



104048

DATE: December 15, 2020

TO: Board of Supervisors

FROM: Cindy Chavez, Supervisor

SUBJECT: Climate Change Overlay Zone and Moratorium on development in the unincorporated Coyote Valley

RECOMMENDED ACTION

Approve referral to Administration and County Counsel to report to the Board by February 9, 2021, on options relating to a Climate Change Overlay Zone on the unincorporated Coyote Valley and a Moratorium on development in Coyote Valley, to protect agricultural and open space land as land use regulation is updated, with community outreach. (Chavez)

FISCAL IMPLICATIONS

There are no fiscal implications from the report-back because Administration is already working on options for the Coyote Valley as San Jose changes its General Plan

REASONS FOR RECOMMENDATION

The intent of this referral is to take steps to permanently preserve the Coyote Valley for agriculture and open space and to protect it against the threat of development. These steps have become necessary due to transitions in land use regulation of Coyote Valley.

Land use regulation of Coyote Valley is evolving:

- Most of the Mid- and South Coyote Valley is in the unincorporated County, but within the City of San Jose's Sphere of Influence (SOI). Mid-Coyote is within the City of San Jose's Urban Growth Boundary (UGB). The County zoning of the same land is predominantly Agricultural.
- North Coyote Valley is entirely within the City of San Jose, and the City, in partnership with the Santa Clara Valley Open Space Authority and POST, has purchased 937 acres for a nature preserve.
- South Coyote is outside of San Jose's Urban Growth Boundary, intended to preserve a Greenbelt north of Morgan Hill. The City of San Jose is considering moving the Urban

Growth Boundary even farther northward after the current General Plan revision is in place.

The City of San Jose is undertaking a major revision of its General Plan through the Envision San Jose 2040 General Plan Task Force. The City's General Plan includes an Urban Reserve Overlay on much of the Coyote Valley. This Urban Reserve Overlay was consistent with earlier plans for the Coyote Valley to become a major jobs center, a designation that is outdated, given the current trend to agricultural preservation and open space.

On October 29th, the General Plan Task Force supported a staff recommendation to remove the Urban Reserve Overlay in the Mid Coyote Valley and to replace with an Agricultural Designation Overlay. **The Task Force went beyond the staff recommendation and recommended that the County match or exceed the City's Agricultural Overlay.**

As the City lifts its Urban Reserve designation, speculators could seek to cash out their investment in Coyote property by maximizing development under existing County rules. The threat is that a plethora of ranchettes and other uses could carve up the large agricultural parcels. The agricultural character of the Coyote Valley, and its environmental importance would be forever lost.

A County Coyote Valley Climate Change Overlay would align with the City's proposed Agricultural Overlay and add more protections for open space, habitat, and flood protection. A Climate Change Overlay could also include incentives as well as regulation; for example, parcels within the Overlay could have stricter development regulations but could also be first in line for voluntary programs like the Farmland Security Zone (FSZ), Ag Conservation Easements (ACE), and the Ag Resilience Incentive (ARI) grants, in order to invest in the landscape as natural infrastructure.

A County Coyote Valley Climate Change Overlay is appropriate because of the unique characteristics of Coyote Valley and its importance in the region's response to Climate Change. These include local sourcing of food production as specified in the Santa Clara Valley Agricultural Plan, flood protection, wildlife habitat corridor and environmental restoration of Laguna Seca and Fisher Creek. An Overlay would also promote Greenhouse gas reduction through more vegetation and fewer vehicle trips (due to food production approximate to consumers and discouraging residential sprawl).

Robust and meaningful public engagement is a core component of this referral. this referral. Administration and County Counsel should engage the community before returning to the Board with the Moratorium, and should return with a plan for further community engagement throughout the consideration of the Climate Change Overlay by the Planning Commission and the Board.

Administration and County Counsel should return to the Board with factual information relating to the unique characteristics of Coyote Valley that would support an overlay zone focused on climate change.

While the County considers the new Climate Change Overlay, the County should impose a Moratorium on development in the unincorporated Coyote Valley, to protect agricultural and open space land as land use regulation is updated. Administration and County Counsel

should return to the Board with additional facts explaining why the development threat creates a current and immediate threat to the public health, safety, or welfare and necessitates the adoption of a Moratorium pending the preparation of the Climate Control Overlay.

Materials prepared by Administration and County Counsel relating to the Climate Change Overlay Zone should insure consistency between the County's Zoning Ordinance and the County's General Plan.

A County Coyote Valley Climate Change Overlay would be consistent with the Santa Clara Valley Agricultural Plan through its August 27, 2019 Resolution (Agenda Item No. 10), implementation of the Plan Bay Area Priority Conservation Areas, the soon-to-be-updated San Jose General Plan and Executive Order N-82-20 signed by Governor Newsom on October 7, 2020.

BACKGROUND

Coyote Valley is one of the most unique geographical and environmental areas in Santa Clara County, serving both a valuable agricultural and environmental resource for the County.

Agriculturally, most of Coyote Valley has been designated by the State Department of Conservation as Prime Farmland and possessing Class 1 soils, a USDA designation indicating the least amount of limitations restricting agricultural use. Major crops grown in Coyote Valley include hay, Asian vegetables, mushrooms, and walnuts.

Coyote Valley contains Laguna Seca, the largest freshwater wetland in Santa Clara County. Also, the Coyote Creek and Fisher Creek floodplains are critical to containment of the floodwaters more prevalent in an era of Climate Change.

The Coyote Gap at the north end of Coyote Valley serves as a critical wildlife corridor between the Diablo Range and the Santa Cruz Mountains as both the narrowest point between the two mountain ranges and one of the few areas where culverts exist underneath the freeways crossing that allow wildlife safe passage away from road traffic. A 2012 publication by De Anza College reported that students identified 188 different bird species and 26 different mammal species living or moving through Coyote Valley. In 2017, the Santa Clara Valley Open Space Authority released the Coyote Valley Landscape Linkage, which articulates a multi-benefit conservation vision to protect and restore wildlife connectivity, water resources and increase resilience to climate change. In 2019, Governor Newsom signed into law AB 948 (Kalra) which designates the 17,200 acre Coyote Valley Conservation Area as a landscape of statewide significance. Numerous studies have confirmed, the Coyote Creek Watershed functions as a key riparian corridor for fish such as steelhead trout, and provides critical habitats for birds, mammals, and amphibians including the Tiger Salamander and the California Red-Legged Frog.

The County has already declared a Climate Emergency through its August 2019 Resolution. The resolution calls for the County to "halt, reverse, mitigate, and prepare for the consequences of the climate emergency." It also details the many ways in which the climate emergency will adversely affect the planet, including Santa Clara County: floods, droughts,

wildfires, extreme weather, losses to infrastructure and property, food and water insecurity, and an extraordinary loss of biodiversity.

ATTACHMENTS:

- Coyote Farmland Potential OSA (PDF)
- Coyote_Protected_Lands OSA (PDF)
- San Jose existing Coyote regulation (PDF)
- San Jose staff analysis COyote (PDF)
- San Jose proposed Ag Overlay (PDF)