% of these
improvements
were publicly
funded and
40% were
privately funded

Improvements include:

- Transportation
 Infrastructure
- Potable and recycled water infrastructure
- Sewer system upgrades

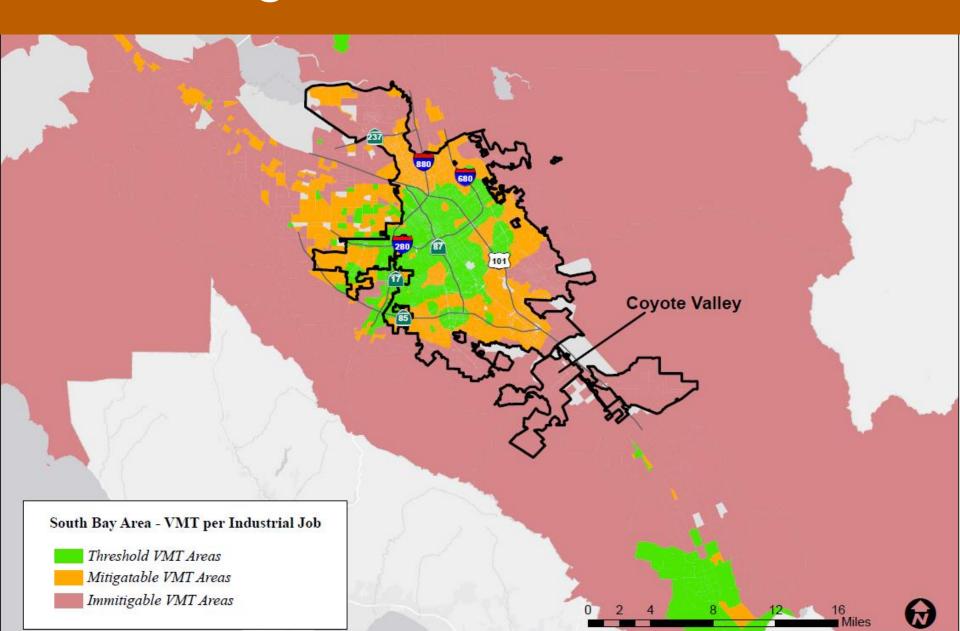
Community Facility District Map



Transportation Analysis Policy

- Approved by City Council in February 2018 as Council Policy 5-1
- Established Vehicle Miles Traveled (VMT) as the primary metric for evaluating transportation impacts from new development projects.

Average VMT Per Industrial Job



Process and Considerations to Modify the General Plan

Removing all or portion of job capacity in Coyote Valley would require assessment during a General Plan Four-Year Review process to determine:

- How would planned jobs be reallocated to other Growth Areas?
- Is there sufficient employment lands outside of Coyote Valley to accommodate industrial and manufacturing uses?
- Is there an alternative to preserve planned job growth and open space in North Coyote Valley?
- Should Mid-Coyote Valley remain an Urban Reserve if North Coyote Valley is preserved as agricultural lands and/or open space?