



105752

**DATE:** June 8, 2021  
**TO:** Board of Supervisors  
**FROM:** Jacqueline R. Onciano, Director, Dept. of Planning and Development  
**SUBJECT:** Coyote Valley Climate Change Overlay Zone

**RECOMMENDED ACTION**

Under advisement from February 9, 2021 (Item No. 22): Receive report from the Department of Planning and Development relating to options for a Climate Change Overlay Zone in unincorporated Coyote Valley.

**FISCAL IMPLICATIONS**

There are no fiscal impacts from receiving this report. Implementation of the overlay zone components below, specifically the voluntary financial incentives, may affect the General Fund depending upon the financial incentive program that is used. If approved, there may be an expectation to allocate additional County funds to preservation efforts in Coyote Valley through the acquisition of agricultural conservation easements.

**REASONS FOR RECOMMENDATION**

The Administration has prepared this report in response to Board direction from February 9, 2021, upon motion by Supervisor Chavez, requesting potential requirements and incentives for Coyote Valley, through adoption of a Climate Change Overlay Zone (Overlay Zone). Supervisor Chavez brought the initial referral requesting options concerning a Climate Change Overlay Zone on December 15, 2020 (Item No. 16).

At the February 9, 2021, Board meeting, the Administration presented initial concepts for an overlay zone related to climate change protections in unincorporated Coyote Valley, the valley floor between the Cities of San José and Morgan Hill, primarily zoned *Exclusive Agriculture*. At the request of Supervisor Chavez, the Board directed the Administration to proceed with the Climate Change Overlay Zone at an expedited rate for completion by or before such time as the City of San José takes an action on their General Plan affecting Coyote Valley, and report to the Board relating to potential requirements and incentives for landowners. On February 9, the Board also directed the Administration to notify the Board of any new home applications received by the County for properties less than the minimum lot size in either of the two agricultural zoning districts of Coyote Valley. No such applications

have been filed with the Department of Planning and Development since February 9, 2021, and the Administration continues to monitor development activity in Coyote Valley closely.

Building from the analysis presented on February 9, this report outlines climate-related threats and opportunities in unincorporated Coyote Valley alongside an overview of proposed overlay zone components designed to address such threats and opportunities. The proposed components of the overlay zone fall into two broad categories: requirements for new development and voluntary incentives. Together these components are tailored to protect and enhance the unique natural characteristics of Coyote Valley that make it a keystone landscape for regional climate change resilience.

### **Climate and Agriculture Nexus in Coyote Valley**

As outlined in the report to the Board on February 9, the Administration has identified several natural characteristics in Coyote Valley that make it a unique landscape for climate action. These characteristics include: (a) Groundwater level and aquifer health; (b) Prime farmland soils and food security; (c) Flood attenuation and recharge; (d) Carbon sequestration via perennial vegetation; (e) Wildlife habitat and landscape linkages; and (f) Peri-urban greenbelt.

Together, these characteristics provide a form of natural infrastructure that would be impractical if not impossible to replace through human-made infrastructure. By protecting and investing in the existing natural infrastructure, the opportunities for climate action in Coyote Valley range from the avoidance of new greenhouse gas (GHG) emissions, to active carbon sequestration, to physical and systemic resilience against the worst impacts of climate change.

Each of these natural characteristics is either dependent upon or mutually compatible with agriculture, which is the primary land use of Coyote Valley. Under the County's Zoning Ordinance, Coyote Valley is predominantly zoned *Exclusive Agriculture*.

The Santa Clara Valley Agricultural Plan (Ag Plan), adopted by the Board on January 9, 2018 (Item No. 17), identifies the preservation and continued viability of working farm and ranch lands (hereinafter referred to as working lands) as critical for regional climate resilience. The Ag Plan found that actively managed working lands can work in tandem with the natural characteristics of the landscape to increase climate resilience by, for example: reducing fuel loads to provide enhanced protection against wildfires; sequestering atmospheric carbon in the soil and woody perennial plants; proactively recharging the aquifer for drinking water; while also providing regional food security.

Furthermore, the Ag Plan concluded that when working lands were converted to other uses, namely residential sprawl development, these uses were responsible for an increase in GHG emissions 77 times higher than the average agricultural operation in Santa Clara County.

On August 27, 2019 (Item No. 10), the Board adopted a Resolution declaring a climate emergency that demands immediate action to halt, reverse, restore, and address the consequences and causes of global warming. Because of their natural characteristics and agricultural setting, the urban-fringe working lands of Coyote Valley provide an ideal landscape for taking action on the climate emergency.

This report identifies and addresses both the threats and opportunities in Coyote Valley at the nexus of climate and agriculture. The proposed components of the overlay zone build off many years of Coyote Valley-specific research by the Santa Clara Valley Open Space Authority and others, in addition to the County's collaborative research and implementation of the Ag Plan.

### **Climate Threats in Coyote Valley**

As described in the February 9 report to the Board, unincorporated Coyote Valley is characterized primarily by parcels that are substandard in size. Due to underlying lots and historical land divisions, these substandard, nonconforming parcels allow for a density of development in Coyote Valley that is cumulatively about three times greater than the allowed density under the 20- and 40-acre minimum lot sizes of the *Exclusive Agriculture* zoning. Because the development of new single-family residences is allowed by-right in *Exclusive Agriculture* zoning, smaller parcels may be converted from agricultural uses to rural estate home development.

The development of rural estate homes on substandard lots has the potential to threaten the many natural characteristics of this landscape. The specific threats of substandard parcel development to these natural characteristics are detailed in the February 9 report. The cumulative climate threats resulting from substandard parcel development and the conversion of Coyote Valley's working lands can be summarized in two categories:

1. Greenhouse Gas Emissions – For the reasons outlined above, the number of substandard agricultural parcels in Coyote Valley may encourage sprawl development, which includes the conversion of rural unincorporated farmland for urban or suburban uses outside of urban service areas. Such sprawl development is found to be a major source of vehicle emissions, increasing GHGs through increased vehicle miles traveled, primarily resulting from daily trips to and from residences. This accounts for most of the 77-fold increase in GHG emissions associated with the conversion of working lands to rural estate development in the unincorporated County, as found in the Ag Plan. Given its substandard lots and proximity to the City of San José and the greater Bay Area, Coyote Valley is at significant risk of sprawl development and the resulting GHG emissions resulting from sprawl development.
2. Loss of Resource Base – In addition to increased traffic and emissions, sprawl development results in the direct conversion and permanent loss of the natural resource base, characterized primarily by prime farmland soils crossed with creeks and riparian areas. The convergence of natural characteristics that make this landscape unique depends upon this non-renewable resource base. This landscape serves the public as natural infrastructure, providing increased climate resilience to the region when protected and invested in. While development is a necessary condition to supporting the viability of working lands, the lack of restrictions on developing prime farmland soils, especially for non-agricultural uses, will continue to compromise the critical resource base of Coyote Valley.

Both of the above threats to working lands and climate resilience pertain to new residential development, a use allowed by-right in all unincorporated rural areas of the county. The

climate-related threats associated with sprawl and rural estate home development are significant, in particular due to the preponderance of substandard agricultural parcels in Coyote Valley. Rural estate home development is characterized by residences that are far above average in size, unaffiliated with agriculture, and unaffordable to most farm or ranch operators and employees. The development and density of these rural estate homes are greater in areas with substandard agricultural parcels.

New housing, especially affordable housing for low-income agricultural workers, is essential to the future viability of agriculture and the region has significant unmet demand for agricultural employee housing. Recent County updates have streamlined permitting and expanded options for this form of residential development, and proposals for new agricultural employee housing projects are now increasing.

A central goal in drafting options for the overlay zone has been to balance the urgent need for climate protections without preventing appropriate agricultural housing and without adding prohibitive expense or uncertainty for property owners. The Administration has developed the following proposed requirements so as to minimize costs, complications, and uncertainty for property owners.

### Proposed Requirements for New Development

Below is a summary table followed by a discussion of three proposed requirements for new development within the unincorporated Coyote Valley overlay zone (please refer to Attachment A for the proposed boundaries of the Coyote Valley overlay zone).

Requirement	Description	Threat Addressed
New Residences Ancillary to Ag Use	<ul style="list-style-type: none"> <li>• New single-family residential development on parcels over 5 acres only when ancillary to on-site agricultural use (consisting of a minimum of 60% of the parcel being used for the cultivation of crops or livestock).</li> </ul>	<ul style="list-style-type: none"> <li>• GHG Emissions</li> <li>• Loss of Resource Base</li> </ul>
Land Development Standards	<ul style="list-style-type: none"> <li>• Limit of 3,000 sf floor area (primary residence only).</li> <li>• Limit of 10,000 sf total building footprint per parcel (all structures and uses).               <ul style="list-style-type: none"> <li>○ Exemption for agricultural buildings.</li> </ul> </li> <li>• Limit of one acre cumulative development area per parcel.</li> </ul>	<ul style="list-style-type: none"> <li>• Loss of Resource Base</li> </ul>

1. New Residences Ancillary to Agricultural Use – This requirement would provide that the development of new single-family residences must be ancillary to the continued agricultural use of the property. The area dedicated to cultivation would be evaluated to qualify as a primary agricultural use, requiring a minimum of 60% of the parcel being used to produce crops or raise livestock. This requirement would take the form of a deed restriction, similar to County regulations for agricultural employee housing or agriculture-exempt structures.

Under the County’s General Plan, the area zoned *Exclusive Agriculture*, including unincorporated Coyote Valley, is a *Resource Conservation Area* with special policies

intended to protect the soil resource base. Under the *Agriculture and Agricultural Resources* section, Strategy #2 is to “Maintain Stable Long-Range Land Use Patterns.” Policies and implementation for this strategy include:

***R-RC 61***

*Allowable land uses shall be limited to:*

- a) agriculture and ancillary uses;*
- b) uses necessary to directly support local agriculture; and*
- c) other uses compatible with agriculture which clearly enhance the long-term viability of local agriculture and agricultural lands.*

***R-RC 62***

*Residential uses in agricultural areas may be allowed for persons directly involved in on-site agricultural operations as an ancillary or supportive use of agriculture.*

These General Plan policies establish that the intent of allowing residential uses by-right in the *Exclusive Agriculture* zone is not for single-family residences to be developed at the exclusion of agriculture but rather in support of and ancillary to agriculture.

On the 140 parcels in unincorporated Coyote Valley that are five acres or greater and have yet to be developed with a single-family residence, it could be appropriate to limit future residential development to that which is directly supportive of agriculture. Development of single-family residences unaffiliated with agriculture is more appropriate on those lots in unincorporated Coyote Valley that are *less* than five acres in size. These smaller lots are less suitable for agricultural production and their development would result in less overall acreage being converted from a primary use as working lands. The ability of the Coyote Valley landscape to function as natural infrastructure for climate resilience is dependent upon the largest parcels remaining as working lands. Limiting new single-family residential development to smaller parcels and to those larger parcels where it is ancillary to an agricultural use would support a critical mass of Coyote Valley continuing to provide ecosystem services.

*Examples from Other Counties*

Other counties seeking to protect agricultural lands from sprawl development have similar provisions around the development of new single-family residences in prime farmland areas. In Monterey County, for example, the Farmlands Zoning District only allows for single-family residences that are:

*... accessory to the agricultural use of the property, not exceeding three in total, for an owner, operator or employees employed on-site.*

In several counties, new single-family residences are allowed by-right in agricultural areas only if the parcel conforms with the allowable density. For example, in Yolo

County a new single-family residence is allowed by-right only if the lot is equal to or greater than the standard minimum size of 20 acres. Substandard parcels require a conditional use permit.

2. Land Development Standards – Limiting the scale and footprint of new development will mitigate impacts to the natural characteristics in Coyote Valley and the loss of the resource base. Restraints on new development in Coyote Valley would have beneficial impacts on the future ability of the landscape to, for example: perform managed aquifer recharge of drinking water, mitigate the impacts of flooding, provide unimpeded wildlife linkages, and grow food.

On parcels five acres or larger, the proposed land development standards would restrict the development area to a cumulative area of one acre per parcel. Development area is defined in the Zoning Ordinance:

*That portion of a property within which buildings, accessory structures, and associated improvements are proposed and delineated on site plans or subdivision maps in accordance with applicable policies of the general plan or the zoning ordinance. Associated improvements include, but not are not limited to driveways, parking areas, turnarounds, septic systems, patios, pools, and recreational facilities.*

Countywide, best estimates indicate that parcels with existing development zoned *Exclusive Agriculture* have an average development area of 15% of parcel size (which includes all parcels that are under five acres).

On all parcels in the overlay zone, the proposed land development standards would restrict the total building footprint to 10,000 square feet, and the floor area for single-family residences to 3,000 square feet. Agriculture supportive buildings (e.g., agricultural employee housing, wineries, agricultural processing, etc.) would be exempt from the 10,000 square foot maximum building footprint.

The median building footprint on parcels in Coyote Valley is 5,800 square feet (including agricultural buildings). The median floor area for residential buildings is 2,872 square feet.

The Department has been developing similar land development standards as a replacement for the “local-serving” rural compatibility provisions of the Zoning Ordinance. The three proposed requirements for the Coyote Valley overlay reflect an enhanced version of the Department’s developing approach to be proposed for all rural unincorporated areas.

#### *Examples from Other Counties*

Other counties have similar farmland development standards. In Monterey County, the building site coverage is a maximum of 5% in most agricultural zones. In Marin County, most agricultural zones have a maximum floor area ratio of 0.05, meaning floor area cannot exceed 5% of the lot size. In Yolo County residential development must be constrained to a fixed building envelope of 2.5 acres. Given the far smaller lot

sizes in Coyote Valley than in most comparable agricultural areas, in combination with the threat of development that exists and the historic loss of agricultural land within our county, the Administration recommends a more limited development area of up to one acre.

These two components would impose new restrictions upon development in Coyote Valley and could, working in tandem, mitigate the climate threats of vehicle emissions, loss of farmland soils, diminishment of agricultural viability, and land use instability. These requirements are targeted to avoid sprawl and ameliorate the direct and indirect climate impacts of new development. Additionally, the proposed restrictive components are objective and easily-evaluated requirements that promote responsible development in conformance with General Plan policies without introducing new development costs, complexities, or uncertainties.

### **Climate Opportunities in Coyote Valley**

Coyote Valley is a landscape characterized predominantly by working lands. Due to its unique combination of natural characteristics, these lands present significant opportunities for mitigating climate impacts and increasing regional resilience.

An overlay zone for Coyote Valley could include components that invest in the landscape as a form of natural resilience infrastructure by addressing three climate-related opportunities on working lands:

1. Preservation of Resource Base: The temporary or permanent preservation of working lands is a prerequisite to other investments in Coyote Valley as natural infrastructure for climate resilience. Preservation addresses both climate threats detailed above, preventing future sprawl development and increased traffic emissions, as well as the loss of the natural resource base. Preservation can be permanent, in the form of an agricultural conservation easement (ACE) or it can be temporary, as in the case of Williamson Act contracts. The preservation of working lands can open the door to longer leases, better access for socially disadvantaged farmers, and longer-term investments in resiliency. These investments include perennial plantings, increased soil health, and other nature-based climate solutions that come to fruition over longer time frames and with gains like carbon sequestration that would be eliminated through development.
2. Carbon Sequestration: Regenerative agricultural practices sequester atmospheric carbon that results from GHG emissions and trap that carbon in the soil, making it available to support plant growth, and in the form of woody biomass like trees and shrubs. Carbon sequestration is the process by which it is possible for working lands to go beyond carbon neutral and become what's known as a "carbon sink." Natural and working lands offer a singular opportunity to immediately begin offsetting emissions from other land uses through carbon sequestration. The world-class combination of prime farmland soils, healthy groundwater supply, and ideal growing climate of Coyote Valley make it an ideal location for carbon sequestration.



3. Ecosystem Services: Beyond the drawdown of GHG emissions, the working landscape of Coyote Valley is well-suited to provide several other ecosystem services. When protected and invested in, working lands can perform flood hazard mitigation, wildfire hazard mitigation, managed aquifer recharge of drinking water, retention of critical ecosystem biodiversity via wildlife linkages and habitat, and even provide residents with recreational refuge from increasing temperatures in nearby cities due to the magnifying urban heat island effect.

### Proposed Voluntary Incentives

The following four voluntary incentives proposed for inclusion in the Coyote Valley overlay zone represent targeted approaches to the above climate opportunity areas. These four mechanisms come at varying cost to the County and they are designed as investments in regional climate resilience, compensating farmers, ranchers, and rural property owners for the public benefit and natural infrastructure value of their lands.

Incentives	Description	Opportunity
Preservation Funding	<ul style="list-style-type: none"> <li>• Allocation of funding for agricultural conservation easements.</li> <li>• Prioritization for acquisitions in Coyote Valley.</li> </ul>	<ul style="list-style-type: none"> <li>• Preservation of Resource Base</li> </ul>
Farmland Security Zone (FSZ) + Open Space	<ul style="list-style-type: none"> <li>• Adopt FSZ and expand eligibility to smaller farms.</li> <li>• Open Space Easement eligibility for properties in Coyote Valley that are at least 5 acres and providing non-agricultural climate benefits.</li> </ul>	<ul style="list-style-type: none"> <li>• Preservation of Resource Base</li> </ul>
Agricultural Resilience Incentive (ARI) + Spin-off	<ul style="list-style-type: none"> <li>• Continue ARI grant program, consider expanding to new projects such as water efficiency and managed aquifer recharge projects.</li> <li>• Pilot an ARI spin-off in Coyote Valley available to all property owners, including residential-scale projects.</li> </ul>	<ul style="list-style-type: none"> <li>• Carbon Sequestration</li> <li>• Ecosystem Services</li> </ul>
Credits Program	<ul style="list-style-type: none"> <li>• Bundling and sale of credits to developers for mitigation and/or development incentives.</li> </ul>	<ul style="list-style-type: none"> <li>• Ecosystem Services</li> <li>• Preservation of Resource Base</li> </ul>

1. Preservation Funding – As described briefly above and in detail through the Ag Plan, the strongest investment in the viability of working lands, and by extension the climate resilience they provide, is the permanent preservation of land. As a result of the Agricultural Preservation Task Force’s recommendations to the Board on November 27, 2018, the Board allocated \$5 million for the preservation of agricultural lands. Out of this \$5 million allocation \$994,000 has been used in combination with nearly \$3 million in matching funds from the State to protect 97 acres and prevent 18 new rural residences on prime farmland, which will now be planted with olive trees in an expansion of the adjacent orchard. Several additional projects are in process and the Administration is expecting that the remainder of funds from the initial \$5 million allocation will be proposed to the Board for use in the preservation of multiple parcels in Coyote Valley later this year.



Should additional funding be available, a second allocation by the Board for the preservation of working lands would continue ACE acquisitions, property owner outreach, and match funding from the State. Given the heightened risk of near-term loss of farmland in Coyote Valley, and the unique combination of natural characteristics that prioritize the area for climate resilience, a new Board allocation of preservation funding could be made available only to those properties within the proposed overlay area or with a strong prioritization for such properties.

2. Farmland Security Zone / Open Space Easement – On October 16, 2018, (Item No. 20) the Board approved the recommendation to establish a Farmland Security Zone (FSZ) program, which builds on the Williamson Act program to allow for greater tax benefits in exchange for a 20-year protection minimum. On November 19, 2020, the Administration brought recommendations to the Housing, Land Use, Environment, and Transportation (HLUET) Committee to amend the existing policies for Williamson Act alongside the introduction of an FSZ program (Item No. 11). The proposed changes would make it easier for small-scale farms to qualify for the program. These changes would not be specific to Coyote Valley but would impact the eligibility of many smaller farm property owners within the proposed overlay.

The Open Space Easement (OSE) program, another existing County tax incentive program, could be redesigned to specifically allow for new enrollment of eligible properties within the Coyote Valley overlay zone. OSE contracts, like Williamson Act and FSZ contracts, are term-limited land preservation contracts that result in a reduction of property taxes. Unlike Williamson Act, OSE contracts are designed to protect non-agricultural open space values. Under the County’s existing OSE policy, contracts enroll for an initial period of 15 years, during which 95% of the property must be maintained in open space and future development must first obtain a compatible use determination to evaluate whether such development will compromise the characteristics under protection.

OSE contracts were first enabled by the County in 2006, pursuant to the Open Space Easement Act of 1974 and provide public benefits through the term-limited preservation of open space, unlike a permanent conservation easement. The OSE contracts have been used primarily for properties coming out of the Williamson Act due to the lack of a commercial agricultural operation.

The Coyote Valley overlay zone provides an opportunity to modify and repurpose the OSE program with the specific goal of supporting climate resilience. Through the OSE program, the County could provide property tax relief to property owners in Coyote Valley where agricultural production may not be desirable or viable but other public climate benefits may be gained through preservation. The expansion of eligibility for OSE contracts in the overlay zone could apply to all Coyote Valley properties with specific climate-related characteristics, for example, those parcels well suited to:

- Wildfire hazard mitigation;
- Flood hazard mitigation and managed aquifer recharge;

- Non-agricultural carbon sequestration;
- Wildlife linkages or habitat;
- Riparian restoration;
- Scenic corridors; or
- Recreational trail connections.

These characteristics could be mapped at the parcel level and serve as the basis for OSE eligibility. Alternatively, *all* parcels five acres or larger within the overlay could be made eligible to enroll in an OSE contract. This could be supported by way of Assembly Bill 948, for example, which identifies the whole of Coyote Valley as “a resource of statewide significance” for its “agricultural, wildlife, recreational, climate, and other natural infrastructure benefits.” Once parcel-specific eligibility has been determined, any eligible property owner would be able to voluntarily enroll in the program through a contract with the County.

The Administration is preparing Ordinance amendments for the Williamson Act and FSZ programs and could include in those amendments a limited adaptation of the OSE program within the Coyote Valley overlay zone.

3. ARI Grant Program and Spin-off – From March 20 to May 1 of this year, the County opened the Agricultural Resilience Incentive (ARI) grant program for applications, receiving over 60 bids for funding to invest in climate smart agriculture. The ARI grant program was created by the Board as a one-time pilot project that compensates farmers, ranchers, and agricultural property owners for implementing regenerative management practices, specifically those that sequester carbon. Many of the applications this year were located within the proposed Coyote Valley overlay area, not all of which will be able to receive funding. Continuing this program would benefit farmers and ranchers throughout the County, not only Coyote Valley, but it can be used as a direct opportunity to invest in on-the-ground climate resilience within the proposed overlay zone.

During outreach for the ARI grant program, many non-agricultural property owners expressed interest in participating. These included residential properties, golf courses, and open space areas in Coyote Valley. One way to expand the reach of the ARI grant program would be the formation of an additional grant program available for non-agricultural properties to invest in climate resilience. Similar to ARI, this additional grant program could be piloted for one year. Unlike ARI, eligibility for this pilot project could be limited to properties within the Coyote Valley overlay area. These grants could be deployed to fund and incentivize resiliency investments such as the following:

- Planting non-agricultural hedgerows, windbreaks, and buffers within the proposed 150-foot agricultural buffer
- Compost and mulch application for carbon sequestration in non-agricultural settings

- Flood-managed aquifer recharge (“Flood-MAR”) projects
- Riparian corridor restoration
- Plantings for pollinator and beneficial insect habitat
- Bat boxes, raptor poles, and wildlife-friendly fencing

Such a spin-off program could serve as a companion to the ARI grant, with the potential to galvanize not only working lands but all Coyote Valley properties and residents in climate resilience efforts.

#### 4. Credits Program

A team of subject matter experts is working in partnership with the City of San José and County staff to understand the landscape of possibilities for establishing a credit-based program in Coyote Valley. Such a program would cross the City and County jurisdictions and would allow property owners in Coyote Valley to receive credits and compensation for environmental benefits. Private or public developers in urbanized areas within the City could purchase such credits in return for mitigation and/or development incentives. Credits and credit value would be based on the environmental benefits resulting from the protection of Coyote Valley, for example through carbon sequestration and avoided vehicle emissions. This evolving and collaborative effort has been working to define feasible scenarios for the operation of an entirely new credits program, resulting in the further exploration of two promising scenarios: a base case with impact mitigation credits and an enhanced real estate credit system, through which credits could also be used to remove real policy barriers to enable desired urban development and provide certainty for project viability and costs associated with mitigation.

The feasibility of a credits program will continue to be explored, with conclusions and recommendations expected to be shared at the time the Board considers adoption of an overlay zone in Coyote Valley. Any credits program will likely take additional time to develop and could work off the proposed overlay zone to establish eligibility for participation.

Working in conjunction, the above incentive-based components could provide real benefits to property owners within the proposed Coyote Valley overlay zone by taking advantage of the landscape’s many climate opportunities. The four voluntary incentives proposed here have been designed to complement the adoption of the three above-mentioned requirements. Together, new requirements and new incentives could strike a productive balance that simultaneously protects and invests in Coyote Valley as regional climate infrastructure.

#### **Next Steps**

Pending feedback and direction from the Board, the Administration will continue to develop a Coyote Valley overlay zone consisting of the above seven components for consideration by the Board. The Administration is planning to conduct public outreach, with support from the City of San José, in June and July. Once Zoning Ordinance and General Plan amendments have been drafted, the Administration plans to bring them for review by the Planning

Commission in July or August and return to the Board for final consideration in August or September. The City of San José is also expected to consider the adoption of General Plan amendments and an agricultural overlay for Coyote Valley in August or September.

**CHILD IMPACT**

The recommended action will have no/neutral impact on children and youth.

**SENIOR IMPACT**

The recommended action will have no/neutral impact on seniors.

**SUSTAINABILITY IMPLICATIONS**

Based on direction by the Board, the recommended action could have positive sustainability implications by protecting and enhancing the natural characteristics and ecological functions of Coyote Valley, reducing vehicle emissions, and increasing regional resilience against catastrophic climate change.

**BACKGROUND**

*Additional Parcel Analysis*

If all parcels in Coyote Valley zoned *Exclusive Agriculture* were created in strict conformance with the allowable densities under their General Plan designations of *Agriculture Large Scale* and *Agriculture Medium Scale* (40-acre and 20-acre lots, respectively) there would be roughly 160 total lots. Today, however, there are 503 lots in unincorporated Coyote Valley, 95% of which are substandard in size.

There are 187 parcels that are five acres or more in unincorporated Coyote Valley, approximately 37% of all parcels and the vast majority of land area. 47 out of those 187 parcels have already been developed with a residence. As such, the proposed requirement that new residences be ancillary to an agricultural use, on parcels five acres or larger, would impact approximately 140 parcels.

This analysis is represented in the table below:

All Parcels in Coyote Valley	503
Parcels in Coyote Valley w/ an existing residence	222
Parcels in Coyote Valley w/o an existing residence	281
Parcels in Coyote Valley 5 acres or larger	187
Parcels in Coyote Valley 5 acres or larger w/ a residence	47
<b>Parcels subject to proposed on-site agriculture requirement</b>	<b>140</b>
Parcels in Coyote Valley under 5 acres	316

**CONSEQUENCES OF NEGATIVE ACTION**

This report would not be received, or it would be revised at the Board’s direction, and an Overlay Zone for unincorporated Coyote Valley would not be ready before such time as the City of San José takes an action on its General Plan affecting Coyote Valley.

## **STEPS FOLLOWING APPROVAL**

The Administration does not request any steps from the Clerk of the Board following approval.

## **LINKS:**

- Linked To: 104267 : 104267

## **ATTACHMENTS:**

- Attachment A - Proposed Coyote Valley Overlay Zone (PDF)