A VISION FOR COYOTE VALLEY

Celebrating the Landscape

Promoting Public Transit

Preserving Agricultural Heritage

Fostering Economic & Social Vitality

Conserving Natural Habitats

Cultivating Unique Neighborhoods

GETTING IT RIGHT

PREVENTING SPRAWL IN COYOTE VALLEY

JUNE 2003

Greenbelt Alliance

WRT | SOLOMON E.T.C.

FOREWORD

San José and Silicon Valley are at a crossroads. Down one path is the route to a truly vibrant, livable, healthy place—one of the world's greatest. Down the other is the course to sprawling development, traffic congestion, and the erosion of quality of life. Nowhere is this choice clearer than in San José's Coyote Valley.

Over the coming months and years the City and surrounding region have an opportunity to pursue responsible growth in the Valley that will create a new community of neighborhoods while protecting farmland, habitat, and open space. Achieving this will take new thinking and strong leadership firmly committed to addressing economic vitality, social equity, and environmental sustainability as equally important parts of any plan.

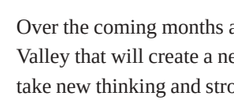
Greenbelt Alliance is pleased to have worked with a broad array of stakeholders, who care deeply about the future of Coyote Valley, in crafting this vision for the region. Community groups, businesses, labor interests, environmentalists, housing advocates, and others came together to challenge conventional thinking and establish an innovative Smart Growth approach for development in Coyote Valley.

This publication is the result of that hard work. It is a vision that seeks to respect the beauty and character of Coyote Valley while acknowledging the City's goal of creating a great new place with at least 50,000 jobs and at least 25,000 homes. Instead of generic sprawl, the vision describes a place where you know your neighbors, where you can walk to work, and your kids can walk to school. It is a vision for a livable community that includes affordable housing and connections to parks, farms, and the Valley's spectacular rolling hills.

Turning this vision into reality will take a dramatic change in San José's current approach to Coyote Valley. Thankfully, the City's elected officials and planners have shown great innovation and willingness to abandon outdated development patterns for new strategies that balance economic, community, and environmental values.

Done right, Coyote Valley could be a national model of Smart Growth and the envy of other cities. Done wrong, and we'll be in for traffic jams, smog, and sprawling development for as far as the eye can see.

Our hope is that San José will do the right thing in Coyote Valley, or do nothing at all.



Tom Steinbach
Executive Director
Greenbelt Alliance

The intent of the Vision is to pursue responsible growth in Coyote Valley that will create a new community of neighborhoods while protecting farmland, habitat, and open space.

ACKNOWLEDGEMENTS

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The participation of these individuals in this project does not constitute an endorsement by their organizations of the content of *Getting It Right: Preventing Sprawl in Coyote Valley.*

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Copies of this Vision document can be obtained from Greenbelt Alliance at the address below, or on the Web at www.greenbelt.org.

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Our mission is to make the nine-county San Francisco Bay Area a better place to live by protecting the region's greenbelt and improving the livability of its cities and towns. The organization works through public policy development, advocacy and education, in partnership with diverse coalitions.

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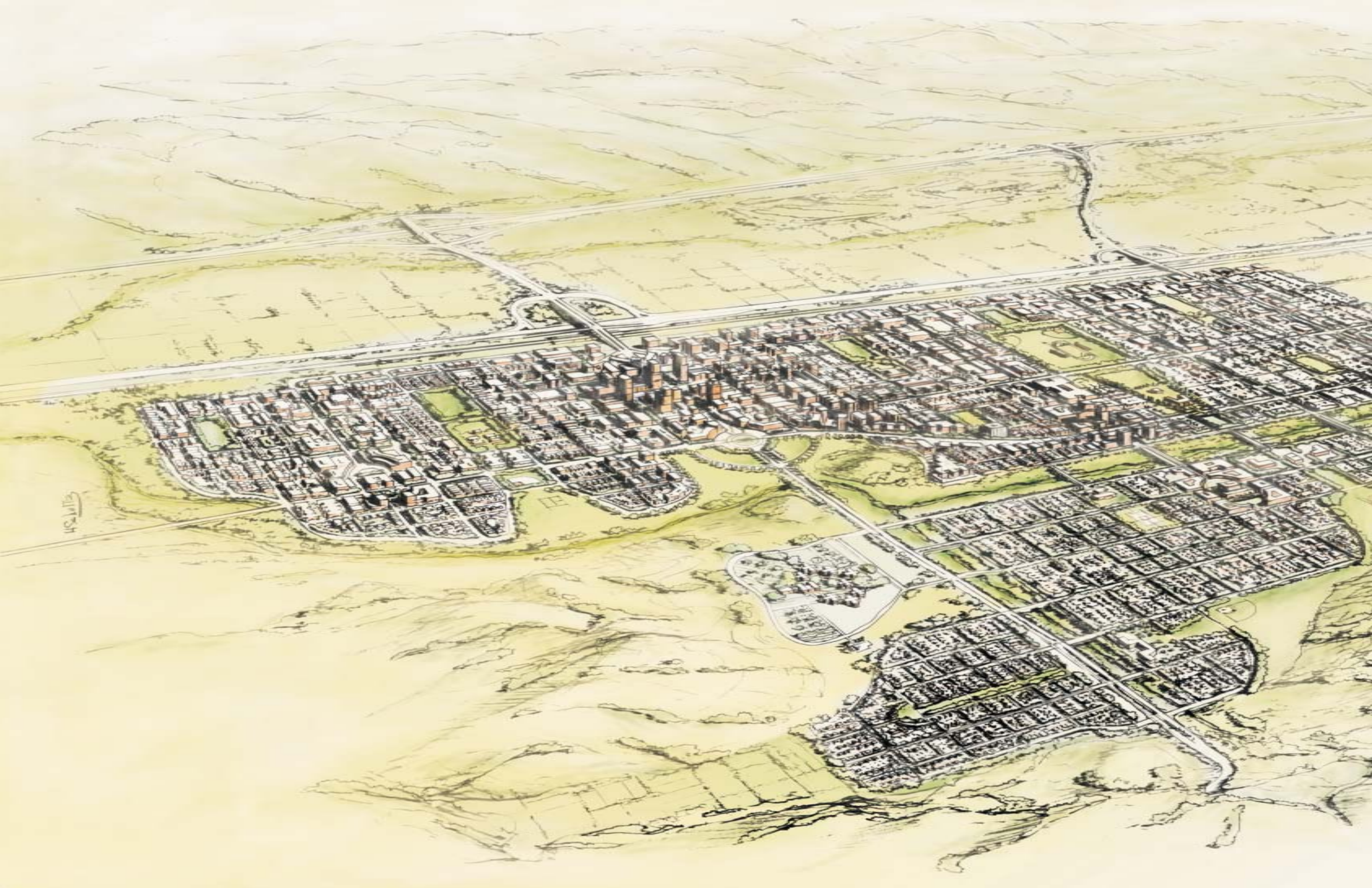
Note: The appendices are not included in this document. They can be viewed at www.greenbelt.org or the entire document, including appendices, can be obtained in pdf format on a compact disk by contacting Greenbelt Alliance.



EXECUTIVE SUMMARY

Decades of sprawl development have dramatically altered the landscape of Santa Clara County. The county's once expansive farmlands largely have been paved over to create business parks and residential subdivisions. Poorly planned sprawl has failed to provide the majority of its residents with housing choices that meet their needs and budgets. The lack of transit options has created a car culture where people are required to drive everywhere and anywhere, resulting in the county's now legendary traffic congestion. The flaws of past sprawl development are readily apparent, but future growth can avoid the mistakes of the past and enhance the livability of communities throughout the county.

San José is moving forward with plans to develop Coyote Valley, a 6,800-acre area on the city's southern edge. With beautiful rolling hills and large swaths of productive farmland, Coyote Valley is a visible reminder of San José's history and natural beauty. Unfortunately, the City's General Plan opens the door to paving over this treasure with cookie-cutter sprawl. The General Plan sets aside North Coyote Valley for massive office and industrial "campuses" adrift in a sea of parking, while the Mid-Valley, designated as Urban Reserve, is poised to become a maze of residential subdivisions isolated from job sites, shopping, schools, parks, and basic services.

If Coyote Valley is to be developed, it need not be consumed by sprawl. The Valley's future presents a golden opportunity to create a community based on Smart Growth principles, using land efficiently to make vibrant neighborhoods with a variety of housing choices. Valley residents and workers alike would have easy access to commercial centers, community facilities, and open space through a variety of transportation choices including biking trails, public transit, and pedestrian-friendly streets. This Vision will preserve Coyote Valley's agricultural heritage for future generations while providing ample room for office, research, and industrial facilities. By creating a mixed-use community that is home to a diverse array of businesses, Smart Growth will help insulate the local economy from boom and bust cycles.

Smart Growth and its urban design corollary, New Urbanism, are not new concepts. Many cities in the Bay Area and across the nation have realized the economic, social, and environmental benefits of sustainable land use planning. San José itself has made important commitments to the principles of Smart Growth and New Urbanism by aggressively pursuing developments in existing urban areas that mix affordable housing, shopping, and jobs. By planning well for the future of Coyote Valley, San José can raise its already strong profile as a national leader in urban planning.

Recognizing the negative impacts that sprawl development in Coyote Valley could have on quality of life throughout the South Bay, Greenbelt Alliance undertook a year-long process to craft a Smart Growth vision for the Valley. Through an open, public process, Greenbelt Alliance sought the opinions and wisdom of local residents, environmentalists, transportation and labor leaders, developers, elected officials, and other stakeholders. *Getting It Right* is the resulting vision, showing how the Valley can look if a Smart Growth approach is employed to achieve San José's development targets of at least 50,000 jobs and 25,000 housing units. If implemented, this Vision will not only create a dynamic new community that is part of San José, but also reduce pressure for more sprawling development in other parts of the region.

Specifically, *Getting It Right* suggests the following steps to build a strong new community that protects the environment and agriculture, promotes social equity, and provides for economic vitality:

Build Community

- Dissolve the artificial division between North and Mid-Coyote Valley to enable the entire area to be coherently planned as a new community.
- Locate the Town Center on Bailey Avenue between Monterey Highway and Santa Teresa Boulevard. Bailey Avenue will serve as the primary retail corridor with each end anchored by a transit station. The Town Center will include buildings with retail uses at street level and office and residential uses on upper floors.
- Create distinct neighborhoods, each with a transit-oriented and pedestrian-friendly center that will include small-scale retail, service, office, public uses, and community facilities that will contribute to the identity of each neighborhood.
- Encourage the use of public transportation and discourage automobile dependency through a Transportation Demand Management (TDM) program. The TDM program will promote policies and programs like shuttle services, ridesharing, reduced parking, parking pricing, alternative work schedules, and telecommuting.
- Co-locate schools and parks and enable them to serve as civic gathering places in the neighborhoods.

Protect the Environment and Agriculture

- Permanently protect the 3,300-acre South Coyote Valley as a greenbelt buffer between San José and Morgan Hill.
- Establish a network of 860 acres of new regional, community, and neighborhood parkland that complements the existing 1,224 acres of regional parkland and golf course. The park network will be easily accessible to residents and workers on foot, by bike, and by transit, and provide a variety of recreation facilities from playing fields to hiking, cycling, and equestrian trails.
- Restore Fisher Creek to a more natural condition and create the Fisher Creek Greenway to serve both as a flood management facility and as 500 acres of regional parkland.
- Permanently protect approximately 2,380 acres of agricultural lands throughout Coyote Valley. The Valley's agricultural lands will make up the Coyote Valley Food Belt, which will produce a portion of the community's food, provide opportunities for education and tourism, and help preserve the Valley's unique sense of place.

Ensure Social Equity

- Dedicate at least 20 percent of all housing units as affordable housing for low-, very-low-, and extremely-low-income residents. These units will be distributed throughout the Valley to promote social equity and inclusiveness. Inclusionary zoning will be established, and subsidy and incentive programs will be utilized to facilitate the creation of affordable housing.
- Create a robust transit system that will provide mobility for residents and workers who cannot or choose not to drive. The transit system will include a Caltrain commuter rail station at the Town Center near Bailey Avenue, a bus rapid transit line running along Santa Teresa Boulevard, and a convenient local bus loop that connects Coyote Valley's Neighborhood Centers.
- Establish Community Facilities and Services Districts (CFSDs) in addition to the existing district in north Coyote Valley. These Districts will help fund and manage infrastructure projects such as roads and sewers, as well as other community amenities such as day care centers, health clinics, and affordable housing.
- Put in place incentive programs and implement policies that will create opportunities for small business and high quality jobs.

Promote Economic Vitality

- Provide for a more diverse economy that is less susceptible to fluctuations in the economy.
- Reduce the cost of infrastructure to landowners and the City.
- Reduce household costs associated with transportation and energy consumption through the use of compact, mixed-use, and transit-oriented nature of development.
- Increase land values by providing for more rentable and saleable building area and reduced per capita infrastructure costs.
- Enhance developer flexibility to respond to market conditions across a mix of land uses.
- Provide for a sensible approach to development phasing that reduces upfront capital costs, allows for development of relatively small increments of land, and encourages the early establishment of the Town Center and Neighborhood Centers.

If implemented, *Getting It Right* will create a compact, healthy, and vibrant community where housing, jobs, and shopping are well integrated. People of all economic backgrounds will be able to live and work in Coyote Valley and be part of the community's robust economy. Outdoor recreation opportunities, wildlife habitat, and farms will be on the community's doorstep, not miles away. Making the Vision a reality will not be an easy task. It will require innovation and political will, but the results will be worth the effort. The ultimate future of Coyote Valley is in the hands of the City of San José. Greenbelt Alliance hopes that *Getting It Right*, which has been shaped by the input of a broad array of stakeholders, will serve as a guide and inspiration for San José as it continues to plan for Coyote Valley.

I. THE VISION

A. Sprawl: The Failed Model

The landscape of sprawl is so familiar, so deeply embedded in the normal practices of planning, development, and real estate finance that it has acquired the character of inevitability. It represents a set of conventions, however, that has long outlived the problems it was intended to address. Whatever the rationale may once have been for the segregation of land uses, for total dependence on automobiles for every human transaction, for the dispersal of the elements of community, and for the rampant consumption of open space and farmland, it no longer makes sense. No one believes that these are good things, yet many people continue to act as if they are somehow ordained by history, as if any other future is unimaginable.

This document is intended to challenge the entrenched planning practices that produce sprawl. While it does not purport to be a fully developed plan in the conventional sense, it is instead a proposal for the spirit and intention that should inform any future plan for Coyote Valley. This Vision presents an argument for those elements and topics that should be addressed in such a plan, and a model for where the plan should be prescriptive and specific and where it should be general and permissive. Its objective is to respond to the ever-changing conditions of the real estate market while redressing the acknowledged problems of sprawl.

Sprawl has been so widely criticized over the last decade that it hardly seems necessary to enumerate its shortcomings. Nonetheless, for the sake of clarity, it is worthwhile to describe the specific characteristics of the recently built and still proposed suburban landscape that the Vision seeks to supplant. It is not hard to imagine exactly how Coyote Valley will look a generation from now if it is consumed by sprawl of the conventional sort.

It will contain one, two, or perhaps three very large concentrations of employment, which will be referred to euphemistically as “parks” or “campuses.” In fact, these areas will be low- to medium-density clusters of very large sprawling office buildings, surrounded by vast seas of surface parking. While it may be physically possible to reach these “campuses” by public transit, the experience of walking from a transit stop through the undifferentiated sea of parking will be so grim that only those who cannot afford to drive to work will undertake it. Inside the workplace, the buildings’ daylit edges will be reserved for an upper echelon of workers with the rest of the workforce consigned to a windowless, air-conditioned, fluorescent-lit netherworld in which the weather and the time of day are unfathomable mysteries. If one wants to leave this environment at midday, say for lunch or to run errands, one must drive, and each car that makes this journey must be provided with at least two parking spaces, one at work and another at the midday destination.

The sprawl that could consume Coyote Valley would also contain housing. However, it will be segregated from employment areas in walled enclaves. The residential areas generally will not be very densely built, will not support public transit, and will be an auto trip away from every service that exists outside the home: schools, shops, churches, parks, and offices. Even when a house happens to be just a few hundred feet from a regular destination, such as a store, the likelihood is that the trip to the store will involve driving, more often than not on a large, multi-lane arterial. Nobody walks to the store in sprawl because the store and the land it sits on are designed for the automobile, and pedestrians are an afterthought.

Typical Silicon Valley corporate campus swims in a sea of parking while being segregated from residential, commercial, and open space areas. Robert Cameron, 1998. Above San Francisco, Cameron and Company

There will be green open space in sprawl, but most of it will be fragmented and formless and generally remote from the people who use it. There will not be even a trace of the beautiful and bounteous farmland that once composed Coyote Valley.

Sprawl development is designed to facilitate the use of the automobile with little concern for pedestrians or the quality of the environment.

B. Smart Growth: A Model for Livable Communities

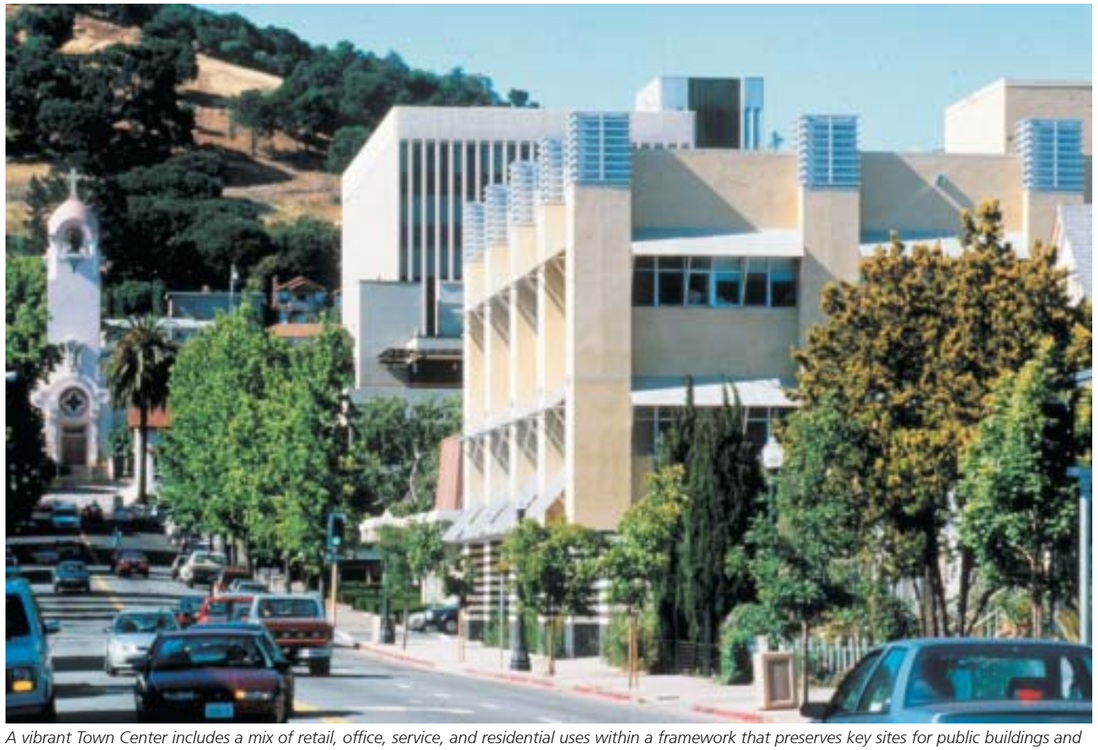
Sprawl in Coyote Valley is easy to imagine because there is so much of it in the 65 miles between San Francisco and Morgan Hill. In this same stretch, however, there are other models of community building, older models that in recent years have been re-energized with new vitality and investment. Palo Alto, Mountain View, Burlingame, parts of San José itself demonstrate that there is nothing unrealistic about mixed-use, walkable communities. While these communities have much yet to accomplish in the realms of affordable housing and transit choices, their physical structure demonstrates that it is still perfectly possible for buildings to define the public spaces of a town. Stores and offices do not need to float in an undifferentiated sea of parking, but can contribute to the fabric of a town and help to make great places to live, work, and play.

Housing in and around these revitalized centers is dense and the streets that the houses define are pleasant for walking. Parks, stores, and schools are located nearby, and some people live close enough to their workplace to walk or bike. Under these circumstances, families can live comfortably with one car, not one for everyone over the age of 16.

Walkable town and neighborhood centers, dignified settings for public buildings, and residential squares framed by housing cannot be shaped by land use maps alone. The Vision demands that future planning define the obligations that all buildings have to the public spaces of a community, the specific ways in which buildings face the space of streets, squares, and parks, and the ways that parking can be accommodated without becoming the dominant feature of the town. The methods and instruments of planning that produce the landscape of sprawl cannot produce its opposite. The pages that follow suggest different tools and approaches capable of shaping a vibrant new community.

The planning movements known as Smart Growth and New Urbanism are a rediscovery and adaptation of enduring and successful patterns of American town building to our current circumstances. On many levels these patterns redress the negative environmental, social, and economic consequences of sprawl. The environmental advantages of the Smart Growth vision described herein include reduced automobile use, decreased energy consumption, less pollution of air and water, increased conservation of land, and enhanced habitat protection. The social advantages include the integration of affordable housing and meaningful employment into the community, and a town structure and density that makes schools, services, retail, and employment accessible by transit, bicycle, or walking. The economic advantages include a more diverse economic base that is less susceptible to cycles of boom and bust, enhanced real estate values, reduced long-term transportation and energy costs, and new employment that is part of an attractive mixed-use community, rather than in isolated, single-use “campuses.” Thriving town centers such as Mountain View, Walnut Creek, and San Rafael provide a model for the evolution of Coyote Valley into a prosperous, attractive, livable, and environmentally responsible community in its own right—one that retains the imprint of its environmental setting and its agricultural heritage.

With the revitalization of its downtown and its recent emphasis on neighborhood centers, San José has led the nation in recovery from the outdated conventions of sprawl. Coyote Valley can be San José’s next great opportunity.



A vibrant Town Center includes a mix of retail, office, service, and residential uses within a framework that preserves key sites for public buildings and view corridors to the surrounding landscape.

Smart Growth involves the creation of an attractive, compact and walkable community.

Smart Growth involves finding a sustainable balance between urban growth, agriculture, and open space.

C. Elements of Town Building: The Making of a Place

The diagrams on this and the following page compare and contrast the familiar pattern of sprawl, as it might consume Coyote Valley if development is allowed to occur under a "business as usual" scenario, with the more orderly pattern that would result from a Smart Growth approach emphasizing the creation of a compact, transit- and pedestrian-friendly community integrated with the natural setting.

The Coyote Valley Vision has evolved from the overlay of several interdependent patterns, each related to a specific physical element—land use, circulation, open space, hydrology—that contributes to the form of this new community. It is characteristic of sprawl that these patterns typically are considered independently of one another with little or no recognizable relationship among them. In more compact, walkable, and transit-oriented urban places, by contrast, these patterns are responsive to one another and there is a high degree of integration of these different aspects of a town.

Among the important components of the Coyote Valley Vision are the following:

Open Space

Coyote Valley is a narrow rural valley with rolling foothills enclosing it on three sides. The undeveloped foothills provide a scenic backdrop for the Coyote Creek Parkway and the agricultural operations that occupy the flat valley floor. Together the natural hills and agricultural valley form a distinctive open space framework for the new town. The foothills provide the larger topographic structure and the agricultural lands provide the more immediate land use context in which to place the new community. This natural open space component is then complemented by the creation of urban parkland that is integrated with both the urban and natural systems.

Hydrology

Coyote Valley is part of an important watershed, and the two natural drainages that flow through the Valley are key structural elements for the new town. Coyote Creek and Fisher Creek regularly flood the Valley floor and combine with a high water table to constrain the use of the land. A principal element of the Vision is to shape the hydrologic system to provide adequate flood management and groundwater recharge while also creating public open space that provides habitat and wildlife corridors.

Transportation Infrastructure

The town is also shaped by the Valley's transportation infrastructure. The regional automobile infrastructure includes Highway 101, Monterey Highway, and Santa Teresa Boulevard, which run north/south through the Valley. Bailey Avenue and Scheller Avenue will form key east/west connections across the Valley when they are extended east to connect to future interchanges with Highway 101. Public transportation in the Valley includes the Caltrain line parallel to Monterey Highway and bus service along Santa Teresa Boulevard. In the near term, Bus Rapid Transit (BRT) will be introduced with fixed transit stations along Santa Teresa Boulevard, and a Caltrain station will be developed just south of Bailey Avenue. As the community matures, local bus loops will be added to serve the surrounding neighborhoods from these regional transit facilities. Ultimately, as demand warrants and funding is available, the BRT system will transition to a Light Rail system.

Interconnected Street Grid

An important difference between the patterns of sprawl and a coherent town is the interconnectivity of its streets. The Vision provides a grid pattern of streets and block layouts that establishes more coherent and direct connections between the various parts of the community. This encourages biking and walking, disperses auto traffic, facilitates public transit, and makes shops, offices, and public amenities easily accessible to housing.

Sprawl development in Coyote Valley would result in an unorganized pattern of development that features segregated land uses, large multi-lane arterial roadways, and discontinuous loops and cul-de-sacs.

The Smart Growth Vision for Coyote Valley integrates land use, circulation, and drainage functions to create a coherent pattern of development that supports transit, walkable neighborhoods, and convenient access to employment, shopping and services.

Two Growth Scenarios For Coyote Valley

This illustration shows how the principal physical elements of the Valley would relate to each other under the sprawl and Smart Growth scenarios.

Coyote Valley As Sprawl

Land Use
Segregated Uses

Single-use districts (housing, shopping, employment, etc.) that are isolated and unrelated to each other, and provide little or no flexibility for future changes. An automobile is necessary for everyday activities.

Circulation
Automobile Oriented

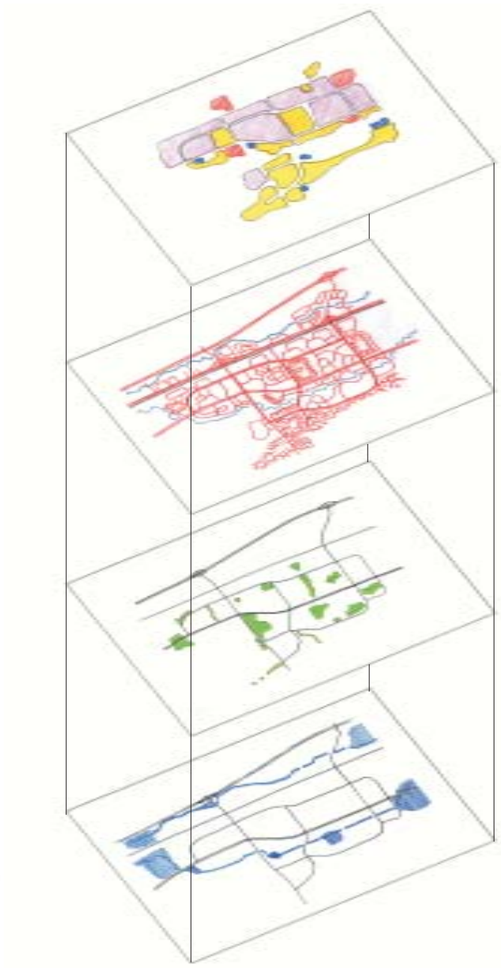
A network of expressways and distributor streets creates a series of isolated enclaves. Discontinuous local streets and cul-de-sacs funnel traffic onto a few key distributor roads, resulting in larger and busier streets with more congestion and pollution.

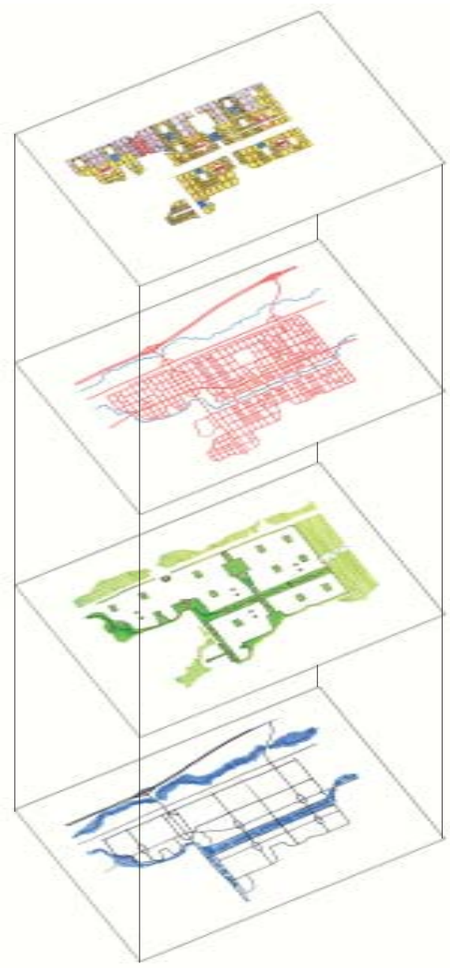
Open Space
Isolated Parks with Open Space Fragments

Parks and open space are fragmented and isolated as residual elements between the different land uses.

Hydrology
Engineered Solutions

Flood management is seen as an engineering problem to be solved with large, single-use structures. Creeks are turned into drainage channels. Stormwater runoff is sent off-site as quickly as possible.





Coyote Valley as a Town

Land Use
Mixed-Use Neighborhoods

A structured and coherent block pattern can accommodate a mixture of land uses in proximity to one another, and provide the flexibility over time to create a compact, pedestrian-friendly, transit-oriented community.

Circulation
Walkable, Bikeable Streets

A hierarchy of inter-connected streets and boulevards disperses traffic and creates a network of alternative routes for travel throughout the town. Different modes of travel are safely accommodated, including pedestrians, bicycles, public transit, and the automobile.

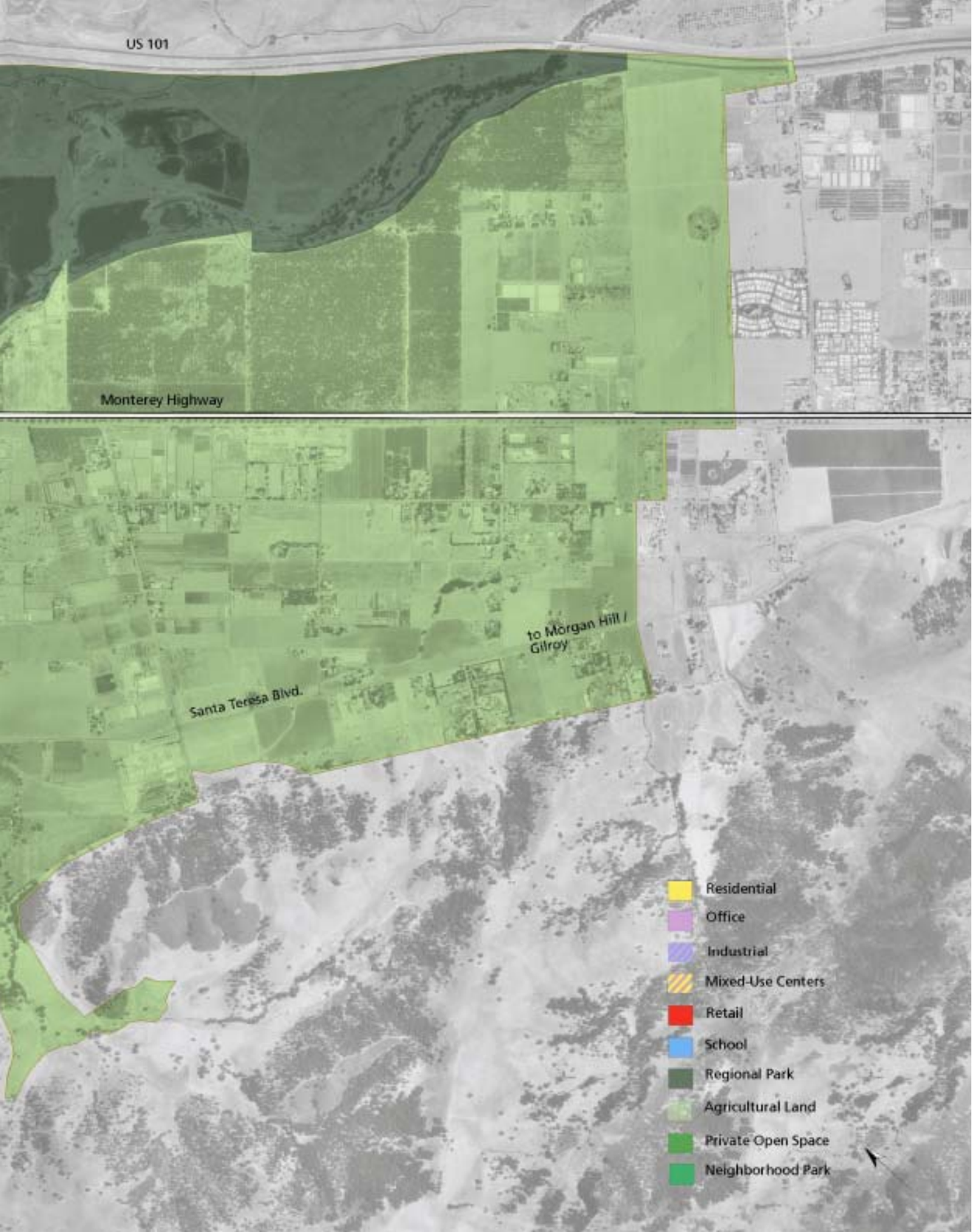
Open Space
Network of Parks

Parks and open spaces form an integrated framework that defines neighborhoods and provides for a network of paths linking residential areas to key community destinations. Agricultural lands surround the town, providing an open space buffer and amenity within the context of a working landscape.

Hydrology
Integrated Open Space Solution

Flood management is embraced as natural landscape function and is incorporated into the open space network, maintaining as much of the natural function as possible and integrating improvements as part of a continuous riparian corridor through the town.


Diablo Range
US 101
to San Jose
Riverside Golf Course
Coyote Valley Parkway
PG&E Substation
Coyote Town Center
Metcalf Energy Center
Tulare Hill
Laguna Avenue
Central Park
Richmond Avenue
Scheller Avenue
Palm Avenue
Palm Avenue Greenway
Coyote Blvd.
East Scheller Neighborhood Center
Santa Teresa Blvd.
Santa Teresa Blvd.
to San Jose
Town Center Green
Bailey Avenue
Tulare Hill Neighborhood Center
East Laguna Neighborhood Center
Fisher Creek Greenway
IBM
Foothill Blvd.
Foothill Park
West Scheller Neighborhood Center
Bailey Avenue Parkway
Hidden Valley Neighborhood Center
West Laguna Neighborhood Center
Santa Cruz Mountains



D. Illustrative Vision and Overview

The map of the Valley at the left illustrates a Smart Growth Vision for how the 6,800-acre Coyote Valley can responsibly accommodate future growth projected by the City of San José. The result is a compact, transit- and pedestrian-oriented urban community that is integrated with the natural and agricultural setting to create a sustainable balance among the needs for environmental quality, economic vitality, and social equity.

The Vision is designed to accommodate the employment and housing goals established by the City of San José for Coyote Valley. These goals translate into a new community that will provide approximately 53,000 jobs in 18.2 million square feet of commercial development, and house 80,000 residents in 25,000 residential units. While the new community will occupy approximately 2,200 acres, the Vision also preserves two-thirds of the area in open space: approximately 2,400 acres of agricultural land (including rural residences in the Coyote Greenbelt) and 2,200 acres of parks and natural open space.

The adjacent map illustrates how the elements of the town diagrammed on the previous pages are integrated to form the framework for the new Coyote Valley community. The urban community is nestled within a framework of natural and agricultural open space, with the Fisher Creek Greenway bisecting the urban area from north to south. This greenway will serve as the main flood channel for the central part of the Valley while also providing an enhanced natural riparian corridor and regional parkland with bicycle trails that link the various neighborhoods and provide access to schools. Complementing and contrasting with the Fisher Creek Greenway, an east/west urban parkway corridor, consisting of neighborhood and community parks, bisects the community from Monterey Highway to the western foothills.

The Fisher Creek Greenway and the Coyote Creek Parkway on the eastern edge of the Valley are part of a network of regional, community, and neighborhood parks that serve all parts of the community, contributing form and character to the neighborhoods as well as providing visual relief and recreational open space.

The community has been structured as a series of neighborhoods that give a more human scale and identity to the urban setting, and facilitate convenient transit service. The heart of the community is the Town Center, which is located along Bailey Avenue between Monterey Highway and Santa Teresa Boulevard. Modeled on the successful example of downtown Palo Alto, a trio of parallel streets is used to accommodate local and regional traffic while still supporting active pedestrian life in the Town Center. The Town Center will be served by transit from the Caltrain station located just south of Bailey Avenue and by a Bus Rapid Transit/Light Rail station at Bailey Avenue and Santa Teresa Boulevard.

The Town Center is complemented by six Neighborhood Centers that are located at the intersection of major arterial streets coincident with transit stops. Three Neighborhood Centers are located at BRT/LRT stations along Santa Teresa Boulevard, two are located along the boulevard west of the Fisher Creek Greenway, and one along Bailey Avenue. Those not on Santa Teresa will be served by local bus routes. The Neighborhood Centers consist of higher density, mixed-use development, including housing, employment, neighborhood-serving retail, and community facilities. Outside the Neighborhood Centers, neighborhood parks and elementary schools are strategically located within sub-neighborhoods to provide a central feature and public amenity at the core of each residential area.

II. SETTING AND HISTORY

A. Project Area

Regional Location

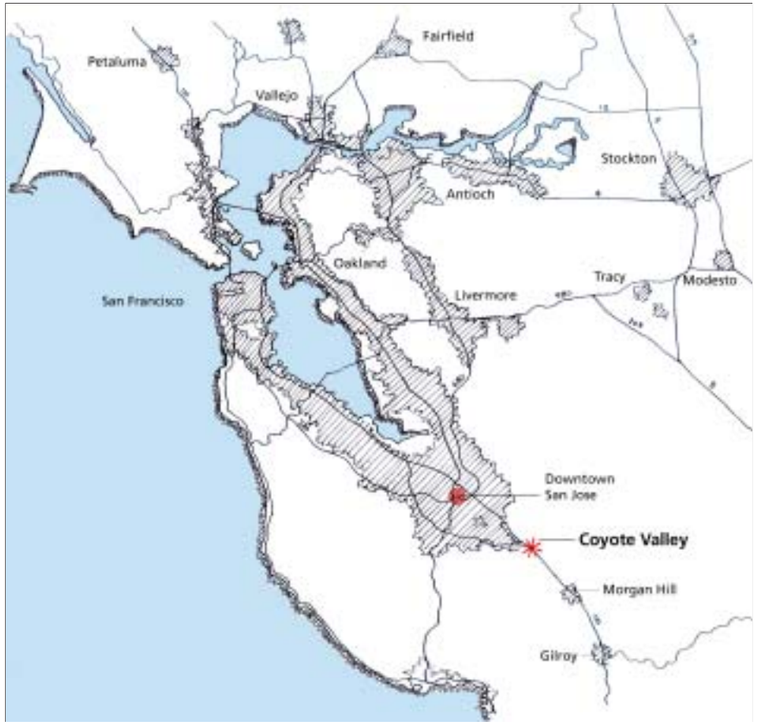
Coyote Valley is located in Santa Clara County at the southern tip of the urbanized portion of the nine-county San Francisco Bay Area. It is also at the southern edge of the economic region known as Silicon Valley. Located approximately 13 miles south of downtown San José and 7 miles north of downtown Morgan Hill, Coyote Valley is connected to the region by Highway 101, which forms the area's eastern boundary, and by Monterey Highway and Santa Teresa Boulevard, which extend through the Valley.

Size and Character

Coyote Valley is roughly 6 miles long and 2 miles wide. It runs northwest by southeast and is defined by the foothills of the Santa Cruz Mountains to the west and the foothills of the Diablo Range to the east. Tulare Hill, Coyote Peak, and the hills of the Laguna Seca formation enclose the north end of the Valley, creating a clear physical break between the urban fabric of San José and rural Coyote Valley. The 6,800-acre planning area generally occupies the flat valley floor formed by these foothills.

The enclosure created by the foothills provides a distinctive sense of scale and definition to the Valley, as well as a dramatic visual backdrop that contributes to its unique sense of place. Coyote Creek and its tributary, Fisher Creek, are the key natural features on the Valley floor, with the riparian vegetation along Coyote Creek providing a pleasing contrast to the grasslands that make up most of the Valley.

Coyote Valley is predominantly rural in character, despite its proximity to Silicon Valley and the region's largest city. The Valley currently consists primarily of open space and agricultural lands, with scattered rural residential and agriculture-related development, particularly in the southern half of the Valley. Other existing uses in the Valley include IBM's Santa Teresa campus, the PG&E electrical substation, the new Metcalf Energy Center, the Riverside Golf Course, the County's 800+-acre Coyote Creek Parkway, and a handful of commercial and industrial uses along Monterey Highway, including the unincorporated town of Coyote, with its bar, post office, lumber yard, Grange Hall, and bait shops.



Coyote Valley is situated at the southernmost edge of the urbanized portion of the San Francisco Bay region.

Foothills on west side of Coyote Valley

Lush vegetation along Coyote Creek

Jurisdictional Context

When discussing Coyote Valley's jurisdictional boundaries and land use characteristics, the Valley is commonly divided into three sections: north, mid, and south.

North Coyote Valley

The northernmost section of the Valley includes approximately 1,440 acres. This J-shaped area extends south from Tulare Hill to just north of Laguna Avenue, and west from the Monterey Highway to the Santa Teresa Hills. The North Valley is in the San José City Limits and the City's current Urban Service Area, which means that urban services such as water and sewer will be provided to this area as development occurs. The City of San José's General Plan designates the North Valley for Campus Industrial uses.

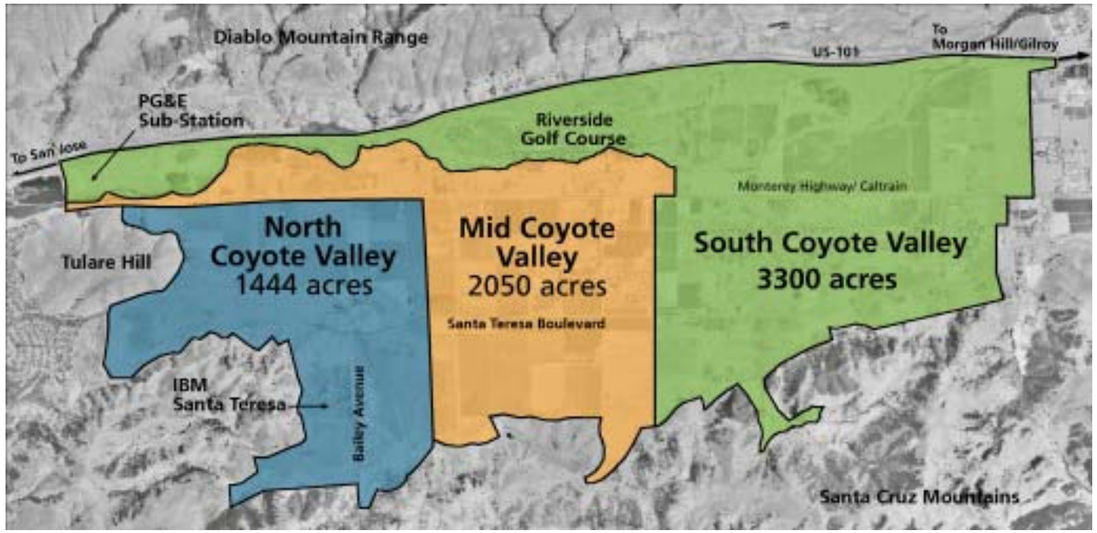
Mid-Coyote Valley

The midsection of the Valley includes approximately 2,050 acres. The Mid-Valley generally extends from Laguna Avenue south to Palm Avenue, and east from the Santa Teresa Hills to Coyote Creek. The Mid-Valley also includes a narrow strip of land between Coyote Creek and Monterey Highway that extends north to Metcalf Road. With the exception of a narrow band of parcels that front on Monterey Highway, the Mid-Valley is outside the City Limits and Urban Service Area, but within the City's Greenline/Urban Growth Boundary. This latter designation signifies San José intent to eventually extend urban services to the area. The City's General Plan designates the Mid-Valley as Urban Reserve, with the expectation that it will ultimately accommodate residential development.

South Coyote Valley

The southernmost section of Coyote Valley includes roughly 3,300 acres. The area extends south from Palm Avenue to the Morgan Hill City Limit, and east from the Santa Teresa Hills to Highway 101. The South Valley also includes a strip of land between Coyote Creek and Highway 101 that extends north from Palm Avenue to Metcalf Road.

Most of the South Valley is unincorporated. However, a narrow band of parcels along the Monterey Highway and a couple of larger parcels between Monterey Highway and Highway 101 are also within the San José City Limits. While it lies within the City of San José's Sphere of Influence, the South Valley is outside the City's Greenline/Urban Growth Boundary. The South Valley is designated as the Coyote Greenbelt in the San José, Morgan Hill, and Santa Clara County General Plans and is intended to serve as a permanent non-urban buffer between the two cities.



The three sections of the Coyote Valley

B. The Context

Regional Context

Silicon Valley's Role

Coyote Valley is part of the larger San Francisco Bay Area economy, the most productive metropolitan region in the U.S. according to the Bay Area Council. From 1993 through 2000, a large portion of this productivity came from Silicon Valley, the birthplace of the Internet and the high tech industry. Although the current downturn in the economy has had a severe impact on the area, the once burgeoning high tech industry not only changed the way we communicate and conduct business, but it fundamentally reshaped the economy and the urban landscape of the South Bay.

Projections by the Association of Bay Area Governments (ABAG) and the Bay Area Council indicate that the economic vitality of the San Francisco Bay Area and the high tech industry is expected to rebound, but critical shortcomings in housing, transportation, and public schools will continue to plague the region. If not addressed, these issues could threaten the region's prosperity as high-performing companies and workers leave for communities that are more affordable and offer a higher quality of life.

According to ABAG projections, Silicon Valley could grow by 250,000 new residents and 190,000 new jobs by 2010. This represents an almost 11 percent increase in population and a 13 percent increase in employment. While these levels of growth are significant, they are less than those seen during the 1990s—2 percent less for population and almost 12 percent for employment.

Shortage of Affordable Housing

Housing production in Silicon Valley generally has not kept pace with recent job growth. While the average annual rate of job growth during the last ten years was 2.5 percent, it was less than 1 percent for new housing. In the "Projections 2000" report, ABAG estimated that approximately 82,500 more housing units were needed to allow everyone working in Silicon Valley to also have a home in the region, a deficit that ABAG estimated could grow to 150,000 homes by 2010 if the pace of home and job production were to continue. Although job growth in Silicon Valley is relatively flat at this time, ABAG projects that Santa Clara County will see the largest increase in jobs in the Bay Area during the next 25 years. The County is projected to add 303,500 jobs, with almost 132,000 of those in the San José area.

In spite of the recent decline in jobs, but relatively robust housing production, housing costs in the South Bay continue to rise. The median price of a single-family home in Santa Clara County was $575,000 in June 2002—the highest of any region in California with the exception of the South Coast of Santa Barbara County. The housing affordability gap continues to be one of the major local issues, with less than 21 percent of Bay Area households able to afford a median-priced home.

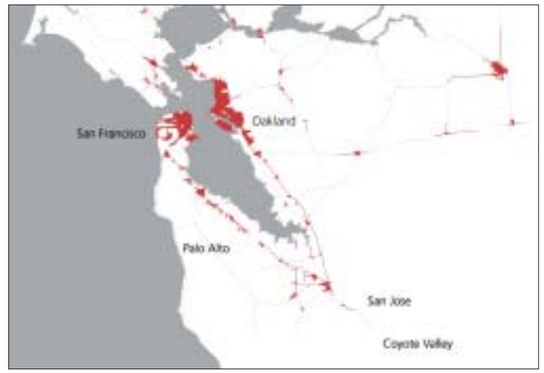
Long Commutes and Traffic Congestion

The cost of housing in Santa Clara County forces workers to commute from more affordable areas in the Bay Area and beyond. The Metropolitan Transportation Commission (MTC) estimates that of the approximately 1,043,000 average daily commute trips in Santa Clara County, roughly 21 percent (215,000 daily commute trips) begin outside the County. Of these trips, 71 percent begin within the remaining eight Bay

Urban Growth in the Bay Area

The adjacent diagrams illustrate the pattern of urbanization over the past 150 years, and what could occur if an alternative to sprawl is ignored.

1850



1900

Area counties, while 29 percent (62,350 trips) begin outside of the Bay Area entirely—presumably in counties such as Santa Cruz, San Benito, Monterey, San Joaquin, and Stanislaus. One indicator of how housing affordability has affected commuting and associated driving patterns, is that the vehicle miles traveled per person per weekday have increased by 62 percent since 1970. According to the Metropolitan Transportation Commision, Bay Area traffic is projected to increase another 30 percent by 2025—more than twice the rate of population growth. Coyote Valley receives regular mention on the rush-hour traffic reports as being one of the worst traffic congestion areas in the Bay Area.

Vacant Office Space and Empty Parking Lots

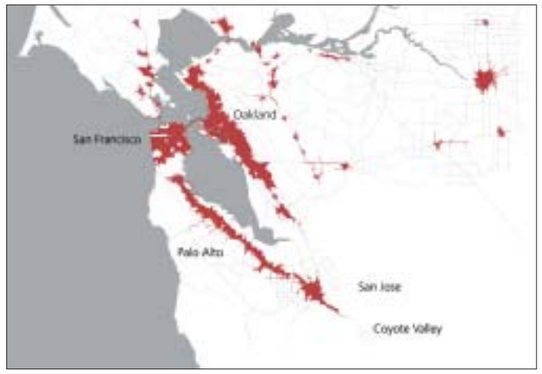
Unlike housing, office and R&D development kept pace with job growth in Silicon Valley throughout the boom years. Millions of square feet of new office space were developed to accommodate the approximately 290,000 new jobs created in the 1990s. Built for the boom, much of this space is now empty as high tech companies and related businesses are cutting back. Approximately 39.6 million square feet of office and R&D space is currently vacant in Silicon Valley—a vacancy rate that is estimated as approaching 40 percent—with no expectation of being absorbed anytime soon. As a result, lease rates have fallen by 47 percent since the peak of the economic boom in early 2000. The decrease in office occupancy has resulted in underutilized surface parking space. The 39.6 million square feet of empty office space translates into a surplus of almost 1,000 acres of pavement devoted to parking. In spite of the current surplus in office space, regional leaders are confident that there will be need for new office and R&D space in the coming years and decades.

A Vanishing Agricultural Heritage

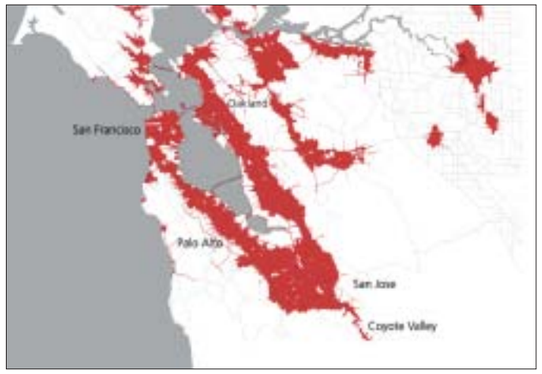
As the demand for new housing and commercial development to house the Bay Area's burgeoning population grows, so does the pressure to convert the area's agricultural land to urban uses. California lost almost half a million acres of farmland between 1988 and 1998, a rate that is equivalent to creating three new cities the geographic size of Modesto every year.

Locally, Santa Clara County is losing agriculture and its infrastructure nearly twice as fast as the state average. Between 1998 and 2000, the County experienced the conversion of 4,700 acres, or about 1 percent, of its agricultural land. Over the last 50 years, Santa Clara County has paved over 97 percent of its farmland. As of 2000, the County had approximately 433,000 acres remaining in agriculture, of which Coyote Valley represents about 1.5 percent.

Much like water, urban development tends to move along the path of least resistance. In the case of the Bay Area, that means along the flat coastal plains and inland valleys where development can be accommodated most easily, but also where soils are most fertile.



1950



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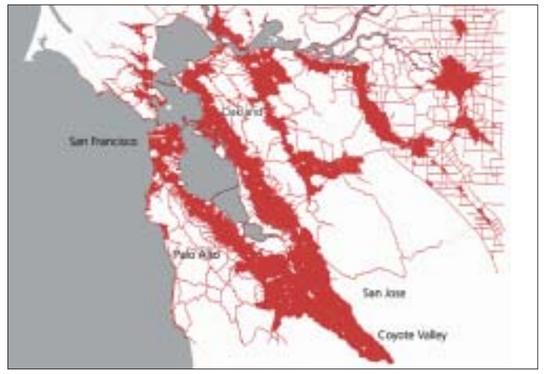


2050 as it may be if sprawl continues.

City Context

A History of Planned Development

The concept of urban development in Coyote Valley is not new. As previously discussed, the North Valley is within San José's City Limits and Urban Service Area, and the Mid-Valley is within the City's Urban Growth Boundary. The Valley has been slated for urban development since 1983 when the San José City Council amended its General Plan to create the North Coyote Valley Campus Industrial Area in the North Valley and designated the Mid-Valley area as Urban Reserve.

North Valley Campus Industrial Area

The City's Campus Industrial land use designation is intended to support the development of large, high-quality, single-user industrial sites in the North Valley. In 1985, a Master Development Plan (MDP) was adopted for the North Valley area that established public infrastructure and private development standards. Subsequent to the adoption of the MDP in 1985, permits for several development proposals were approved by the City. None of these was ever implemented, however, due to the downturn in the economy in the late 1980s and early 1990s. Between 1998 and 1999, in response to renewed development interest, the City adopted additional General Plan amendments for the North Valley area. These amendments accommodated changes to the roadway network, altered the approach to flood management, reduced minimum parcel standards, and increased building height limits.

The primary uses permitted under the MDP include administration, research and development, and manufacturing. MDP development standards include: 10-acre minimum parcel size, 30 percent maximum building coverage, 25 percent minimum landscaped area, 0.40 average Floor Area Ratio (FAR), and variable building setbacks depending on building height (e.g., taller buildings have greater setbacks). Based on these standards, the General Plan assumes approximately 50,000 jobs and 16.7 million square feet of floor area can be accommodated in the North Valley.

In November 2000, the City approved development entitlements for the 689-acre Coyote Valley Research Park (CVRP), which occupies the area north of Bailey Road and east of the IBM campus. The entitlements allow for development of approximately 6.6 million square feet of office, research and development, and assembly and light industrial space that would accommodate roughly 20,000 employees. Originally, Cisco Systems, Inc. was going to be sole tenant of the CVRP, but due to the economic downturn Cisco has since withdrawn as a prospective tenant. The combination of Cisco's withdrawal from the CVRP and a slow economy has delayed initiation of the infrastructure improvements needed to begin the research park. Although no development in the CVRP is imminent, the San José City Council recently approved plans to move forward with construction of the Bailey Avenue interchange with Highway 101, in order not to lose $18 million in previously committed state funding.

In 2001, development applications also were submitted for business park development within the North Valley Industrial Campus Area on the approximately 300-acre Sobrato property located south of Bailey Avenue and west of Santa Teresa Boulevard. These applications have since been withdrawn.

Mid-Valley Urban Reserve

Designated as the Coyote Valley Urban Reserve (CVUR), the Mid-Valley is intended to accommodate the residential development that will be needed to support the employment center proposed for the North Valley. The City's General Plan specifies that future development of Mid-Coyote will be considered only in conjunction with development in North Coyote Valley. The City is required to prepare a specific plan to guide the development in North and Mid-Coyote Valley and the preservation of the South Valley as a permanent greenbelt.

Downtown San Jose is situated approximately thirteen miles north of Coyote Valley.

The General Plan identifies two triggers that must be met before the City can approve any development in the Mid-Valley and indicates that they can only be changed as part of a comprehensive General Plan update:

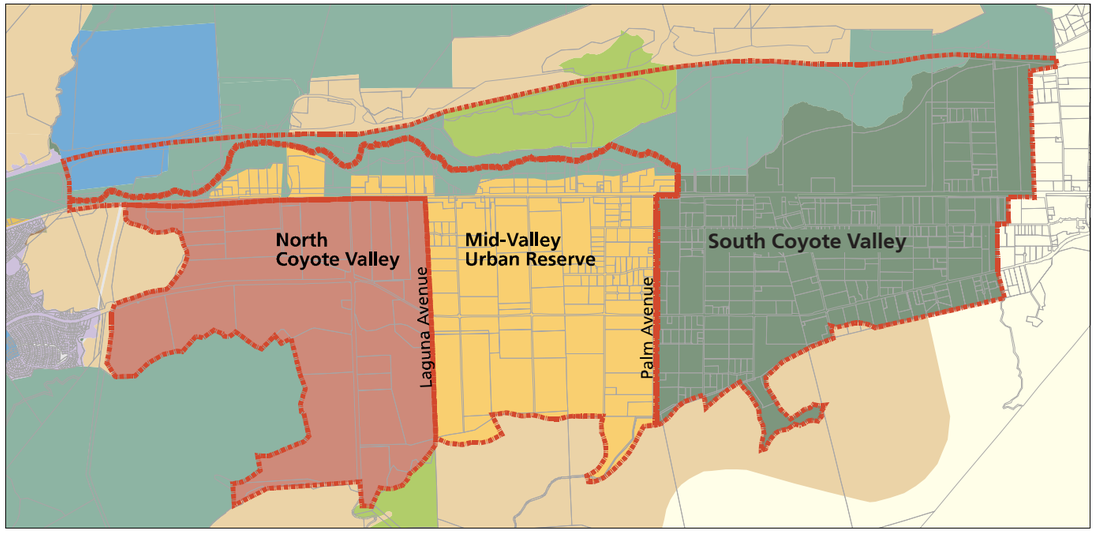
1. 5,000 new jobs are added in North Coyote Valley, as supported by the issuance of building permits to accommodate such jobs, to the existing 2,000 jobs already in North Coyote associated with the Santa Teresa IBM campus.

2. The City's fiscal condition is stable, predictable, and adequate in the long term based on a five-year economic forecast that shows balanced budgets, the maintenance of City services at least at 1993 levels, and reasonable certainty that the City's fiscal relationship with the State will not change significantly over the 5-year economic forecast period.

Specific Plan

The City's General Plan was recently amended to allow the preparation of a specific plan in advance of these triggers being satisfied. Previously, neither development nor preparation of a specific plan could begin until they were satisfied. Consistent with this amendment, the City Council, on August 20, 2002, initiated the Coyote Valley Specific Plan process by approving a 20-member Task Force.

The General Plan recognizes that Coyote Valley is relatively isolated from the rest of San José and future development will need to be in the form of a balanced community with jobs, housing, commercial and community facilities, schools, parks, residential services, and public transit. According to the General Plan, this new community would include the North Coyote Valley Campus Industrial Area as a key job center, the Coyote Valley Urban Reserve as the primary new residential area, and the South Coyote Valley as a permanent greenbelt separating San José from Morgan Hill. The specific plan land use program will be guided by General Plan policy to accommodate approximately 50,000 jobs and at least 25,000 homes in Coyote Valley. Other key objectives of the specific plan include the creation of affordable housing, the development of a phasing program for jobs and housing, and the preparation of a capital improvements program to ensure adequate services and facilities to the future community.



City Of San Jose General Plan Land Use

- Agriculture
- Medium Density Residential (8-16 DU/AC)
- Medium Low Density Residential (8.0 DU/AC)
- Non-Urban Hillside
- Private Open Space
- Private Recreation
- Public Park & Open Space
- Public/Quasi-Public
- Mid-Valley Urban Reserve

N 0 0.5 1 2 Miles

Source: City of San Jose GIS, 2002

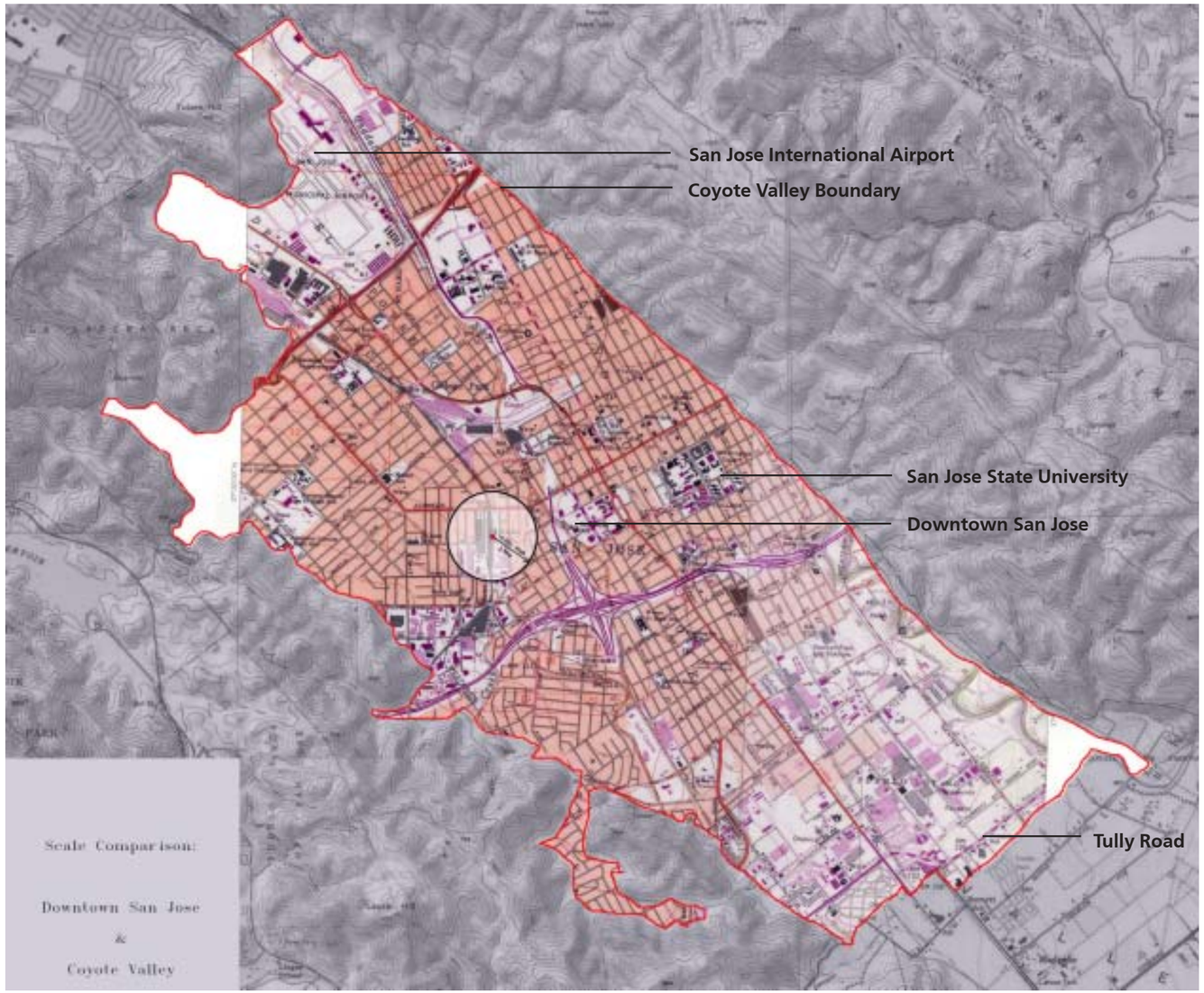
The large-scale segregation of land uses, the conceptual underpinning of sprawl, is embedded in the City of San Jose's General Plan land use designations for Coyote Valley. While the concept of the South Valley as Greenbelt is preserved, the Vision assumes the artificial distinction between the North and Mid Valley will be eliminated in favor of a more integrated approach.

C. Scale Comparisons

One of the challenges when contemplating the future of Coyote Valley is to comprehend the magnitude of what is being proposed. In terms of geographic scale and the sheer quantity of development proposed, Coyote Valley represents a huge undertaking. Discussing its development as simply an expansion of the City of San José's boundaries fails to convey the magnitude of the action being considered. In fact, the development of Coyote Valley will involve the creation of an entirely new urban center for the Bay Area.

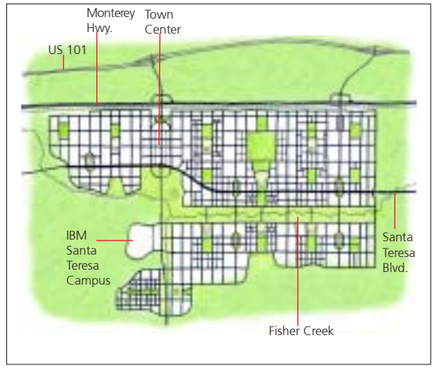
Based on the amount of housing proposed and San José's average household size, the proposed Coyote Valley community is projected to have a population of approximately 80,000 people when development is completed. For the sake of comparison, this is larger than the existing population of the cities of Morgan Hill (33,556) and Gilroy (41,464) combined, and larger than all but three of the cities in Santa Clara County.

The adjacent figure attempts to convey the scale of the development that is being considered for Coyote Valley. A United States Geological Survey (USGS) map shows the boundaries of Coyote Valley and the surrounding topographic context. Within the Coyote Valley boundaries, a USGS map of the City of San José has been inserted to illustrate that portion of San José that would fit within Coyote Valley. As shown, Coyote Valley could accommodate the entire central portion of San José from the airport south to Tully Road, including all of the downtown.



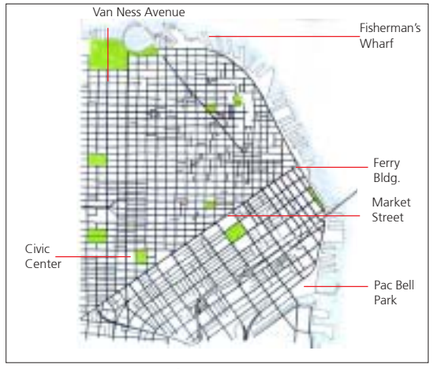
To provide a sense of scale, central San Jose is superimposed upon the Coyote Valley Area. The circle represents a 10-minute walking distance.

Scale Comparisons



Coyote Valley

The proposed urban area of Coyote Valley stretches three miles along its length and one and a half miles in width. All of the following plans are drawn to the same scale.

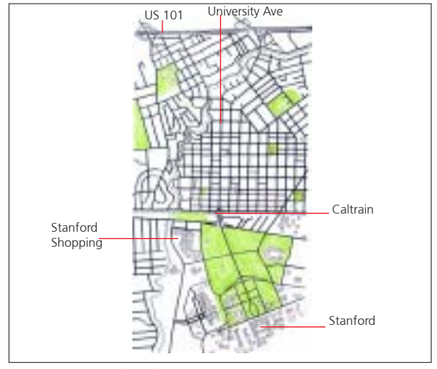


Downtown San Francisco

Coyote Valley's urban area is similar in size to Downtown San Francisco. Market Street from Van Ness to the Embarcadero is roughly the same distance as Bailey Avenue to Palm Avenue.

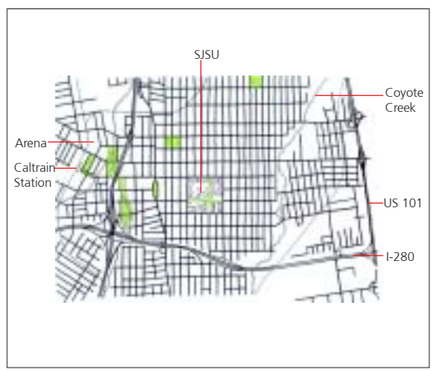
Central Park, New York

From its south end to its north end Coyote Valley's urban area is equivalent to the distance from Columbus Circle to Columbia University in New York City.



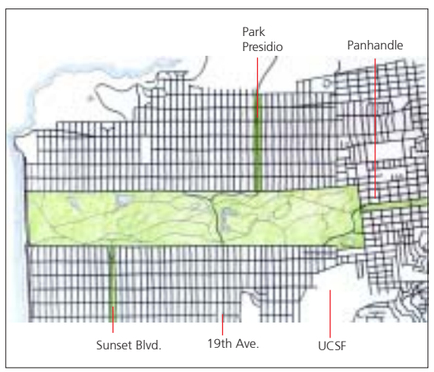
Downtown Palo Alto

Coyote Valley's Bailey Avenue retail district is similar in size to Palo Alto's University Avenue retail district.



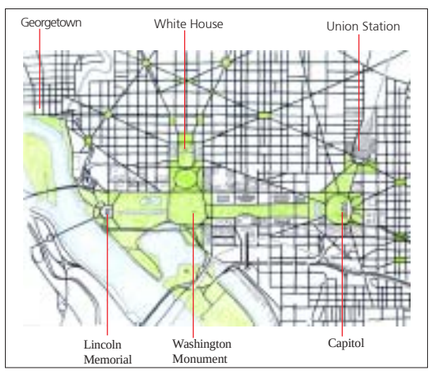
Central San José

Coyote Valley's urban area covers approximately the same distance as from San José's Caltrain Station to US 101.



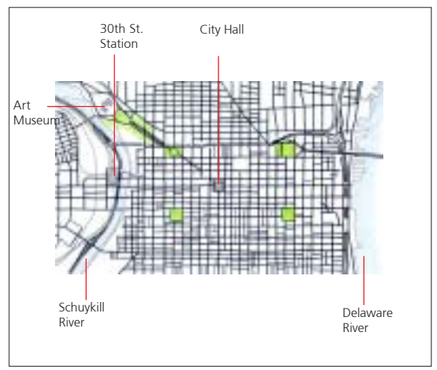
Golden Gate Park, San Francisco

The Fisher Creek Greenway is twice as wide and more than three times as long as the Panhandle in Golden Gate Park.



Washington D.C.

The Fisher Creek Greenway is similar in length and width to the Capitol Mall from the Lincoln Memorial to the Capitol.



Philadelphia, PA

The whole of William Penn's original plan for Philadelphia would fit into Coyote Valley's proposed urban area.

D. The Assumptions

The Vision set forth in this document is based on a number of assumptions regarding the location, quantity, and type of uses and development that should be accommodated in Coyote Valley. In general, these parameters reflect policy direction established by the City of San José. It is important to note that acceptance of these parameters as the basis for the Vision is not intended to suggest support for City of San José policies by Greenbelt Alliance or by those who participated in the process. Rather, it is intended to acknowledge the City's intent for the area and address challenges that it will face when planning the Valley's future.

To Develop or Not to Develop

The Vision assumes that the North and Mid-Valley areas will ultimately be developed as called for in San José's General Plan for the past 20 years. It also makes the assumption that the Coyote Greenbelt will be preserved as a permanent non-urban buffer. Greenbelt Alliance does not necessarily believe that the development of Coyote Valley is inevitable. The intent of this Vision is not to debate the wisdom of these established policies. Rather, it is to explore Smart Growth strategies for implementing such development in a manner that is more environmentally, economically, and socially sustainable than proposals that have been put forth to date.

Smart Growth is Preferable to Sprawl

The foremost assumption underlying the Vision is that urban sprawl and its attendant side effects (e.g., long commutes, lack of affordable housing, traffic congestion, air pollution, lack of public modes of transportation, etc.) are not acceptable for Coyote Valley. As San José expands, it needs to implement Smart Growth strategies that create a compact, mixed-use, transit-oriented community that establishes a sustainable balance between environmental protection, economic prosperity, and social equity.

Land Use Program

The Vision assumes the San José General Plan's basic land use program for Coyote Valley as a starting point. It will accommodate at least 50,000 jobs, the equivalent of 16.7 million square feet of employment-generating commercial and industrial development. A minimum of 25,000 housing units will be needed, and at least 20 percent of those will be affordable units.

The Vision does not accept the Campus Industrial designation or the associated development standards adopted for the North Valley nor the segregation of campus industrial uses in the North Valley from residential uses in the Mid-Valley as suggested by the City's General Plan. The Vision also does not accept the premise that the 50,000 jobs will all be generated by a few large, high-prestige, single-user industrial sites.

Public Facilities Standards

The Vision uses current City of San José standards for parks and community facilities in planning the future community. The new community will include at least 3.5 acres of neighborhood and community parkland and 7 acres of regional parkland per 1,000 residents. In addition, the community will include 500 square feet of community center floor area per 1,000 residents and 10,000 square feet of library space per 36,000 residents.

Since Coyote Valley is in the Morgan Hill Unified School District, the Vision assumes the District's capacity standards for elementary (550 students), middle (750 students), and high schools (1,250 students). However, given the urban character envisioned for Coyote Valley, more urban acreage standards (i.e., 7 acres for elementary, 14 acres for middle, and 20 acres for high school) have been applied, rather than the State acreage standards normally used by the Morgan Hill District (i.e., 10 acres for elementary, 20 acres for middle, and 40 acres for high school).

Environmental Protection

The Coyote Valley Vision is based on a survey of available information, and is not founded on comprehensive or in-depth analysis of environmental factors. That being said, Greenbelt Alliance assumes that development in Coyote Valley will not be allowed to result in significant adverse impacts to the environment, and that thorough environmental analysis will be conducted prior to City adoption of any plan to ensure that such impacts do not occur. If there are recommendations in this Vision document that are subsequently found to have adverse impacts, it is assumed that such recommendations would be refined or replaced with solutions that would avoid significant impacts. For example, hydrology concerns relating to potential pollution of the underlying aquifer is a critical issue that the City needs to fully investigate, and then adjust development goals to protect this valuable resource.

Ownership and Entitlements

The Coyote Valley planning area includes numerous landowners, many of whom have plans for the property based on City policies, and some of whom already have entitlements. Given its conceptual nature, the Vision does not attempt to address the potential conflicts between its recommendations and current landowner entitlements and expectations. This is not intended to underestimate the validity of landowner rights or the complexities associated with re-entitling property. The Vision does not assume that the Coyote Valley Research Park will be built just because it has been approved. The assumption is that if a more creative and comprehensive plan can be developed for the Valley that adds value for individual landowners, and establishes a

brighter and more sustainable future for the City and future residents, then any potential conflicts with existing entitlements can ultimately be resolved.

Social Equity

Development of the magnitude considered for the Valley will have regional repercussions related to jobs, housing, and transportation. The responsible development of the Valley should recognize and address these social issues, rather than exacerbate them. Future development of the Valley must respond to the needs of the full spectrum of our society in its planning. The future community needs to provide convenient access to affordable housing, and not assume that such housing will be provided elsewhere. Public transportation and other community services need to be provided to ensure convenient and affordable access to all. Healthy, safe, and attractive neighborhoods need to be provided in which all ages, income levels, and family configurations can reside. Finally, a diversity of employment opportunities needs to be provided for in the Valley, not just a single job sector.

Economic Vitality

The Vision assumes that a new mixed-use community with a diverse employment base will provide a more economically stable and sustainable community than one based on a single, narrow market sector. A town structure needs to be established that is more flexible and can accommodate more diverse uses than the typical office park or industrial campus development. The Vision also assumes that economic vitality for Coyote Valley is not just about urban development, but also involves preserving and enhancing the long-term viability of the Valley's agriculture. Finally, it is assumed that economic vitality should be measured by the ability of the entire community to thrive over time, and not just as function of return on investment. Thus, initial development costs are important, but no more so than on-going municipal, community, or environmental costs.

E. The Process

A Broad-based, Inclusive Visioning Process

The Coyote Valley Vision process was designed to be as broad-based and inclusive as possible, involving an array of stakeholders who represented a wide spectrum of interests. While the intent was not necessarily to create a "consensus" plan that all participants would support, Greenbelt Alliance did want to create a vision for Coyote Valley that was informed by the diverse community that has an interest in its future.

The Partnership Committee

Toward this end, Greenbelt Alliance invited over 100 organizations to participate in the Vision process as members of a "Partnership Committee." Those invited represented both private organizations and public agencies, including local jurisdictions and elected officials, utility and infrastructure providers, education groups, environmental agencies and advocacy groups, business groups, employers, landowners, non-profit and for-profit developers, recreation providers and user groups, housing advocates, labor groups and trade unions, agricultural groups, transportation agencies and advocacy groups, faith-based organizations, and local resident associations. In the end, over half of the invited groups attended the Partnership Committee meetings, and many more asked to be kept apprised of the process through regular e-mail and newsletter updates. During the approximately 1-year visioning process, three Partnership Committee workshops were held. The workshops were structured to be participatory and interactive so that different interest groups were able to talk to each other about their vision for the Valley.

The role of those who participated in the Partnership Committee was to ensure that the values of their respective organizations and members were considered during the vision process. While a collaborative Smart Growth vision for Coyote Valley that is supported by a broad-based coalition of participating organizations was an objective, all groups were assured that their participation in the Vision process did not signify either support for development in Coyote Valley or the ultimate planning approach recommended by this document.

The Advisory Committee

In addition to the Partnership Committee, Greenbelt Alliance also worked with a seven-member Advisory Committee. The role of the Advisory Committee was to provide feedback on the direction and content of the Vision as it was being developed. As with the Partnership Committee, the Advisory Committee represented a range of interests and viewpoints and participation did not signify support for development in Coyote Valley or endorsement of the Vision. The Committee membership included the League of Women Voters - San José/ Santa Clara; Working Partnerships, USA; Silicon Valley Manufacturing Group; Santa Clara Valley Transportation Authority; Santa Clara Valley Water District; Santa Clara County Open Space Authority; and Santa Clara Valley Audubon Society.

III. PROJECT GOALS

A. Creating a Sustainable Balance

Getting It Right grew out of the desire to create a shared vision for Coyote Valley that is a model of Smart Growth. This model is "smart" in that it provides the blueprint for a sustainable new community that effectively balances environmental quality, economic vitality, social equity, and community character. The following goals express the basic intent of the Vision as it relates to these four broad themes:

Environment

Goal: A mixed-use community sensitively integrated with the natural environment in a manner that preserves ecosystem functions and protects the biological diversity and productivity of Coyote Valley.

Development in Coyote Valley is not viewed as an either/or proposition as it relates to the natural environment. Instead, the natural and built environments are viewed as two parts of an integral unit whose functions are interdependent. Key natural systems and resources to be addressed include the hydrologic system, the sensitive habitat areas, and the prime agricultural soils.

Hydrology

The key functions of Fisher and Coyote Creeks as drainage courses and habitat areas will be integrated into the urban setting. The Vision's goal is to establish a comprehensive area-wide flood management system that protects existing and future development from flooding while also preserving natural habitat, creating recreational amenities, and accommodating agricultural needs.

In addition to regulating surface flows, new development also needs to protect the groundwater supply. The design of the new community will preserve the pervious land needed to recharge the groundwater, maintain sustainable levels in the aquifer underlying the valley, and implement Best Management Practices that minimize the pollutants in urban runoff.

Natural Resources

Key natural resources in Coyote Valley include sensitive habitat areas associated with the two creeks and areas of serpentine soils, as well as visual resources associated with the unique topographic and agricultural setting. Urban development will avoid key habitat areas, prohibiting development in hillside areas with serpentine soils and incorporating sensitive riparian habitat areas into the overall flood management open space system. Utilizing an open space and natural systems approach to flood management will provide the opportunity to enhance natural habitat values along the Fisher Creek corridor. The channel will be realigned to provide a more natural configuration and replanted with native riparian species. Habitat value also will be enhanced by linking the two creek open space corridors with each other and with the surrounding open space to facilitate the movement of wildlife across the Valley.

To preserve the visual quality and character of the existing setting, the new community will incorporate open space corridors that preserve a sense of openness within the urbanized area and permit views out to the surrounding valley floor and foothills. Also, to reinforce the connection between the urban community and its rural context, development along the perimeter of the community will generally face out toward the open space, rather than turning its back. Single-loaded perimeter roadways can provide a gracious transition between urban and rural, and preserve views to the rural open space for all. As in San Francisco and other urban areas with powerful natural settings, the straight grid of streets will provide view corridors that visually connect the urban fabric with its natural setting.

Agriculture

Agriculture has and will continue to play an active and positive role in Coyote Valley's future. The new community will maintain a compact form in order to preserve as much agricultural land as possible. It will also establish mechanisms for preventing future erosion of agricultural potential in the Valley. A more diverse range of activities that can protect and enhance the viability of agriculture in Coyote Valley will be accommodated and supported, including large-scale commercial agriculture, family farms, market gardens, produce markets, community gardens, etc.

To integrate agriculture into the physical and social structure, to establish the agricultural image, and to support the local agricultural economy of Coyote Valley, the Vision proposes:

- Agriculture-oriented activities such as regular farmers' markets, and seasonal activities, such as harvest festivals.
- Agro-tourism and "buy local" programs that will diversify markets and revenue streams for local farmers.
- Community gardens in public parklands and in public lands set aside for flood management and groundwater recharge.
- Provision of the first right of refusal for plots in community gardens to households without yards.
- School programs that teach children about growing their own food.

Economics

Goal: A new mixed-use community that is economically stable and profitable over the long term.

The Vision illustrates a Smart Growth strategy for achieving San José's objective to develop Coyote Valley into a major employment center that attracts new jobs and revenue to the City. To develop an economically vital and sustainable community, San José needs to consider more than just the near-term development and potential tax gains. It also should address the long-term costs of sprawl such as decreased productivity, environmental degradation, and reduced quality of life. The Vision incorporates the view that there are long-term economic benefits associated with the development of a compact, transit-oriented, mixed-use community.

Creating a high-density, transit-oriented development pattern in Coyote Valley will provide a number of economic benefits for landowners and developers, including more rentable and saleable building area; lower per capita and per acre infrastructure costs; more efficient, incremental phasing of development; flexibility to respond to market conditions; and lower costs related to provision of parking.

Creating a high density, transit-oriented development pattern will also provide a number of economic benefits for future residents, employees, and the City of San José, including lower transportation costs; fewer non-productive hours spent commuting; greater housing affordability; more retail, service sector, and professional jobs; and greater service efficiency.




Social Equity

Goal: A mixed-use and mixed-income community that provides broad access to meaningful work, affordable housing, community services, and an attractive and healthy living environment.

The physical design of the Coyote Valley community can do much to promote social equity for future residents and workers, starting with the creation of a diverse local economy. Rather than creating a land use monoculture that caters to a single industry sector, the community will be designed to accommodate a broad range of businesses and the services needed to support them. This in turn will generate employment for a diverse workforce with the full range of education and skill levels.

By creating a compact, higher-density mixed-use community served by transit, Coyote Valley can help those with fewer resources in several ways. Appropriate densities in the range of 20–30 units per acre will facilitate the provision of affordable workforce housing by lowering per unit construction costs and spreading those costs over more market-rate units. Placing affordable housing near transit eliminates costs associated with owning and operating an automobile since residents and workers can walk to and from transit. Providing affordable housing near employment also creates the potential for workers to live and work in the same community. Compact, mixed-use development that locates parks, schools, child care, health care and other community services near transit also increases fair access to these resources by all in the community.

Goal: To establish the regulatory framework and financing mechanisms that will support the development of the Coyote Valley community as one that provides fair and equitable access to meaningful employment and affordable housing.

Obviously, many social equity objectives can only be marginally influenced by the physical composition of the community. Coyote Valley also will require much more in the way of commitment of resources and regulatory support if social equity objectives are to be achieved. For instance, regulatory mechanisms, such as inclusionary zoning, are needed to ensure that affordable housing is provided and is fully integrated into the community. Public subsidies, such as Redevelopment Agency funds, and funding mechanisms, such as community facility districts, will be needed to support affordable housing and to finance facilities for community services such as child care and health care.

Place Making and Community Building

Goal: A distinct and identifiable community as opposed to a structureless collection of "uses." Coyote Valley should be a place that nurtures pride of place among those who live and work there.

The place-making strategy is to create a thoughtfully structured town that preserves key characteristics of its natural setting and establishes a human scale for future development. This strategy calls for the preservation of physical features that help define the boundaries and visual character of the community—the riparian corridors, key topographic features, and agricultural lands—and for the creation of an interconnected grid of pedestrian-scaled blocks and tree-lined streets that establish a safe, walkable community.

Within this circulation framework, the Town Center and Neighborhood Centers have been strategically located to create identifiable mixed-use districts with employment, shopping, and community services located near transit and housing. Parks and public buildings have been located to create focal features that further contribute to the identity of individual neighborhoods. Finally, the Vision encourages the creation of "catalytic" development sites in the Town and Neighborhood centers as a means of encouraging early development in these areas and establishing a core for the new community.

IV. ENVIRONMENTAL AND URBAN STRUCTURE

A. Hydrology

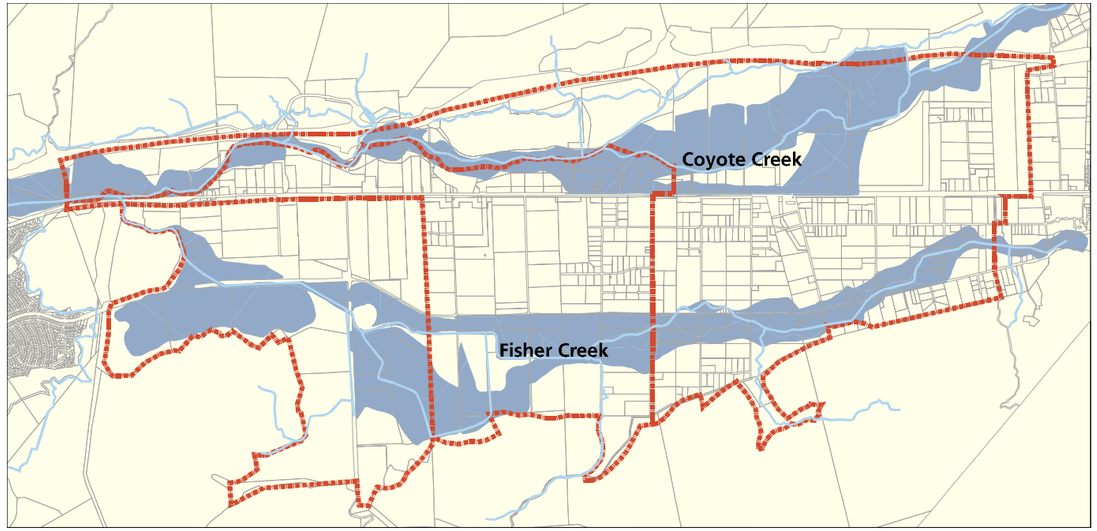
As a dynamic and scarce resource whose supply threatens to be outstripped by the demands of an ever-expanding population, water plays a significant role in shaping the future of Coyote Valley. It is imperative, therefore, that development in Coyote Valley not compromise the quality or quantity of water available for people or for the environment.

The hydrologic component of the Vision is based on review of available information, and not upon detailed analysis. Thus, the Vision's recommendations are conceptual in nature. It is assumed that the City will undertake the technical analysis necessary to ensure that these or any other recommendations are feasible and will not result in environmental degradation.

A Dynamic System

Coyote Valley's hydrologic system is a significant and dynamic resource whose function is critical to establishing a sustainable future for the Valley. Not only have the hydrologic processes helped to physically shape the Valley, depositing rich loamy soils across the valley floor and providing sustenance and refuge for the area's wildlife, but groundwater from the Coyote Valley aquifer is a major source of irrigation and drinking water for Santa Clara County.

Coyote Creek and Fisher Creek, which extend the length of the Valley, are only the most visible elements of a hydrologic



EXISTING HYDROLOGICAL FACTORS

100-year Floodplain

Watercourses

N 0 0.5 1 2 Miles

Source: Santa Clara Valley Water District GIS, 2002

Water will play a significant role in shaping the future of Coyote Valley. Coyote Creek and Fisher Creek, and their flood plains, are key features of the Valley.

system that includes the aquifer and groundwater underlying the Valley. Coyote Creek, which drains a 350-square-mile area of the Diablo Range north into San Francisco Bay, is the principal riparian corridor and the centerpiece of the County's Coyote Creek Parkway recreation area. Fisher Creek is significantly smaller, extending about 8 miles from near Cochrane Road in Morgan Hill north to where it discharges into Coyote Creek south of Metcalf Road.

While the Coyote Creek corridor maintains a relatively natural character, the alignment and vegetation of Fisher Creek have been significantly altered by years of agricultural operations. Both Coyote and Fisher Creeks have substantial 100-year flood zones that extend well out from the creek channels, affecting both the agricultural productivity and the development potential in the Valley. In addition, these flood zones have been expanding as upstream development increases the rate and volume of storm runoff within the watershed.

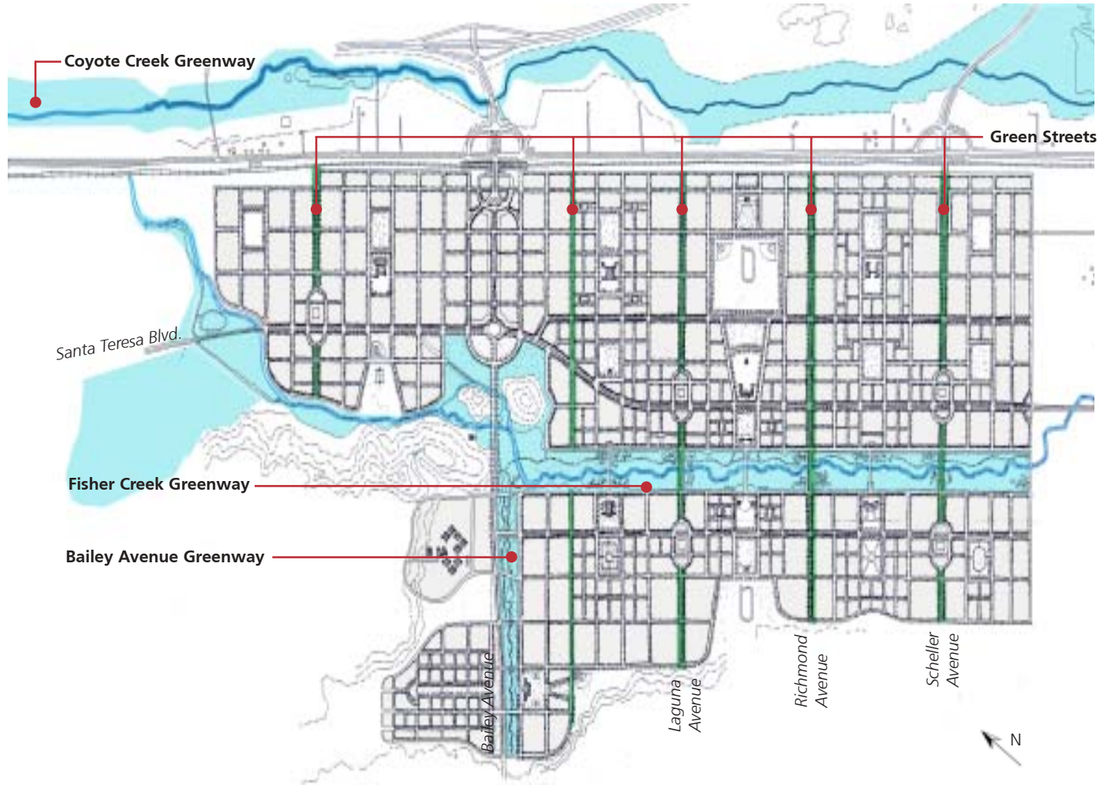
Implications for the Future

The Valley's hydrology presents both significant constraints and opportunities for development and conservation. Given the flood potential along both creeks, drainage and flood management improvements will be required of all new development to ensure that existing flood potential is not exacerbated by increased runoff and that new development is not subject to flooding. Also, the permeability of the Valley soils will require measures to protect the quality of the groundwater from urban and agricultural pollutants.

Simultaneously, the creek corridors represent significant opportunities to preserve and enhance riparian habitat, expand existing parks, create an integrated and contiguous open space system, improve local and regional trail systems, and improve public access to visual and open space resources.

A Comprehensive, Multi-Objective Stormwater Management Program

To protect land and future development from the threat of flooding, flood management improvements will be required. Rather than having individual landowners address their storm management needs on a parcel-by-parcel basis as they develop, a comprehensive stormwater management master plan should be prepared that addresses the future facility needs and stormwater management policies for the entire watershed at buildout. A comprehensive approach will maximize development potential and the effectiveness of flood management improvements while also realizing potential environmental, recreational, and aesthetic benefits that can be achieved through storm drainage improvements. Typically, flood management improvements in an area the size of Coyote Valley are designed and implemented in a piecemeal fashion,



The Fisher Creek flood management channel and open space corridor will be complemented by a series of "green streets" that help manage stormwater run-off.

frequently resulting in inefficient and unsightly development of private lands because of the need to provide onsite stormwater detention.

Flood Management Improvements

Creating a Natural, Open Space Solution

Since urban development is only envisioned in the Mid and North Valley areas west of Monterey Highway, the principal flood management improvements are along Fisher Creek from Palm Avenue in the south to Monterey Highway in the north. Rather than using an engineered solution, such as a large box culvert or concrete channel, an approach is recommend the that uses the natural creek system that has evolved to carry stormwater and addresses multiple objectives simultaneously.

Specifically, a broad open space corridor will be created along Fisher Creek that can contain the flows associated with a 100-year storm event at buildout of the watershed. This open space corridor and flood management channel is referred to as the Fisher Creek Greenway. Proper planning and design will ensure that creek system hydrology and habitat values along Fisher Creek remain intact and are improved beyond their existing condition. Preserving natural channels and wetlands to carry the stormwater runoff will also increase public awareness and appreciation of natural hydrological processes.

This open space/ instead of-flood protection corridor will include two distinct segments. The southern segment, from Palm Avenue to just south of Bailey Road, consists of a 750-foot-wide greenway that is defined by public roadways and urban development. The greenway has been configured to preserve as much of the natural alignment of Fisher Creek as possible. The northern section of the corridor is less formal in character, being defined more by the natural topographic features than by urban development patterns. North of Bailey Avenue, the flood management improvements are mostly those approved by the Santa Clara Valley Water District (SCVWD) for the Coyote Valley Research Park (CVRP), including a bypass channel between Bailey Avenue and Santa Teresa Boulevard and a 163-acre flood management basin at the north end of the Valley.

Protection From 100-year Storm Flows

The basic flood management concept requires the creation of additional channel capacity along Fisher Creek that will accommodate the volume of stormwater run-off associated with peak storm events while containing these storm flows to a more limited area. The existing Fisher Creek channel will continue to carry normal creek flows, with capacity for at least 10- to 15-year storm events. A much wider and shallower area on either side of the creek channel will act as a flood terrace, providing the additional capacity to accommodate up to 100-year storm flows (i.e., flood waters

Under normal conditions, Fisher Creek will be a broad open space corridor that serves as a visual and recreational amenity.

During severe storm events, floodwaters will overflow the creek channel, but be contained within the Greenway corridor.

would be allowed to inundate the flood terraces during major storm events). The flood terraces will only become flooded when storm runoff exceeds the capacity of the existing Fisher Creek channel (i.e., a 10- to 15-year storm event).

To the degree possible, the more natural sections of the existing creek channel will be preserved to avoid impacts to existing vegetation and habitat. Maintaining normal drainage flows into the existing creek channel will continue to provide the runoff necessary to support existing vegetation and habitat values. The additional capacity provided in the flood terraces will also allow for the enhancement of habitat values along the natural creek corridor through replanting or supplemental planting of riparian vegetation.

In instances where the existing creek channel has been engineered to follow property lines or has little riparian vegetation or habitat value, the drainage concept calls for the creation of a new, more natural-looking channel alignment. The alignment of the reconfigured creek channel can vary from side to side within the Fisher Creek Greenway, simulating the movement of a natural creek. Native vegetation will be planted along the banks of the reconfigured creek channel and along the top of the creek banks to provide shaded riparian habitat and a more attractive landscape setting.

Since the flood terraces will be dry most of the year, they will be designed to be as broad, shallow, and inconspicuous as possible. They will be planted primarily with native grasses to support native wildlife species, and not restrict the channel's conveyance capacity for up to a 100-year flow. Scattered trees may be planted on the flood terraces, but elements that would impact the conveyance capacity, such as dense plantings of trees and low-growing brush or significant structures, will not be permitted. A 20-foot minimum width will be provided in the flood terraces along either side of the creek to provide for maintenance access to the creek.

Creating A Public Amenity

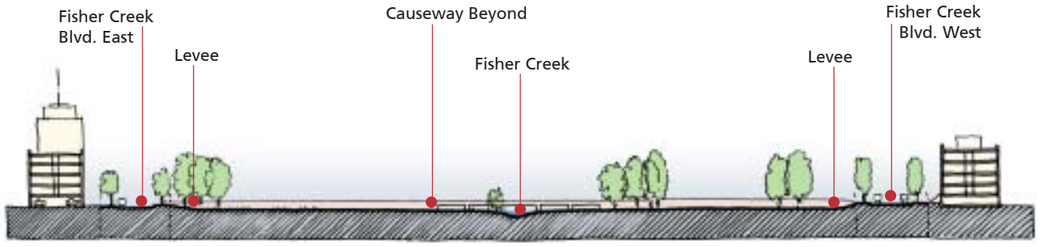
In addition to preserving and enhancing natural habitat values in the heart of the new community, the proposed flood management corridor/Greenway also will provide a significant visual and recreational amenity. While conceived as predominantly natural in character, the flood management corridor will offer opportunities for recreational activities such as walking, biking, picnicking, and bird watching. Public trails for pedestrians and bicyclists will be incorporated into the design of the Greenway, and a limited number of facilities, such as flood-proof picnic tables, can be incorporated. The intent is not to include turf and active sports facilities within the corridor. Given the fertile soils in the flood plain, limited amounts of agriculture and community gardening may be allowed.

Groundwater Resources and Water Quality

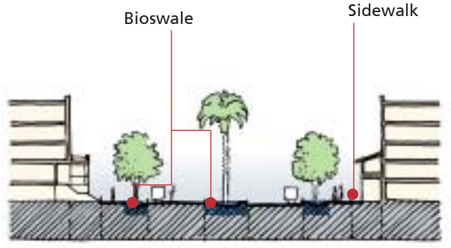
Groundwater is found at relatively shallow depths throughout Coyote Valley, but particularly in North Coyote Valley where the depth to groundwater is generally 2 to 8 feet below the surface. The groundwater beneath the Valley generally flows in a northwesterly direction, but is restricted at the north end by a bedrock configuration at Tulare Hill that is known as the Coyote Narrows, causing groundwater to pool.

The combination of high groundwater levels and major storm events aggravates flooding in the Valley because the soil has little excess capacity to absorb surface runoff. Even though the Valley is only sparsely developed at this point, SCVWD already diverts drainage from Fisher Creek to the Coyote Creek during storm events to relieve this confluence of surface runoff and high groundwater. Additional urban development in the Valley will further aggravate this issue by increasing the rate and volume of surface runoff that needs to be accommodated. Even though the proposed Fisher Creek flood management improvements will help contain peak flows, the Vision proposes that as many measures as possible be designed into the urban area to reduce the rate and volume of stormwater runoff.

In addition, given the porous soil in the Valley and the aquifer below it, both urban development and agricultural uses must take steps to ensure that urban pollutants are not flowing into the groundwater and contaminating the aquifer. Thus, in addition to measures that reduce the rate and volume of runoff, future development must implement measures to clean, filter, and "harvest" urban runoff in a more sustainable manner.



Cross section of the Fisher Creek Greenway and its relation to adjacent roadways and development areas.



Bioswales in the medians and planting strips along the "Green Boulevards" that cross the Valley will help manage the quality and rate of urban stormwater run-off.

Policy Recommendations

Flood Management Improvements

The City of San José, Santa Clara Valley Water District, and area property owners/developers should prepare and implement a stormwater management master plan to address future facility needs and stormwater management policies for the entire Coyote Creek watershed. The master plan should:

- *Result in more land being protected from flooding.*
- *Allow for more efficient use of developable land.*
- *Equitably distribute the burden and benefit of flood management improvements.*
- *Identify a program of improvements that can be implemented over time.*
- *Recognize the potential for flood management improvements as a means for achieving multiple non-flood-related objectives that will enhance the quality of life for future generations.*

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Flood management improvements in Coyote Valley should reflect a natural systems/open space approach based on existing natural drainage systems rather than on engineered solutions.

Flood management improvements on Fisher Creek should:

- *Maintain the existing creek as a low-flow channel with capacity supplemented by shallow flood terraces and/or bypass channels that can accommodate 100-year storm events.*
- *Preserve natural sections of the creek and enhance riparian habitats suitable for plant and animal species listed as threatened or endangered by State or federal government.*
- *Establish the flood corridor as an attractive and predominantly natural open space corridor that includes the meandering alignment of Fisher Creek within it.*
- *Dedicate the open space corridor as Regional Parkland and integrate it with other park and agricultural land in Coyote Valley.*
- *Incorporate multi-purpose trails into the open space corridor and include connections to the existing regional trail system.*
- *Accommodate recreational and agricultural uses within the open space corridor that are consistent with flood management objectives and natural habitat values.*

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Establish a mechanism to acquire land needed for flood management improvements through dedication and/or purchase (a drainage easement is typically required by the Santa Clara Valley Water District). Developers should contribute their fair share toward the cost of land acquisition; dedication of land or payment of in-lieu fees for flood management improvements should contribute to the City's regional parkland requirement.

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Establish an assessment district, impact fee, or other mechanism to fund the cost of flood management improvements and associated habitat enhancements and recreational amenities.

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Permit incremental implementation of the Fisher Creek flood management improvements by means of temporary facilities as development proceeds. These temporary facilities—provided by the developer in accordance with Santa Clara Valley Water District requirements—can be redeveloped later on when the flood management improvements are complete.

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Develop a memorandum of understanding and/or a joint powers authority among the City of San José, Santa Clara Valley Water District, Santa Clara County Parks Department, and the Santa Clara County Open Space Authority to establish responsibility for acquiring, owning, implementing, managing, and maintaining the flood management lands and associated improvements. The distribution of various responsibilities across multiple agencies will reduce the burden on the City of San José and enhance long-term operations and management.

Groundwater Resources and Water Quality

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Use surface stormwater collection systems, including swales, detention ponds, and energy dissipaters, to slow stormwater runoff and improve stormwater quality. Sediment basins, filter strips, infiltration beds and other Best Management Practices should be incorporated into project designs to further enhance the removal of pollutants from runoff.

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Use permeable pavements, such as porous asphalt, porous concrete, and open-celled pavers for pedestrian walkways, courtyards, and parking areas.

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Design parking lot planter strips to function as bioswales that slow and filter parking area runoff before draining to the stormwater system.

• • • •

Design street tree planting strips and street medians along key east-west streets to function as bioswales that slow and filter roadway runoff before draining into Fisher Creek.

• • • •

Use techniques for increasing onsite stormwater infiltration where soils and the water table permits, including infiltration basins and trenches, swales with check dams, and permeable pavements.

Catch and divert rooftop runoff into surface stormwater infiltration facilities.

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Encourage agricultural operations in Coyote Valley to adopt sustainable practices that eliminate the use of pesticides and control runoff from plant and animal wastes that could degrade groundwater quality.

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Require the use of integrated pest management and other organic landscape maintenance practices for public and private lands in Coyote Valley.

B. Open Space

Open space in Coyote Valley falls into three categories: natural, agricultural, and recreational. Each plays an important role in the Vision to inform the structure and character of the new community.

Natural Open Space

Biotic Resources

Habitat Types

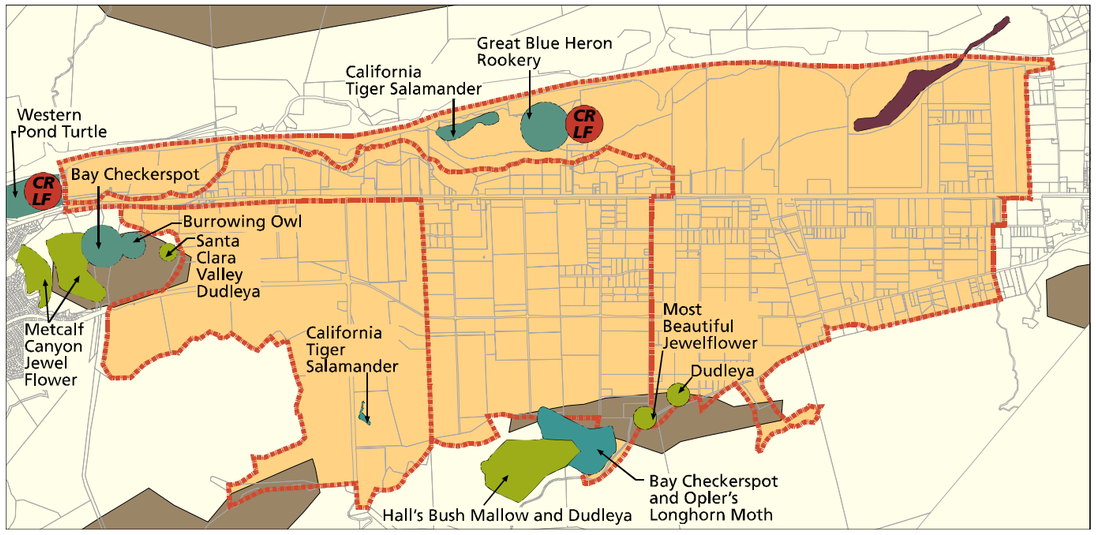
"Natural" open space in the context of Coyote Valley generally refers to land that is not being cultivated for agriculture. Coyote Valley has a long agricultural history and the years of cultivation have eliminated most of the vegetation that is native to the valley floor.

Small areas of non-native grassland exist in areas of the Valley that are not in agricultural production. These grasslands are generally considered productive habitat in that they support wildlife, particularly when contiguous with other habitat types. Mixed riparian habitat is confined to Coyote Creek and the less disturbed areas of Fisher Creek. Thickets of red willow, cottonwood, black walnut, and bulrush typical of this habitat type have largely disappeared from Santa Clara County. This important habitat supports several wildlife species, including migrant songbirds, ducks, herons, egrets, hawks, muskrats, skunks, raccoons, and foxes.

Small pockets of seasonal aquatic habitat are located in the Valley, particularly in the north where shallow groundwater and surface flooding create wetland areas during the rainy season. These pockets typically dry out over the summer yet are frequented by various amphibians (e.g., Pacific tree frogs and western toads) and birds (e.g., Black-necked Stilts, Great Blue Herons, egrets, and blackbirds). Small areas of Valley Oak savannah exist in the foothills along the western edge of Coyote Valley. Characterized by open grasslands and scattered oak trees, the oak savannah supports a number of wildlife species, including common amphibians and reptiles, songbirds, raptors, ground squirrels, badgers, deer, and coyotes.

Special Status Species and Critical Habitat Areas

In addition to these general habitat types, a handful of areas in Coyote Valley have habitat that is critical to the preservation of special status plant and wildlife species (special status species are those that have been officially recognized as having declined to dangerously low population levels). These areas are located primarily along Coyote Creek and the foothills along the north and west edges of the Valley. An area of California red-legged frog habitat is located along Coyote Creek near the Riverside Golf Course. This same general area also provides suitable habitat for the California tiger salamander. Both species have been identified by the State as species of special concern. The red-legged frog is federally listed as threatened, and the tiger salamander is a candidate for



Source: California Department of Fish and Game, 2002

The majority of the sensitive habitat areas and special status species are located within the Coyote Creek Parkway or on the foothills along the edge of the valley floor where no development is recommended.

listing. A second, very small area of California tiger salamander habitat also exists just south of Bailey Avenue west of Santa Teresa Boulevard.

Two other sensitive species found in the vicinity are the Western pond turtle and burrowing owl. Neither species is federally listed, but both have been identified by the State as species of special concern. Western pond turtle habitat has been found in the Coyote Creek Parkway just north Metcalf Road, and the grasslands in the Tulare Hill area have been identified as suitable burrowing owl habitat.

Areas of serpentine soils that are located in the foothill areas along the west side of the Valley and on Tulare Hill provide habitat for several plant and animal species that are listed by state and federal agencies as endangered or threatened. These include Metcalf Canyon jewelflower, most beautiful jewelflower, Santa Clara Valley dudleya, Hall's bush mallow, Bay checkerspot butterfly, and Opler's longhorn moth. Although not federally or state listed, sycamore alluvial woodland is another natural community that has become very rare in California. An area of this habitat type is located along Coyote Creek at the south end of the Parkway.

Protection and Implementation

As indicated, those areas with the highest resource value generally occur on public parkland within the Coyote Creek Parkway or along the foothill fringes of the Valley. The Vision protects these areas from development, but also takes positive steps to preserve and enhance habitat values outside these areas through the creation of an integrated open space system. The Fisher Creek Greenway, the Bailey Avenue Greenway, and the Palm Avenue Greenway will be key components of that system. The combination of flood management improvements and open space enhancements will significantly upgrade habitat values along Fisher Creek, and preserve wetlands habitat along Bailey Avenue. The three greenways will also provide important open space links through the area that will accommodate wildlife movement and foraging.

Visual Resources

Coyote Valley provides a highly scenic setting for the new community. The Valley is enclosed to the north and west by the foothills of the Santa Cruz Mountains, and to the east by the foothills of the Diablo Range. The rolling foothills and ridges that rise 1,300 to 1,500 feet above the flat valley floor provide a dramatic visual backdrop. To the north, Tulare Hill and Coyote Peak provide distinctive individual features that also create a physical separation between Coyote Valley and the rest of San José. The sense of enclosure and separation created by the surrounding foothills is part of the Valley's appeal, as is

Coyote Valley is framed by the Santa Cruz Mountains and the Diablo Mountain Range creating a dramatic visual setting.

its rather intimate scale. The natural hillsides with their rolling oak-studded grasslands further contribute to the rural and pastoral character. Together these elements combine to give Coyote Valley a distinctive sense of place.

The layout of the new town is designed to preserve visual connections with the surrounding landscape. The compactness of the community and the preservation of the surrounding agricultural lands and foothills will preserve the area's rural, pastoral character and maintain a scenic framework for future urban development. Within the town, the street system is designed to preserve and enhance public access to views of the surrounding landscape even at buildout of the new community.

By placing single-loaded roadways (i.e., development on one side only) around the periphery of the town, and by having all roadways dead-end into the rural landscape, the Vision ensures prominent and permanent visual connections between the urban settlement and its natural setting. The open space system also is designed to enhance visual access to the surrounding landscape.

The Fisher Creek Greenway and the Bailey Avenue Greenway both will bring the natural landscape into the urban area while also preserving key view corridors out to the surrounding landscape.

The surrounding foothills provide dramatic visual contrast with the flat valley floor.

Policy Recommendations

Natural Open Space

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Complete detailed surveys of Coyote Valley to identify and delineate critical habitat areas and associated species that may be endangered, threatened, or of special status.

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Coordinate environmental protection efforts in Coyote Valley with those specified in the countywide Habitat Conservation Plan, currently being prepared.

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Establish a Habitat Conservation designation for identified critical habitat areas and prohibit development in such areas.

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Develop a memorandum of understanding and/or a joint powers authority among the City of San José, Santa Clara County Parks Department, and the Santa Clara County Open Space Authority to acquire critical habitat areas through title purchase or conservation easement. In addition to acquisition, the agreement should address the management of habitat protection, access, interpretive value, and integration into the larger natural open space system.

Continue to manage critical habitat areas on County lands according to the Parks and Recreation Department's mission of providing, protecting, and preserving regional parklands for the enjoyment, education and inspiration of this and future generations.

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Integrate parkland, open space, and agricultural lands to provide view opportunities and to define the urban edge of the new town.

Agricultural Lands

Preserving a Future for Agriculture

Santa Clara County's rich agricultural heritage is vanishing. While development in Coyote Valley will result in further loss of prime agricultural land, it need not result in the total demise of agriculture in the Valley. Instead, agriculture is seen as a valued and integral element that is fundamental to the creation of a sustainable future for Coyote Valley. Agriculture will contribute to the quality of life of the future urban community while preserving the productive potential of the surrounding farmland.

The urban and agricultural components of the future Coyote community have a symbiotic relationship. Agriculture will supply fresh food and produce to the new community, while preserving visual open space, expanding recreational and educational opportunities, and fulfilling numerous environmental functions. Rather than simply displacing agriculture, the urban community can be the mechanism to secure a stable agricultural land base, create new markets for local goods, and reduce farmers' operational costs by providing recycled water and compost.

An Agricultural Heritage in Decline

At the southern end of the legendary Valley of Heart's Delight, Coyote Valley has been a prime agricultural region for over two centuries. Deep, fertile, level soils; a moderate climate; and plentiful water have made the Valley well suited for many types of agricultural production: grain and forage crops, orchard and row crops, and nursery products. The valley was renown for the quality of its apricot, cherry, and prune crops, berry crops, and flowers. Proximity to major, expanding urban markets as well as to transportation hubs, gave farmers additional competitive advantages.

Agriculture in Coyote Valley, as on the edges of metropolitan regions elsewhere, has been in accelerating decline over the past 25 years. Primary causes are escalating urban-edge land values and diminishing returns due to competition from agricultural areas with lower production costs in California and abroad. These primary causes have been compounded by logistical challenges including operational restrictions required by urban-edge farming conditions and loss of agricultural support facilities and infrastructure.

During the 20 years since the City of San José changed the agricultural designation of the northern and mid sections of Coyote Valley to allow industrial and urban development, the area's long-time farmers have sold more than half of the agricultural land to developers. Remaining farmers expect to—and are counting on—selling their land in the near future. Pending development, the land is being farmed in annual row crops and forage.

In the southern portion of the Valley designated as Greenbelt, agriculture continues. Current operations include a grass farm, a mushroom farm, a Christmas tree farm, greenhouse nursery production, orchards, and row crops. In spite of the Greenbelt designation and agricultural zoning, the area west of Monterey Highway is a patchwork of smaller (i.e., less than 20 acres) lots and dispersed development. Approximately 30 percent of this area is developed with small housing tracts and industrial businesses as well as with recently constructed and in-construction large-lot rural residences.

New Paradigm: Agriculture as an Urban-Edge Amenity and Community Resource

All indications are that the social and economic factors that have resulted in the decline in large-scale agriculture in Santa Clara County are not going to be reversed. Traditional agricultural practices in Coyote Valley no longer make economic sense. Thus, if agriculture is to be protected as a viable component of the Coyote Valley environment, a new definition or paradigm needs to be explored. The concept of agriculture needs to be broadened from food production and the provision of commodities to an industry comprising a broad set of services—*including* food production—that advance key community objectives. This re-definition should acknowledge both the need for diversification of agriculture as practiced on the urban edge, as well as the need to expand the public's appreciation of the benefits agriculture offers.

Coyote Valley has a strong agricultural heritage that should be preserved.

Despite the likely conversion of prime agricultural lands in Coyote Valley and the discouragement of long-time local farmers, there are indicators of new opportunities for the remaining farmland and for the entry of new farmers to the area. A 2001 study commissioned by Santa Clara County and the Santa Clara County Farm Bureau identifies many of these opportunities and discusses their role in creating a more diversified and economically viable urban-edge agriculture that contributes to the quality of life in the urban community.

The focus is on increasing revenues to local farmers, reducing their production costs, and establishing a more stable environment in which to operate. Some of the opportunities include:

Increasing demand for locally grown high quality foods, specialty crops, and organic food

There is a growing farmers' market movement in the Bay Area, with the number of markets increasing from 10 to over 100 in the past 15 years. In Santa Clara County and southern Alameda County alone, there are now 25 farmers' markets serving the population of greater San José and surrounding cities. Regional farmers' market operators calculate that Coyote Valley, with a projected population of 80,000 people, could easily support two weekly markets. The nearby Morgan Hill farmers' market features many Santa Clara Valley growers and has strong community support.

The organic foods industry is growing at the rate of 20 percent per year, and the California Cuisine movement has blossomed in parallel with the proliferation of producers of specialty crops and organically grown foods. The hallmark of many top Bay Area restaurants is their relationships with local growers and the featuring of local farm products on their menus. In addition, food service and catering companies, including those that service many high tech companies, are increasingly following this trend by emphasizing fresh, locally-grown, and organic foods in their offerings.

Community supported agriculture (CSA) is another fast-growing arena for direct marketing of locally grown products. CSA is a partnership of mutual commitment between a farm and a community of supporters that provides a direct link between the production and consumption of food. Supporters help cover a farm's yearly operating budget by purchasing a share of the season's harvest.

Growing concern about diet-related health problems; increased consumer understanding about the connection between good health and consumption of fresh fruits and vegetables

Obesity is a prominent health issue in the United States, especially in children and in certain minority communities. Consumer education about healthy eating is a top priority for public health and nutrition program agencies.

Farm-to-school and farm-to-cafeteria programs are becoming a national movement

Education and child nutrition agencies are creating new programs that enable school districts to buy locally grown food and are developing new curricula addressing local foods, agriculture, and gardening. In the past few years, 66 farm-to-school projects have been created in 15 states, collectively serving 500,000 students. The San José Unified School District School Food Service has expressed preliminary interest in partnering with a program through which local farmers could provide a significant percentage of at least a dozen fruits and vegetables that the local 30,000 school children consume during the year.

Demand for new farmer entry including from ethnic farmers

The emerging demographics of California, where more than one person in four is foreign-born, are creating an unmet demand for ethnic specialty crops. At the same time, many new immigrants who come from agricultural backgrounds, are seeking access to land to grow traditional foods, often as a sideline. African Americans, who are grossly underrepresented as farmers, are also seeking more opportunities. For example, the Rural Development Center (recently renamed ALBA) in Salinas has for the past 17 years provided comprehensive farm production and management training to over 400 people seeking to get into business for themselves. Another example is the UC Santa Cruz Agro-Ecology program, which has produced over 1,000 graduates in its 35-year history, many of them hoping to start their own farm.

Demand from small urban-edge farmers to expand operations

There is an unmet demand for affordable urban-edge farmland. The Sonoma County Agricultural Preservation and Open Space Authority recently had 30 applicants for two leases of county land for farming at a rate of $100 and $125 per acre per year. All the applicants were established small farmers growing for nearby urban markets who wanted to expand. It is likely

Community Gardens can play an important role in building community and providing high-quality produce.

Agricultural fields can become important classrooms for the community's children.

that a similar program in the Coyote Valley, even with lease rates up to triple those in Sonoma, would attract an equally enthusiastic pool of applicants. Depending on improvements and services provided, current lease rates for farmland in the Santa Clara Valley range up to $500 per acre.

Demand for land for urban agriculture
The Bay Area, including San José and the rest of the South Bay, has over 300 community and school gardens. In many cities, there is a long waiting list for a garden plot. In San José for example, on average, there are approximately 75 people waiting at least a season for a spot in one of the City's 17 gardens. Organizers believe that demand would be considerably higher if they advertised and if more people knew of the urban gardening program.

Growing understanding about the role agriculture plays in environmental health and mitigation
Spurred by the demand for organic food on one hand and by concern about resource degradation and farm-worker health on the other, the public increasingly understands the soil, water, and biodiversity conservation benefits of sustainable agriculture.

Growing development of and participation in agro-tourism
In Europe, and now in the United States, agro-tourism is one of the fastest growing sectors of the small farmer economy. The UC Cooperative Extension and Small Farm Center have recently created programs that help farmers set up agro-tourism operations as well as resources that help connect agro-tourism providers with customers. Many types of agro-tourism could thrive in the Coyote Valley because of its easy accessibility including "u-pick" farms and farm-stands, educational programs, and farm tours. The scenic quality especially in the eastern and western portions of the Valley also makes this area especially attractive for farm bed-and-breakfast operations, a farm-restaurant, or an agricultural retreat center.

Growing need for technical assistance to support urban and urban edge agriculture
The increase in urban agriculture has fueled a demand for increased technical support. A facility offering such support could also play an important role in serving the urban edge intensive market gardening/truck farming movement. The decommissioning of the UC Cooperative Extension Research Station in Santa Clara County has left a need in the South Bay for a research station that can run trials and offer technical support for both urban and urban edge agriculture. The UC Division of Agriculture and Natural Resources (DANR) had at one point indicated possible interest in relocating the facility. Alternatively, a research station could be operated under the auspices of a different organization or a different branch of UC.

Creating a Physical Framework for Agriculture – The Coyote Valley Food Belt

The first task in ensuring the future of agriculture in Coyote Valley is to secure a stable land base that can support it. The concept is to create a permanently secured, local "Food Belt" dedicated to supplying a significant portion of the community's food, supporting existing agricultural businesses, and incubating new farming operations. The Food Belt will build on Coyote Valley's extraordinary agricultural resources and traditions in a forward-looking way—by providing fresh food, new recreation and education opportunities, diversification of employment, attractive viewsheds, habitat and watershed protection, and above all, a distinctive sense of place.

As conceived, the Food Belt will consist of approximately 2,380 acres of land that encircle the urban community and are permanently set aside for agriculture. The eastern component of the Food Belt includes all of the land east of Monterey Highway that is not part of the Coyote Creek Parkway, Riverside Golf Course, or the Pacific Gas & Electric substation (approximately 700 acres). This area includes some of the best soils and is least constrained by flooding and high groundwater. The concept is to maintain the east side of Monterey Highway as an agricultural greenway that is environmentally and aesthetically compatible with the natural character of the Coyote Creek Parkway and provides a distinctive visual contrast to the high density urban development proposed west of Monterey Highway.

Farmers markets are excellent outlets for local produce and important community events.

Roadside stands help expand local markets and encourage agro-tourism.

The southern component includes all of the land south of Palm Avenue and west of Monterey Highway (approximately 1,360 acres) that is not currently developed. As previously discussed, this area contains numerous existing agricultural operations, but also is fragmented by non-agricultural development and subdivision. The concept is to preserve as much contiguous agricultural land as possible in this area, integrate permitted rural residential uses as part of an agricultural setting, and halt the development of other incompatible and non-agricultural related uses.

The northern component consists of a series of three areas located along the Fisher Creek open space corridor and the base of Tulare Hill (approximately 200 acres). These areas include a 25-acre parcel that fronts on Monterey Highway and is adjacent to the Metcalf Energy Center; a 15-acre triangular parcel between Fisher Creek, Tulare Hill, and Santa Teresa Boulevard; and a 160-acre area north of Fisher Creek and west of Santa Teresa Boulevard. The latter two areas are both part of the proposed flood control system and will be used as detention areas during large storm events.

The western component of the Food Belt will consist of two small valleys at the northwest and southwest corners of the urban area (approximately 100 acres combined). The Vision also includes an option to expand the western component of the Food Belt to create a continuous agriculture corridor that would connect the two western agriculture valleys along the base of the foothills. While desirable from an agricultural and community character standpoint, the additional agricultural acreage needed to implement this option (250 acres) realistically would require a reduction in the City's minimum development objectives for either jobs or housing to free up the land area.

The smallest (approximately 20 acres), but equally important, component of the Food Belt will be urban agriculture integrated into the community's schools, parks, and open space areas as community gardens.

The location and configuration of the Food Belt has been established to accommodate and complement the development program, but is also mindful of the physical characteristics needed to optimize urban edge agriculture. These characteristics include:

- Contiguous, undeveloped parcels.
- Prime, fertile, well-drained agricultural soils.
- Adequate parcel dimensions.
- Buffered from urban development (by a road, open space, etc.).
- Adequate access and infrastructure (farm road, irrigation water, drainage, etc.).
- Adjacency to open space.
- Scenic value.

The Function of the Food Belt

The Food Belt will make important economic, cultural, and environmental contributions to the developing urban area. Agricultural operations that are expected to continue and possibly expand are orchard crops, especially cherries, and greenhouse production of nursery products and hothouse vegetables. There will also be new opportunities for direct marketing of fresh top-quality produce and other farm products to local consumers and institutions, for on-farm educational programs and other agro-tourism, and for year-round employment as required by intensive specialty crop production. Direct ties to consumers will enable farmers to specialize in crops that are desired by the diverse cultures that make up the South Bay community. Preserving some of the existing character of this beautiful, historic agricultural area while updating the agricultural function and its connections to the community will add value to land and future development within Coyote Valley.

In addition to its food production role, the Food Belt will complement the urban community by fulfilling other needs, such as providing greenbelts and viewsheds that increase recreational and educational opportunities. Toward this end, public trails should be integrated into the Farm Belt so that the

The Food Belt will provide attractive open space framework for the community.

public can enjoy the open space value of agriculture in a manner compatible with farming operations. The Food Belt also will provide open space and help maintain habitat diversity and watershed health. In addition, the urban community will generate significant amounts of waste by-products including green wastes and wastewater that can be useful to farmers. Re-use of composted green waste and tertiary treated wastewater by agriculture will not only help reduce production costs associated with irrigation and fertilizer, it also will reduce urban costs associated with the disposal of these by-products in landfills.

The key to the viability of this more concentrated, reconfigured agriculture is holistic, far-sighted planning that encompasses agriculture's overall contributions and requirements. Due to numerous constraints, as well as special opportunities, urban-edge agriculture needs to be approached just as well-designed communities are—as more than the sum of their parts. As an urban-edge amenity, valued by the community and responsive to its needs, the Food Belt is not a commodity but a unique resource.

Regulatory Framework for Land Protection and Resource Enhancement

Creation of the Coyote Valley Food Belt will require the development of a regulatory and policy framework that secures basic economic and physical conditions necessary to sustain

Agricultural Possibilities Anticipated for the Food Belt

	Southern Component	**Eastern Component**	**Northern Component**	**Western Component**	**Urban Component**
	1,360 acres	700 acres	200 acres	100 acres (250 ac. Option)	20 acres
Large Scale (20–100 ac.)	Orchard Row crops Mixed animal & vegetables Poultry/rabbits Greenhouse nursery/vegetables Flowers	Orchard Row crops Mixed animal & vegetable	Row crops Forage Flowers	Orchard Row crops Mixed animal and vegetable Vineyards Stables Poultry/Rabbits Goat Dairy Stables	
Medium Scale (1 – 20 ac.)	Greenhouse plants/vegetables Mushrooms Intensive market garden Intensive berry farm/restaurant Research Station for Urban & Urban-Edge Agriculture	Greenhouse plants/vegetables Mushrooms Intensive market garden Intensive berry farm/restaurant Research Station for Urban & Urban-Edge Agriculture		Farm/restaurant Bed & Breakfast	
Small Scale (1/4 – 3 ac.)	Community gardens Botanical & cultural gardens Agricultural landscaping				Community and school gardens Botanical & cultural gardens Agricultural landscaping

agricultural practices. Given that the Food Belt will be located in both incorporated and unincorporated areas, it is essential that the City and County work together to develop a common set of goals, policies, and implementation tools. This policy framework must establish the following:

- Long-term vision that establishes the Food Belt as an agricultural preserve.
- Near-term measures to prevent further development that is inconsistent with this vision (e.g., rezoning, development moratorium, right-to-farm ordinance, etc.).
- Implementation mechanisms to secure land (e.g., establish agricultural impact fee, coordinate with a Land Trust to purchase/hold easements, fee simple title, etc.).
- Entity to coordinate, manage, and provide oversight to the development of the Food Belt.

The first step will be to establish a common policy framework for the City and County that sets forth a clear interagency agreement to implement County and City zoning ordinances that specify agricultural use.

The major task, ideally overseen by a single agency, will be to develop and implement a master "agricultural development" plan to secure permanent protection for each parcel of farmland in the Food Belt. This agency could be an existing local land trust or could possibly be a new entity such as a Farmland Conservancy, a new type of agricultural development nonprofit. The role of this agency will be to assist current farmers who want to procure easements; to purchase parcels from farmers or other owners who wish to sell, resell, or possibly manage leasing of these purchased parcels to new-entry farmers; and to manage initial Food Belt–wide infrastructure installations.

Given the high land valuation, this agency will need considerable financial resources to undertake these tasks. Sources could be foundation, agency, and private funds, development fees, and possibly capital from tax-free revenue bonds if the agency chooses to lease some of the purchased properties (see Appendix A for additional discussion of funding sources). It is expected that the high cost of re-invigorating agriculture as a concentrated Food Belt in the Coyote Valley will be justified. The high intrinsic value of the agricultural and natural resources in the Valley, the urban edge location, and the integrated urban-rural plan make this an important potential model for other such projects.

Coyote Valley Food Belt – Ongoing Support

Long-term success of agriculture in the Food Belt will require ongoing support including coordinated marketing and promotion efforts, technical assistance, and policy stewardship. As emphasized in the Santa Clara County Agricultural Marketing Feasibility Study, while the number of potential resources available is encouraging, the complexity of the information and application process put them beyond the reach of most small farmers. Most importantly, in the Food Belt concept, the success of individual farmers is in good part tied to the success of the agricultural preserve as a whole.

The coordinated support effort needed to make the Food Belt a thriving concern for farmers and a valued amenity for residents calls for the establishment of a Coyote Valley Food Belt Center. This Center would likely evolve out of the agricultural development entity that establishes the initial policy and regulatory framework for the Food Belt. It also is likely to require support from various local, state, and federal agencies. In the long term, the Center would be managed by either by a dedicated nonprofit or by a local governmental agency.

Regardless of its genesis, the Center will be needed to provide the following types of services (see Appendix A for more detailed list of services):

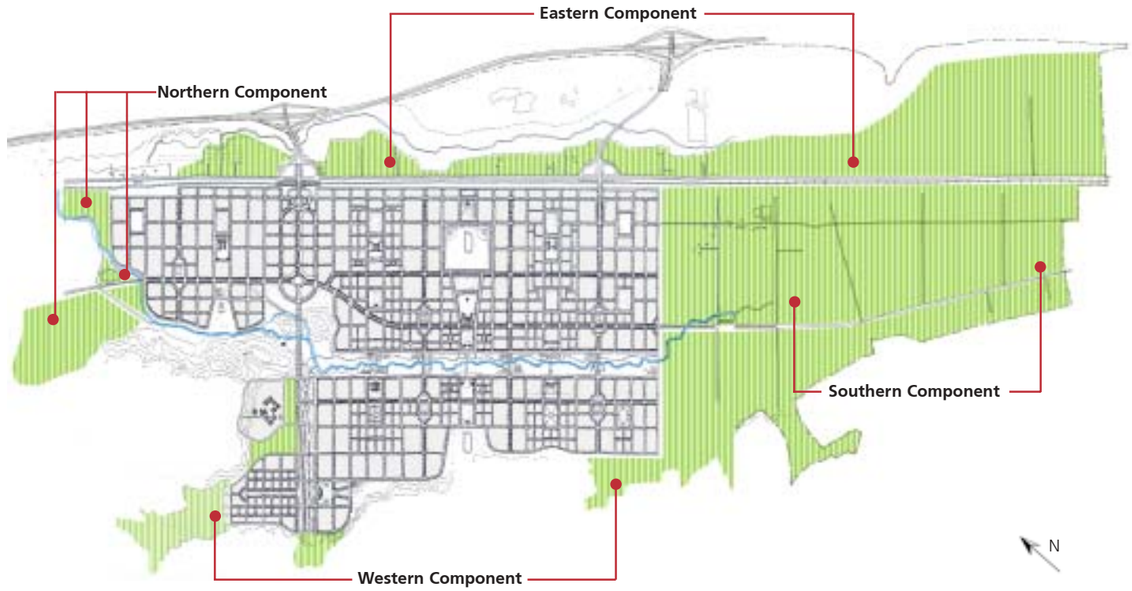
- Policy stewardship
- Marketing and promotion
- Promotion of agricultural literacy, awareness, and experience
- Technical assistance
- Support for ethnic farmers and consumers
- Managing leased farmland owned by the Center

Conclusion

Most important to the long-term viability of an agricultural component in Coyote Valley, will be a mutual commitment by the community to give agriculture the support that it needs, and by farmers to be responsive to the needs of the community. This common vision must be cultivated in all phases of planning and development.

Coyote Valley Greenbelt

The Food Belt concept is intended to complement and add definition to the somewhat undeveloped notion of the Coyote Valley Greenbelt. It expands upon the greenbelt concept by providing a more focused and proactive vision for permanently protected agricultural land in Coyote Valley. In addtion to the 3,300 acres set aside in the City's General Plan, the Vision re-designates the 310 acres of Urban Reserve lands along the eastside of Monterey Highway for agriculture. This means that all lands east of Monterey Highway and all lands south of Palm Avenue will be part of the greenbelt buffer. In addition, approximately 300 acres of smaller non-contiguous agricultural landholdings are designated along the north and west sides of the urban area. These areas in conjunction with open space holdings on Tulare Hill and County parklands will contribute to the creation of a permanent open space buffer along the north and west sides of the Valley as well.
Together, the Food Belt and land set aside for public open space will secure approximately two-thirds of the Valley in some form



The Coyote Valley Food Belt preserves 2,380 acres around the periphery of the new town for agriculture.

of permanent open space, and help fulfill the goals of the cities of San José and Morgan Hill and of the County for agriculture, resource protection, recreation and urban buffering in the South Valley. The policy recommendations in this Vision recognize that considerable work is needed to create the mechanisms necessary to implement the Food Belt concept and the Interim Planning Principles adopted by San José , Morgan Hill, and Santa Clara County. The Vision strongly supports the collaborative efforts of the three jurisdictions to establish these mechanisms.

Policy Recommendations

Agricultural Open Space

Establish the Coyote Valley Food Belt, a 2,380-acre agricultural preserve for the purposes of providing a stable land base for agriculture, supplying a portion of the new town's food, supporting existing agricultural businessses, and creating new farming opportunities.

• • • •

Prepare and implement an Agricultural Development Master Plan to address management policies for the Coyote Valley Food Belt. The master plan, a joint effort of the City of San José and Santa Clara County should:

- *Establish a long-term vision for the Food Belt*
- *Identify near-term measures to protect agricultural land from incompatible development, including rezoning, a moratoriam on development, right-to-farm ordinance, etc.*
- *Establish mechanisms to secure agricultural land, such as agricultural impact fees, acquisition through purchase of fee title or conservation easement, transfer of development rights, etc.*
- *Identify ongoing support programs to ensure the success of the Food Belt, including policy stewardship, marketing of farm products to local markets, promotion of agro-tourism in Coyote Valley, promotion of agriculture education and awareness, technical assistance, etc.*
- *Establish the Coyote Valley Food Belt Center, a separate agency or trust to coordinate ongoing support efforts*
- *Maximize the secondary advantages of the Food Belt in Coyote Valley, such as defining the urban edge of the new town, protecting views of the surrounding foothills and providing visual interest, providing additional opportunities for recreation, and contributing to a unique sense of place and quality of life in Coyote Valley.*

• • • •

Provide a weekly farmers' market site on the Town Center Green located at Bailey Avenue and Santa Teresa Boulevard.

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Permit community garden allotments where appropriate in the Fisher Creek and Bailey Avenue Greenways and other urban parklands.

Recreational Open Space

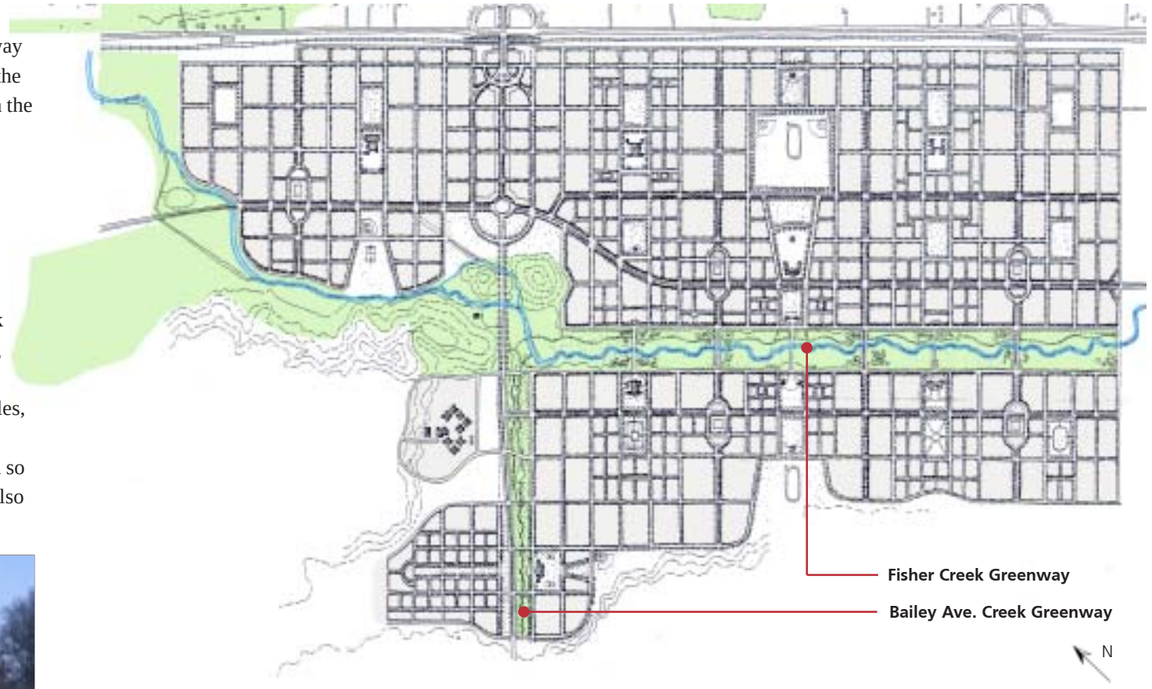
Creating a Diverse and Accessible Park Network

The presence of a well-designed, diverse, and accessible network of parks and community facilities is essential to the health and well-being of any community. The Vision includes 860 acres of new regional, community, and neighborhood parklands that are distributed within convenient walking distance for all residents and employees. Each type of park has different facilities and serves a different function within the community. The amount of parkland proposed meets the City of San José parkland requirements.

Regional Parkland

Regional parks typically include large land areas (more than 100 acres) and often are created to preserve a specific natural resource or amenity. As a result they often include a large component of natural land, are generally dedicated to more passive recreational activities, and are intended to serve the region. The Vision adds 560 acres of new regional parkland to the 800 acres of regional parkland already contained in the County's Coyote Creek Parkway. Together these regional parklands define the primary natural feature of the Vision: a network of greenways structured around the area's two creeks that extend as ribbons of natural open space through the new town, connecting it with the surrounding foothills and agricultural lands. The Fisher Creek Greenway extends north from Palm Avenue to Bailey Avenue where it intersects with the Bailey Avenue Greenway that extends along the south side of Bailey Avenue from Santa Teresa Boulevard west to the foothills. North of Bailey Avenue, the Fisher Creek Greenway takes on a less formal character defined by the foothills of the Laguna Seca and Tulare Hill as it turns east to connect with the Coyote Creek Parkway east of Monterey Highway.

While a principal purpose of the greenways is flood management, these corridors also will provide significant recreational amenity. This parkland will be predominantly natural in character with opportunities for a range of recreational activities such as hiking, biking, and horseback riding. Trails within the greenways will connect to existing regional trails and to nearby County parks. All facilities, including trails, interpretive displays, restrooms, picnic tables, equestrian staging areas, etc., will be flood resistant and integrated into the design of the flood management channel so as not to impede storm flows. Community gardening may also be a suitable use in some portions of the greenways.



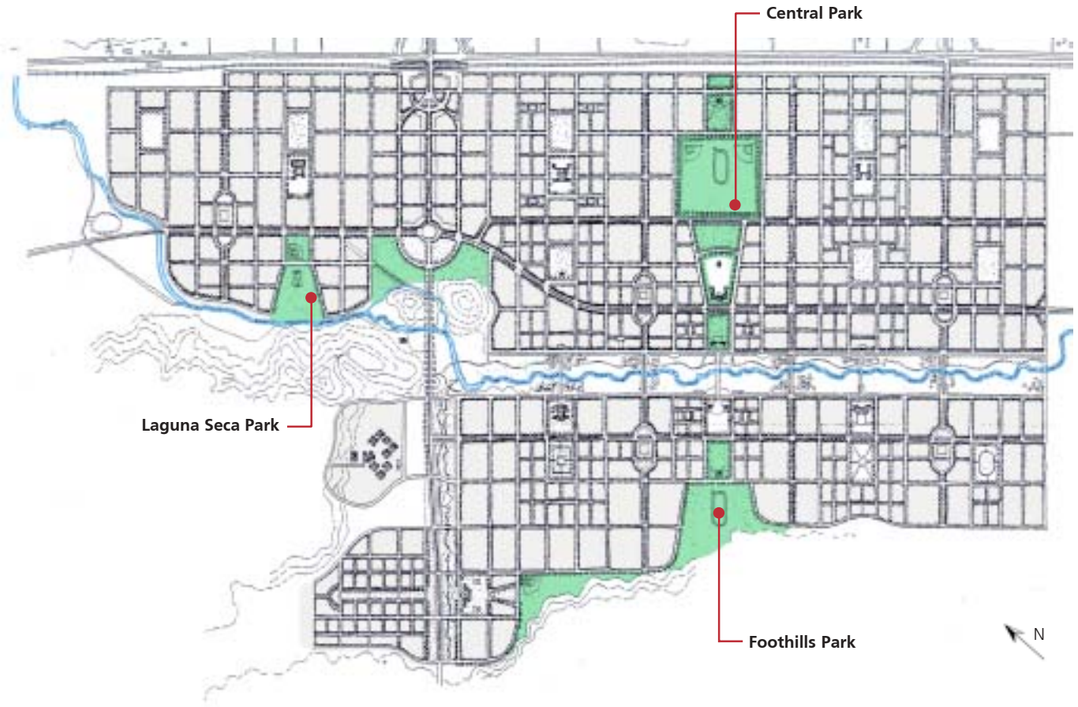
The Fisher Creek and Bailey Avenue Greenways will add 560 acres of new regional parkland to the Valley. They will also function as the overflow areas for Fisher Creek's flood management system.

Community Parks

Community parks are intended to serve the area within a mile of the park. They generally include larger recreation facilities for group activities and organized sports, including sports fields (soccer, football, baseball), tennis and basketball courts, playgrounds, aquatic facilities, and group picnic areas. Other facilities that might be incorporated include community centers, a library, or a performing arts center.

Coyote Valley includes three community parks, totaling 180 acres. The parks have been sited to ensure convenient access to and even distribution of recreational facilities for the entire community. All community parks are located on at least one bicycle route and are within easy walking distance of a Neighborhood Center and transit.

Between Laguna and Richmond avenues, Central Park and Foothills Park anchor a band of parkland that creates a continuous east-west connection between the Coyote Creek Parkway and the foothills of the Santa Cruz Mountains. Central Park, the largest and most formal of the three parks, is centrally located adjacent to the Middle School to serve the southeastern area of the community. Foothills Park, which is adjacent to the high school, is less formal in shape and creates an open space buffer between the urban area and the foothills, as well as an open space connection north to the Bailey Avenue Greenway. Laguna Seca Park is located between Santa Teresa Boulevard and the Fisher Creek Greenway between the Town Center and the northernmost neighborhood commercial center. This park will provide an important northern gateway to the Fisher Creek Greenway from the urban community.



The Vision includes three new Community Parks totalling 180 acres.

Neighborhood Parks

The Vision includes 12 neighborhood parks, totaling 120 acres, distributed evenly throughout the town. These parks are intended to serve the neighborhood in which they are located. Thus, parks have been sited within a quarter mile of all residents and employees. They are also located on at least one bicycle route and are within easy walking distance of a Neighborhood Center. The neighborhood parks are sited to provide a focal point and community gathering area for each neighborhood. They generally occupy a full city block, approximately 7 acres in size, and are surrounded by uses that face onto the park. The design character and facilities in each park can vary and will contribute greatly to the character of the different neighborhoods. Typically neighborhood parks include smaller recreational facilities such as playgrounds, tennis and basketball courts, and turf areas, but there is no requirement for active recreation facilities such as sports fields. Some parks may consist of an informal green for more passive enjoyment.

Several neighborhood parks are sited adjacent to elementary schools and the middle school to allow for some overlapping use of parks by the schools. This arrangement achieves a more efficient use of land and resources, while also reinforcing the concept of the neighborhood park as a gathering place and civic focal point for each neighborhood. Joint-use agreements between the Morgan Hill Unified School District and the City of San José will be necessary for the sharing of school yards and public park space.

Neighborhood Parks are located to provide a focal point for the neighborhoods they serve, and to be within easy walking distance of all residents and employees.

Other Parklands

Two other areas of parkland, which do not fall into the typical neighborhood, community, and regional parkland categories, will play an important role in meeting the recreation and open space needs of Coyote Valley residents and employees, and in building community character.

The Town Center Green, located at the western end of the Town Center, includes the area west of Santa Teresa Boulevard and within the arc of roadway created by the triad of Town Center streets. It provides a green terminus and will fulfill the role of the traditional town green, but in a more urban context; it is an urban park and focal point at the western end of the downtown. The Green also provides a transition between the town's urban core and the natural areas of the Bailey Avenue and Fisher Creek Greenways and preserves an important east-west view corridor along Bailey Avenue. Given its central location and adjacency to a transit station, the Green provides an ideal site for a weekly farmers' market and potentially a permanent central produce market that celebrates the agricultural heritage of Coyote Valley.

The Palm Avenue Greenway is a narrow band of open space that extends east-west across the Valley along the south side of Palm Avenue from Monterey Highway to the western foothills. This strip of open space provides a physical and symbolic transition, buffer, and gateway between the town and the agricultural areas to the south. The Greenway will include a formal planting of trees that references the Valley's orchards and creates an attractive tree-lined passage across the Valley. From a recreation standpoint, the Palm Avenue Greenway is primarily a trail corridor, providing an open space connection suitable for equestrian use as well as for pedestrians and bicycles.

An Integrated Multi-Use Open Space System

The Vision incorporates natural, agricultural, and recreational elements to create a comprehensive and integrated open space system that fulfills many functions, including protection and enhancement of environmental quality, preservation of landscape character, preservation of agricultural potential, and enhancement of recreational opportunities.

Critical habitat areas in Coyote Valley—including sensitive riparian habitat in the Coyote Creek Parkway and serpentine habitat in the foothills above the valley floor—are preserved within public and private open spaces and are further buffered from development by open space, regional parkland, and agricultural designations that provide additional opportunities for both protection and connectivity. The open space system also preserves the visual character of the Valley through the integrated use of natural greenways and agricultural lands, reflecting both the

The Town Center Green and Palm Avenue Greenway are important open space features that will contribute to Coyote Valley's unique sense of place.

natural and agricultural history of the area. The restoration of Fisher Creek, the integration of agricultural uses within parkland areas, and the design of a new town around key natural features each contribute to the creation of a new place rooted in the existing landscape.

The open space system is also based on the belief that agriculture can and should contribute to the quality of life in the new community while preserving the productive potential of the Valley's farmland. Not only will these lands supply fresh food and produce to the new community, they also will serve as visual open space, provide for recreational and educational opportunities, and continue to serve as habitat and forage for wildlife. Agricultural lands are connected to other park and open space lands within and surrounding the new town by a network of trails. This link is further enhanced by the integration of agricultural uses within parkland areas, such as community garden plots in the Fisher Creek and Bailey Avenue Greenways and a farmers' market site at the Town Center Green.

Finally, the open space system enhances recreation opportunities by creating parklands that accommodate a range of recreational experiences from fully developed active recreation facilities to natural areas with minimal facilities intended for more passive pursuits. All parklands in the new town are connected by a network of trails and bicycle routes that provide access to and between all open space lands within the Valley as well as the surrounding area, including trail connections to neighboring County parks, such as Santa Teresa, Calero, and Coyote Creek Parkway.

Policy Recommendations

Recreational Open Space

Provide 860 acres of new regional, community, and neighborhood parkland that includes both active and passive elements to meet the recreational needs of all residents and employees.

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Establish a 560-acre regional parkland greenway system that offers recreational opportunities, the ability to move through the new town in a park setting, and connections to regional County parks in the vicinity.

• • • •

Restrict uses and facilities in the greenway to those compatible with the flood management and environmental enhancement objectives of the system, including multi-use trails, equestrian staging areas, interpretive displays, community gardens, picnic areas, etc.

• • • •

Require that recreation facilities located within the greenways be flood resistant and sited such that flood flows are not impeded.

Focus neighborhood-scale active recreation and service facilities in neighborhood parks, including single-sport fields, hardcourts, and playgrounds.

• • • •

Co-locate schools with neighborhood parks to maintain a compact urban form and provide an important gathering place in each neighborhood.

• • • •

Establish joint-use agreements between the Morgan Hill Unified School District and the City of San Jose for the sharing of school yards and public park space.

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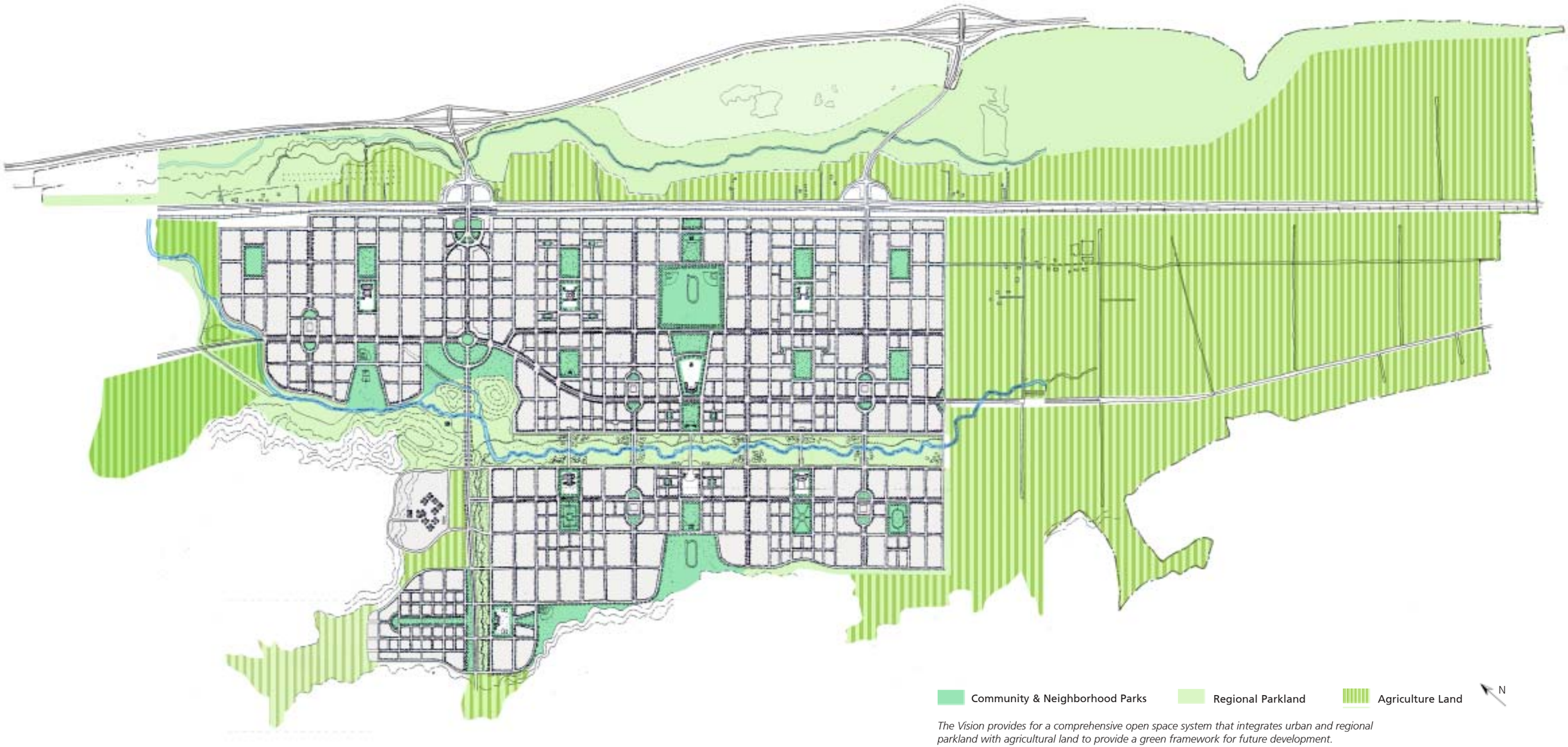
Provide connections between all parkland and open space in Coyote Valley with a network of multi-use trails and bicycle routes. The internal trail system shall provide connections to existing and proposed regional trail routes that connect to regional and County parklands and open space.



The Vision provides for a comprehensive open space system that integrates urban and regional parkland with agricultural land to provide a green framework for future development.

C. Circulation

The circulation system is one of the primary elements on which the new Coyote Valley community is structured. The system, which incorporates a full range of travel modes, including commuter rail, light rail, bus, bicycle, pedestrian, equestrian, and automobile, is designed to facilitate convenient access to work, home, shopping, and recreation within Coyote Valley, while also providing necessary links to the regional circulation system.

Roadway System

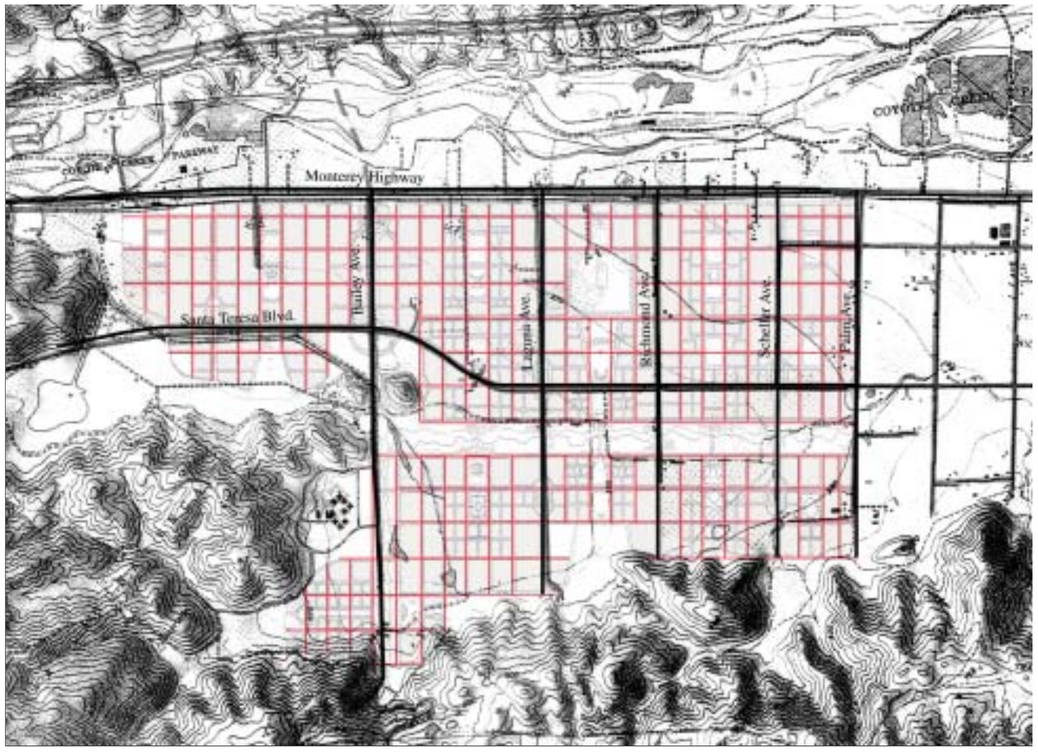
Existing Roadway System as Framework for the New Town

The existing pattern of agricultural subdivision, rural roadways, and rail lines, dates from the earliest settlement of Coyote Valley. This pattern is retained as the basic framework for the future circulation system and the new town. Monterey Highway, which is the historic El Camino Real, runs north-south along the length of Coyote Valley connecting Gilroy, Morgan Hill and San Jose, and forms the eastern boundary of the town. The single track Southern Pacific Railroad line runs parallel to the westside of Monterey Highway. The line currently provides Caltrain commuter service between Gilroy and San Francisco and daily Amtrak Coast Starlight service to and from Los Angeles. To the west, Santa Teresa Boulevard forms a central north-south spine through the community. Finally, a series of local-serving east-west agricultural roads divide the Valley into a pattern that responds to agricultural activities.

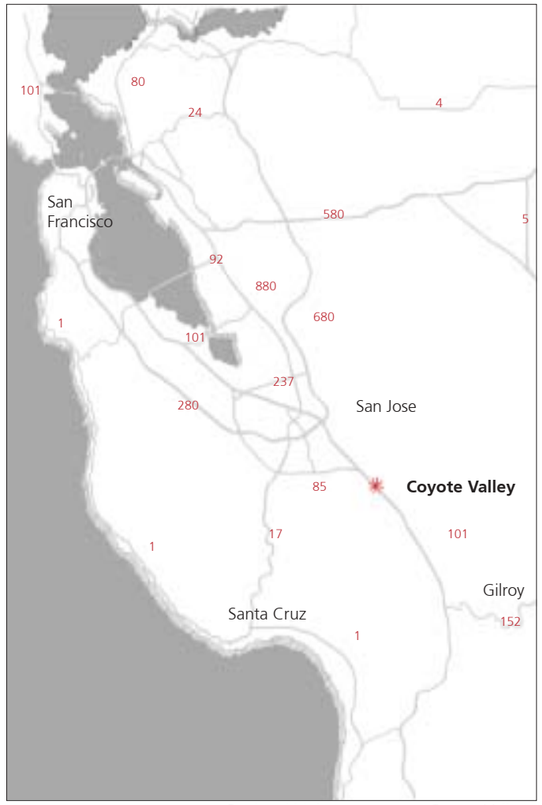
Proposed Street Network

The proposed street network for Coyote Valley is a dramatic departure from typical suburban patterns found elsewhere in Silicon Valley. It provides a return to patterns more typical of traditional urban neighborhoods, employing a highly integrated grid of streets that allows for an even flow and distribution of traffic and provides a variety of routes to all parts of town. Rather than creating a maze of cul-de-sacs and wide suburban arterials that serve the automobile well and pedestrians poorly, every street in Coyote Valley will accommodate vehicles, bicycles, and pedestrians safely and comfortably. The majority of the streets will have two travel lanes and narrow cross-sections that help reduce traffic speeds and ensure that pedestrians feel safe crossing at all intersections. A few streets that will need to carry larger traffic volumes are designed with four travel lanes, but also include features to ensure pedestrian safety and comfort.

Based on the framework established by existing roadways, the internal street network establishes a 750-foot by 500-foot block dimension, a 3:2 length-to-width ratio that is similar to city blocks found elsewhere in the Bay Area, including San Francisco, Palo Alto, and Mountain View. The grid of 750’ x 500’ super blocks creates a highly flexible framework that can accommodate all types of development and be subdivided into a series of smaller, pedestrian-scaled blocks that easily accommodate the integration of parks and squares into neighborhood design.



The proposed street network builds upon the existing road network. Red indicates new street network. Black indicates existing roads.



Regional highway access to Coyote Valley

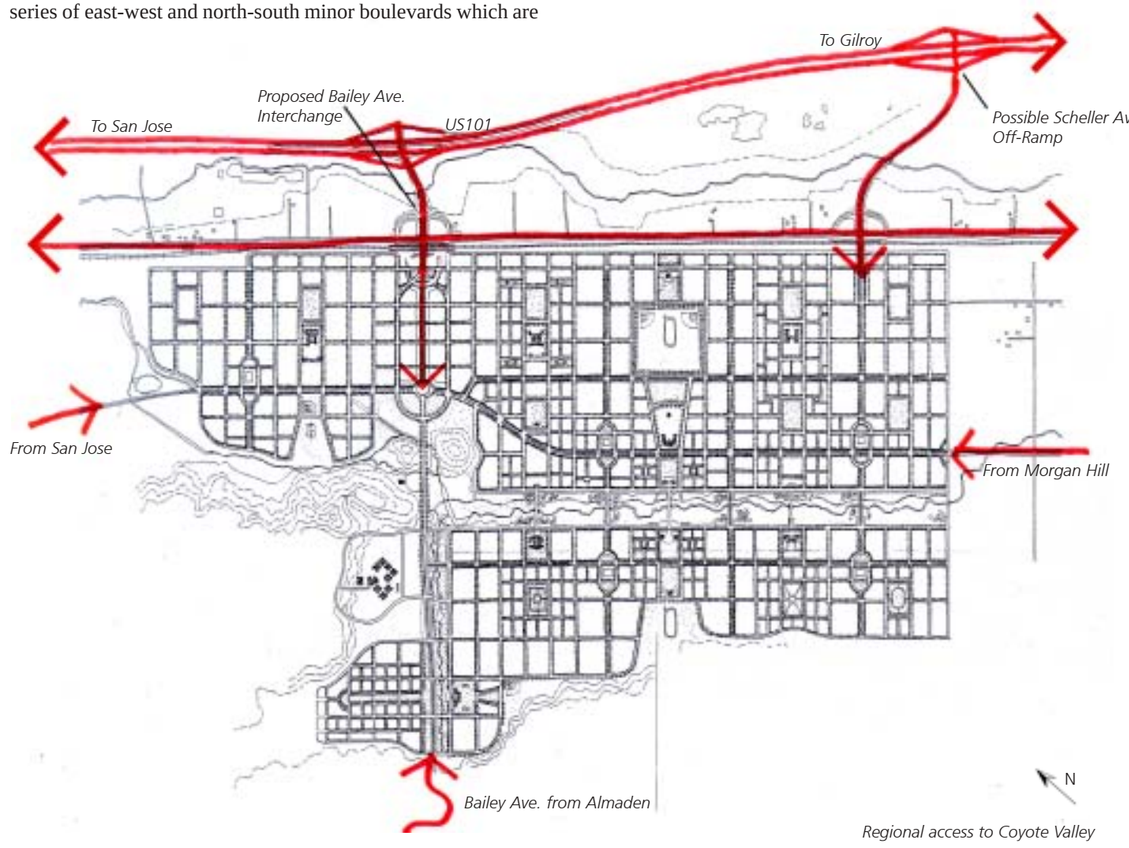
Regional Access

Highway 101, Monterey Highway and Santa Teresa Boulevard will provide regional and sub-regional vehicular access to Coyote Valley. Although detailed traffic analysis will be needed for confirmation, the Vision assumes that two new interchanges ultimately will be needed on Highway 101 to serve buildout of Coyote Valley: one at Bailey Avenue and one at Scheller Avenue. These two existing streets will be extended east from Monterey Highway and connect with Highway 101 where Caltrans has reserved rights-of-way for future interchanges. The Bailey Avenue interchange, which has already been approved by the City of San Jose, is slated to begin construction in 2003. At present, VTA's 2020 Transportation Plan only includes the interchange at Bailey Avenue. In order to reinforce the use of transit, the Scheller Avenue interchange will only be built if and when traffic can no longer be accommodated by the single interchange at Bailey Avenue.

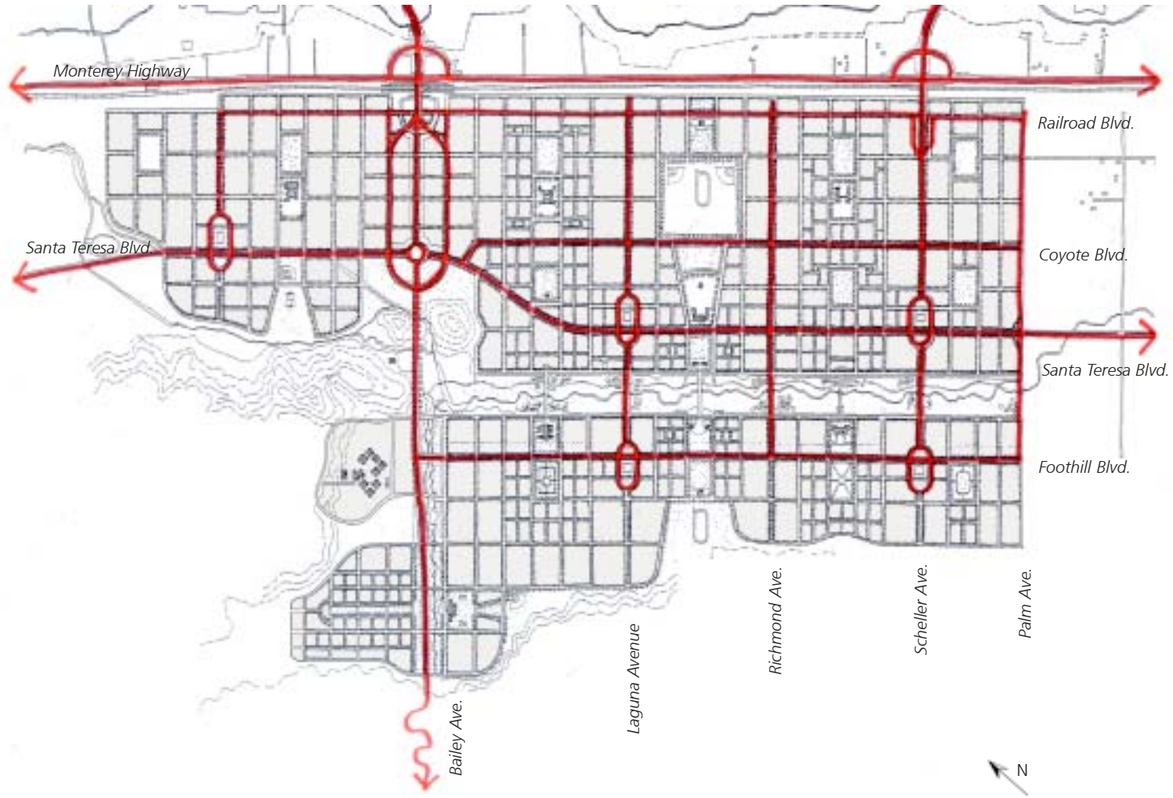
As subregional facilities, Monterey Highway and Santa Teresa Boulevard will carry both regional and local traffic. Given the alignment of the railroad along its west side, Monterey Highway will have limited direct access into the new community. As a result, it will serve as a high-volume, limited access, through corridor linking Coyote Valley to urban areas to the north and south. By comparison, Santa Teresa Boulevard will serve a much greater role in local vehicular circulation, although it also will be the primary corridor for accommodating regional rapid transit.

Local Access

Local access within the new community will be provided by a series of east-west and north-south minor boulevards which are interconnected and subdivided by a series of smaller local and minor streets. Existing streets such as Bailey Avenue, Laguna Avenue, Richmond Avenue, and Scheller Avenue will be upgraded to serve as key east-west corridors in the new community.



Regional access to Coyote Valley



Framework of major roadways proposed within Coyote Valley.

Street Types

Major Boulevards

Monterey Highway and Santa Teresa Boulevard are designated as major boulevards. Although both will serve as major arterials, their design will differ to respond to their function within the community.

Monterey Highway

Given the agricultural land use along the eastside, and the restrictions on at-grade railroad crossings on the westside, Monterey Highway will function as high-volume, limited-access thoroughfare in a rural setting. The street cross-section includes two travel lanes in each direction separated by a landscaped median and left-turn pockets as needed. Consistent with the rural setting and absence of adjacent uses, no on-street parking will be provided. Similarly, bike lanes and sidewalks will not be provided on both sides of the street, rather a more rural multi-purpose trail will be provided along the eastside of the road. A paved trail will accommodate pedestrian and bicycle users while a parallel unpaved trail will accommodate equestrians. Landscape treatment along the corridor will be rural in character.

Santa Teresa Boulevard

By contrast, Santa Teresa Boulevard is envisioned as a grand urban boulevard that can accommodate high volumes of transit and vehicular traffic while maintaining an attractive and walkable urban neighborhood. Santa Teresa Boulevard is seen as emulating the great boulevards of America and Europe with high-density housing, offices, and retail fronting directly onto the corridor and supporting an active pedestrian street life. Santa Teresa Boulevard is designed with two high-volume, center travel lanes in each direction separated by a landscaped median and dedicated transit lane that will accommodate rapid transit service. Low-speed side lanes are provided on each side of the main corridor to provide local, front-door access to uses fronting on the corridor. These side lanes are separated from the main travel lanes by a landscaped median and from adjoining development by a broad, tree-lined sidewalk.

Minor Boulevards

Seven minor boulevards, including two north-south routes and five east-west routes, will complement the major boulevards in Coyote Valley. These minor boulevards will serve as collector streets within the town providing connections to regional circulation routes and between neighborhoods. The minor boulevards are modeled after streets such as Dolores Street in San Francisco, a gracious street with four travel lanes, one parking lane in each direction, wide sidewalks, and a grand landscaped central median with palm trees. Minor boulevards will serve both residential and non-residential neighborhoods.

Commercial "Main Streets"

Several streets in Coyote Valley are intended as town- and neighborhood-serving commercial "main streets." These streets are modeled after traditional Bay Area main streets, such as University Avenue in Palo Alto and Castro Street in

Mountain View. Bailey Avenue between Monterey Highway and Santa Teresa Boulevard will be the primary commercial street in Coyote's Town Center. Other similar commercial streets will enclose the public squares at the three transit villages on Santa Teresa Boulevard and at the two Neighborhood Centers west of the Fisher Creek Greenway. These narrow, two-lane commercial streets will maintain a strong pedestrian orientation and human scale, incorporating amenities such as wide sidewalks, retail storefronts, outdoor seating areas, landscaping, and on-street parking.

In the Town Center, the Bailey Avenue main street will also carry significant vehicle traffic due to its connection with Highway 101. To accommodate high traffic volumes and maintain walkability, circulation in the Town Center has been designed as a triad of commercial streets (i.e., three parallel streets) rather than a six- or eight-lane arterial. Bailey Avenue will begin at its interchange with Highway 101 as six-lane arterial until it reaches the Caltrain line west of the freeway. At this point, Bailey Avenue will divide into three streets. One two-lane street will curve north, continuing westbound as a one-way street that will distribute traffic between Highway 101 and Santa Teresa Boulevard. One street will continue westbound through the Town Center as the commercial main street, a two-lane, two-way corridor through the district. South of Bailey Avenue, a two-lane eastbound one-way street will distribute traffic between Santa Teresa Boulevard and Highway 101. West of Santa Teresa Boulevard, the triad of streets will join together again to form Bailey Avenue. This street configuration has the advantage of allowing retailers to locate on the most highly visible and heavily trafficked streets in the Town Center while maintaining a pedestrian-oriented shopping environment. At the same time, it allows high traffic volumes being funneled to and from Highway 101 to be distributed into the finer grid of streets in Coyote Valley without introducing large, multi-lane arterials that compromise community character.

Local Streets

Local streets in the new town provide one- and two-way connections between collector boulevards and commercial main streets in residential and non-residential neighborhoods. These streets are the backbone of the street network, providing local movement within and between neighborhoods. They also are used to define urban parklands and the urban/rural edge of the town. Typical local streets in Coyote Valley will include two travel lanes, and either one or two parking lanes. These streets will be lined with shade trees for pedestrian comfort and a sense of enclosure.

Minor Streets

Minor streets complete the proposed street network for Coyote Valley. These mid-block streets provide one- and two-way connections between local streets in residential neighborhoods. Representing the finest grain of the grid, these streets are narrow, typically providing two travel lanes without a parking lane, or one travel lane with parking. Alleys could further subdivide minor streets providing access to garages and living quarters at the rear of residential lots. Minor streets can also serve the purpose of providing variety within the grid by providing an unexpected or uncommon element, such as terminating at a park or square.

Policy Recommendations

Provide an interchange at Highway 101 and Scheller Avenue only after the interchange at Bailey Avenue is operating at full capacity.

• • •

Maintain Monterey Highway as a rural limited-access route through Coyote Valley.

• • •

Establish Santa Teresa as the primary multi-modal travel corridor, including a segregated right-of-way in the median to accommodate rapid transit service.

• • •

Establish a traditional urban grid system of streets to evenly distribute traffic, provide a variety of routes, and encourage a safe pedestrian environment.

• • •

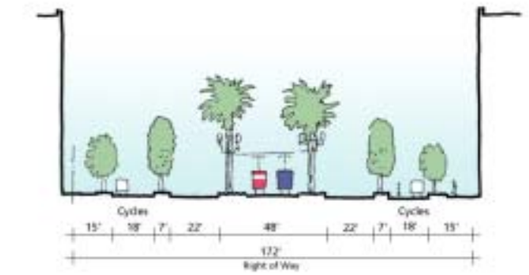
Establish Bailey Avenue between the Caltrain line and Santa Teresa Boulevard as the primary commercial street in Coyote Valley and the "main street" of the Town Center.

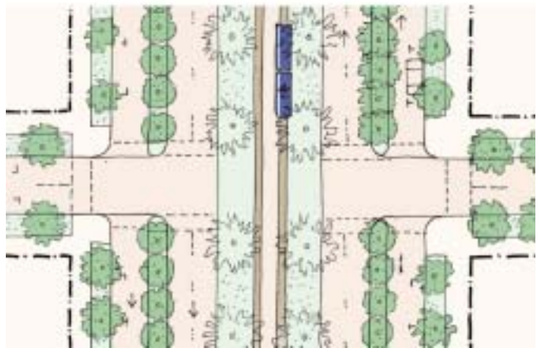
• • •

Structure the Town Center on a triad of commercial streets that allows retailers to locate on highly visible and heavily trafficked streets while maintaining a pedestrian-oriented shopping environment.

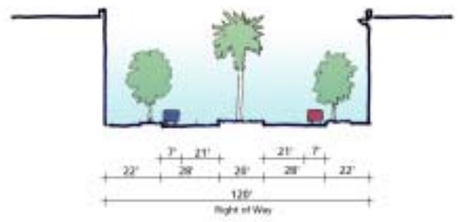
Major Boulevard
Santa Teresa Boulevard

Santa Teresa Boulevard is designed as a multi-way arterial with a dedicated right-of-way (ROW) in its median for transit and separate frontage roads on either side serving the adjacent buildings. The overall right-of-way is 172 feet with a 48-foot wide median containing Bus Rapid Transit lanes (or, ultimately, VTA Light Rail tracks). The frontage roads are separated from the through lanes by a tree-lined median. These frontage roads are pedestrian-oriented with a paved surface intended to act as a traffic-calming element and make them suitable for bicycles, on-street parking and pedestrians. Closely planted canopy street trees on the side medians separate the slower, pedestrian-oriented realm from the higher-speed through lanes. The sidewalks in front of the buildings on either side of the boulevard are 15 feet wide with their own planting strip and rows of street trees. Taller palm trees, spaced at greater distances are proposed on either side of the tracks on the central median. The through lanes are 22 feet wide in each direction—two 11-foot wide traffic lanes. Shattuck Avenue in downtown Berkeley is an example of this type of boulevard (although without the dedicated transit lane). (For additional examples see *The Boulevard Book*, by Allan Jacobs and Elizabeth Macdonald, MIT Press).





Major Boulevard - Santa Teresa Blvd.



Minor Boulevard

Shattuck Avenue, Berkeley

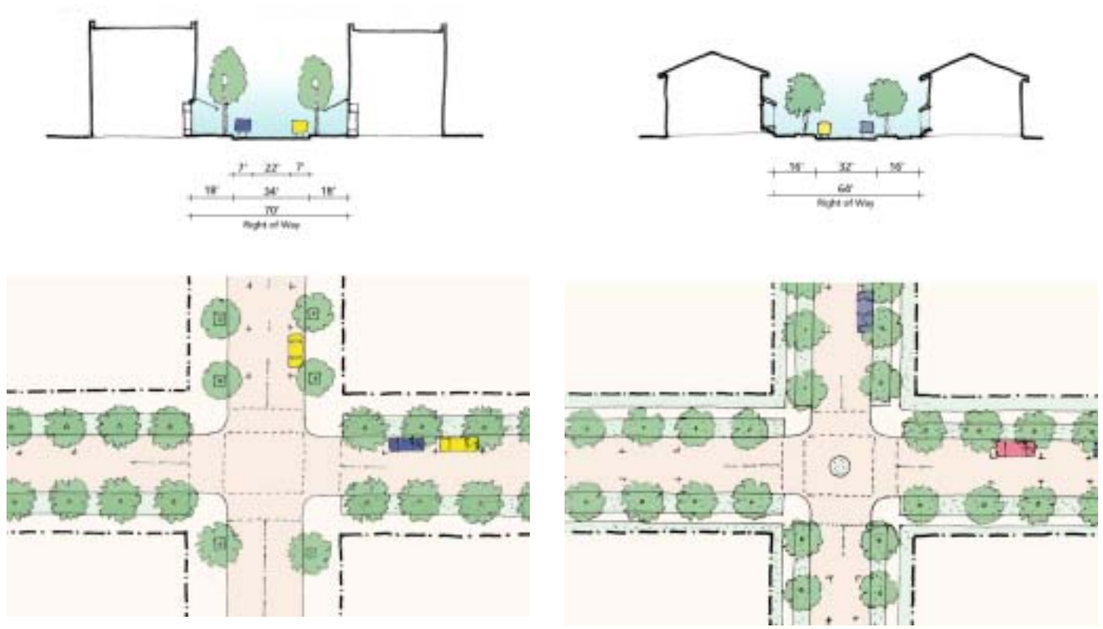
Castro Street, Mountain View

Minor Boulevards

The minor boulevards such as Laguna, Richmond, Scheller, Coyote and Foothill Boulevards are intended to carry neighborhood traffic through the town. The overall right-of-way (ROW) is 120 feet—the same as San Francisco's beautiful Dolores Avenue. The street section consists of a 20-foot wide median planted with tall palm trees, with a 28-foot wide roadway on either side. The roadway consists of two 10'-6" wide travel lanes and a 7-foot wide parking lane. The sidewalks are 22 feet wide with a generous planting strip and closely planted canopy street trees.

Commercial Main Street,
Bailey Avenue at the Town Center

Bailey Avenue in the Town Center is designed as a transit-oriented, pedestrian-friendly main street serving the mixed-use businesses in Coyote Valley's Town Center. It has a 70-foot wide right-of-way (ROW) and a 34-foot curb-to-curb dimension, with 18-foot wide sidewalks on either side. The roadway has on-street metered parking on both sides. The sidewalks will include closely planted canopy street trees, decorative lamp standards, banners, and awnings. It is similar to Mountain View's Castro Street in scale and character.



Commercial Main Street - Bailey Ave.

Typical Residential Street

Castro Street, Mountain View

Residential Street in Davis

Typical Residential Streets

The typical residential streets throughout the town are designed to have a 64-foot wide right-of-way (ROW) and a 32-foot curb-to-curb dimension. The narrow cross-section is intended to reduce traffic speeds in residential neighborhoods while providing on-street parking on both sides of the street. At intersections a small landscaped roundabout is intended as a traffic-calming device. The 16-foot wide sidewalks on either side will have generous planting strips and closely planted canopy street trees.

Mid-block lanes, not shown here, are designed with a narrower right-of-way dimension to create more intimately scaled environments.

Transit System

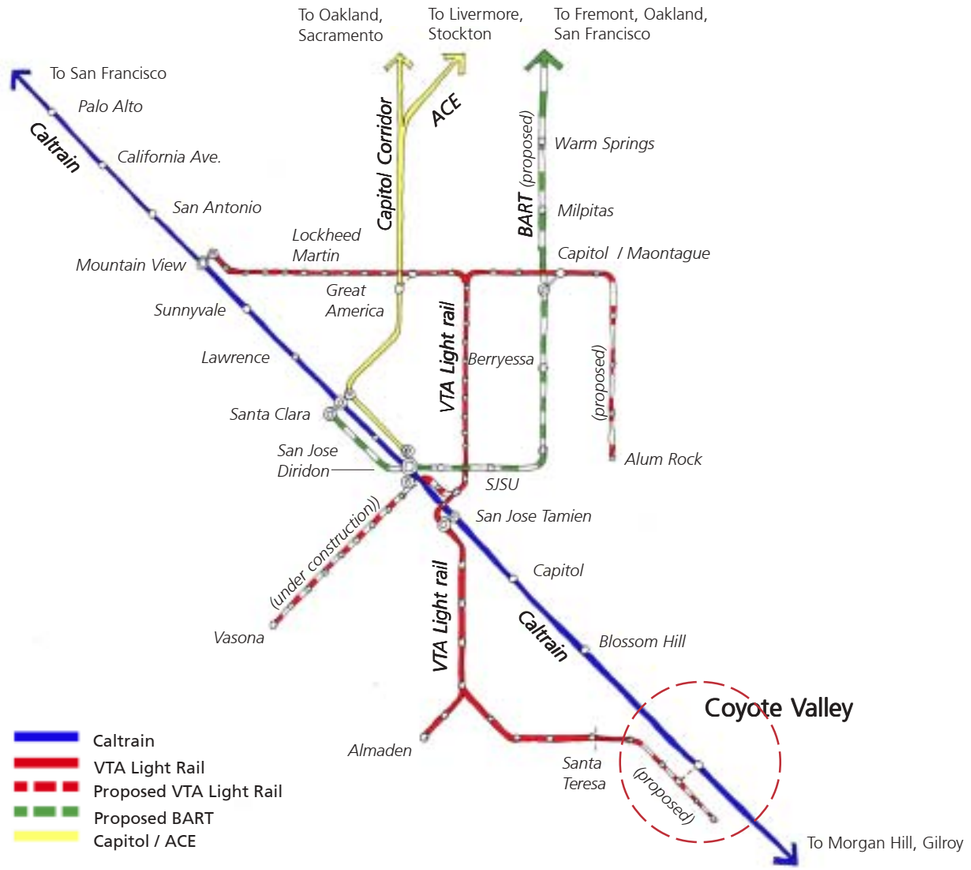
As previously noted, the circulation system for Coyote Valley incorporates a variety of transit systems, including commuter rail, bus rapid transit, and potentially light rail.

Commuter Rail

Caltrain provides commuter rail service between San Francisco and San Jose. Commute hour service is also provided between San Jose and Gilroy on the Southern Pacific Railroad line. Only four morning northbound and four afternoon southbound trains are offered between Gilroy and San Jose during commute hours. This is partly due to the fact that only single-track facilities exist between San Jose and Gilroy. No Caltrain stations are currently located in Coyote Valley. Despite the limited commute hour service currently provided between San Jose and Gilroy, the addition of a Caltrain station in Coyote Valley is an important part of the Vision. The Valley Transportation Authority's (VTA) Valley Transportation Plan 2020 includes significant service and operations upgrades for Caltrain, including electrification and double-tracking to Gilroy. These upgrades, which could begin in 2006 if funding is available, are likely to result in significant increases in ridership, particularly for San Jose-Gilroy commuters. The proposed location for the Coyote Valley station is one block south of Bailey Avenue on the southeastern edge of the Town Center commercial district. The station will become the focus for higher-density, mixed-use development in this portion of the Town Center.

Caltrain is expected to add a new station and tracks to enhance service.

Caltrain will provide one means of commuting to and from Coyote Valley.



Rapid Transit Service

Coyote Valley is an excellent location for establishing high-frequency rapid transit service connecting to VTA's existing transit network in San Jose. Such service in Coyote Valley is particularly important since only a portion of the Valley will be within easy walking distance of the proposed Caltrain station near Bailey Avenue, and Caltrain will serve primarily longer distance, regional commuters. Rapid transit will provide far greater service coverage from a primary transit spine along Santa Teresa Boulevard. This route will bring frequent rapid transit service to within one-half mile of the majority of residents and employees in Coyote Valley.

Two key requirements must be met if the transit spine along Santa Teresa Boulevard is to attract enough passengers to make it a reality: frequency and travel time. Fifteen-minute service throughout the day will be the minimum required to attract a large enough volume of riders and offer a choice of travel options. Service at 10-12 minute intervals is preferred, particularly at peak times. Since travel times will have to be competitive with the private automobile, a dedicated right-of-way and priority traffic signaling within the spine is necessary.

The Vision assumes that in the near term, ridership levels will not be high enough to justify the cost of providing rapid light rail transit (LRT) service to Coyote Valley. While the VTA's Valley Transportation Plan 2020 includes funding to study the extension of LRT to Coyote Valley, there is no guarantee such an extension will become a reality. However, bus rapid transit (BRT) provides an elegant solution by offering service levels, travel times, and passenger comfort comparable to those of light rail as well as additional flexibility. A segregated right-of-way, signal priority measures, pre-paid boarding, and wider stop spacing than regular bus service will minimize travel times. More importantly, the capital cost of BRT is likely to be less than half that of light rail and can be implemented far more quickly. This is particularly true if BRT is integrated into the design of a roadway from the outset. As such, the proposed design for Santa Teresa Boulevard includes a dedicated right-of-way in the median for BRT and will permit an upgrade to LRT should future ridership and funding permit.

Four rapid transit stations are proposed at 3/4-mile intervals along Santa Teresa Boulevard. Three of the stations will provide the focus for higher density mixed-use Neighborhood Centers, including one center north of Bailey Avenue and two south. The fourth station will be located at Bailey Avenue in the Town Center. These centers will integrate the rapid transit station as part of a vibrant and pedestrian-oriented place for working, shopping, and living. Pedestrian-oriented amenities

A dedicated Bus Rapid Transit (BRT) lane along Santa Teresa Boulevard will provide convenient near term transit service to Coyote Valley.

The dedicated BRT lane on Santa Teresa Boulevard can be easily converted to light rail as demand and economics permit.

could include public plazas and squares, water features and public art, landscaping, seating areas, convenience retail, and community services (e.g., day care, health care, etc.).

Local Transit Service

Local transit service is an essential component of the Coyote Valley transit system and is intended to complement the commuter rail and rapid transit components of the system. Two local bus loops are proposed. One loop will serve the Town Center and area north of Bailey Avenue, the other the Town Center and area to the south. These loops will provide service in both directions so that riders are not forced to make a long trip to reach a destination that is "behind them" on the route. A frequency of 10-15 minutes is preferable, at least during peak hours, and timed transfers should be provided for service between the Caltrain and Bailey Avenue rapid transit stations. The local service will place all residents and workers in Coyote Valley within easy walking distance of transit, including those who cannot afford or may not want an automobile.

Policy Recommendations

Establish a Coyote Valley Caltrain station one block south of Bailey Avenue that is integrated with the higher density mixed-use development associated with the Town Center.

• • • •

Provide grade separations at the Southern Pacific Railroad tracks for Bailey Avenue and Scheller Avenue, in a manner that optimizes development opportunities nearby and preserves pedestrian orientation.

• • • •

Extend rapid transit service to the town in a segregated right-of-way located in the median on Santa Teresa Boulevard. Implement bus rapid transit (BRT) as a cost effective and flexible system in the near term and reserve the potential to upgrade to light rail transit (LRT) if and when demand warrants it and funding permits.

• • • •

Provide four rapid transit stations located at 3/4-mile intervals along Santa Teresa Boulevard.

• • • •

Establish pedestrian-oriented Neighborhood Centers around rapid transit stations.

• • • •

Provide local transit service in the form of two bi-directional bus loops (one north of Bailey Avenue and one south) to ensure transit is within easy walking distance of all residents and employees.

• • • •

Provide 10-15 minute service intervals on local transit loops, particularly at peak times, with timed transfers for service between the Caltrain and the Bailey Avenue rapid transit station.

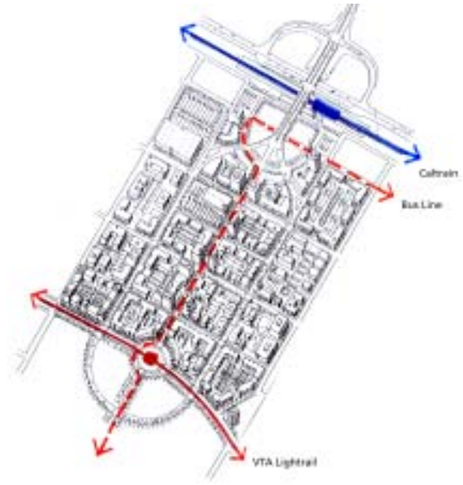
• • • •

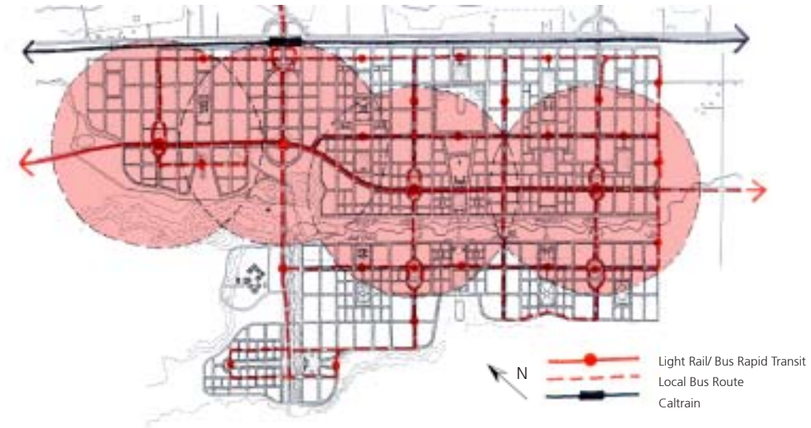
Establish 10-12 minute service intervals as the goal on the rapid transit line, particularly at peak times.

A comprehensive transit plan considers all modes of transportation - Caltrain, Bus Rapid Transit (BRT), Light Rail Transit (LRT), bikes and pedestrians.

The diagram to the right shows a bus line that connects Caltrain system with the Light Rail system.

The map below shows the proposed LRT alignment and how the station locations are pedestrian friendly. The circles indicate the areas accessible to each light rail station within a 15 minute walk.





Bicycle facilities need to be integrated with other transportation facilities.

Trail System

The circulation system in Coyote Valley incorporates a network of bicycle, pedestrian, and equestrian routes designed to accommodate both local and longer-distance trips.

Bicycle Routes

Cycling will be an important mode of transportation in Coyote Valley with the proposed street network providing a comprehensive network of on-street bicycle routes (i.e., bike lanes) with high connectivity. This network is supplemented by a system of off-street multi-use trails through park and open space areas. Altogether the bicycle system will provide a network that addresses the need of the full community in terms of function, experience, physical ability required, and scenic experience. Bike lanes will be provided on boulevards and some local streets providing experienced riders, particularly commuters, with the most direct routes through the Valley. On Santa Teresa Boulevard, cyclists will use the slow-speed side lanes in each direction—striped bike lanes will not be necessary. While local and minor streets are, for the most part, not striped, these streets provide less experienced riders, particularly children, the opportunity to get around easily between home, school, and the park on less-traveled routes. Where streets are interrupted by urban parks, bicycle routes will continue straight through.

The park and open space network in Coyote Valley also provides important off-street facilities for recreational cyclists. Within the town, paved bike paths that are separated from street are provided along the Fisher Creek, Bailey Avenue and Palm Avenue greenways, as well as Monterey Highway to accommodate both north-south and east-west travel. Several connections are also provided to the Coyote Creek Parkway that will link Coyote Valley to San Jose and Morgan Hill. These connections are located at existing entrances to the Parkway, including at Coyote Ranch Road, Riverside Drive (Sycamore Rest Area), and the Eucalyptus Rest Area just south of Ogier Road.

Pedestrian Routes

The park and open space network will provide significant opportunities for pedestrians to move within the urban and open space areas. This off-road system is integrated with the street system to allow people to walk throughout the Valley with minimal conflict with vehicular traffic. The Fisher Creek, Bailey Avenue, and Palm Avenue Greenways each include multi-use trails that will provide connections to surrounding parkland and open space areas. Trail connections to the 15-mile long Coyote Creek Parkway, Santa Teresa County Park to the north, and Calero County Park also will be provided.

Equestrian Routes

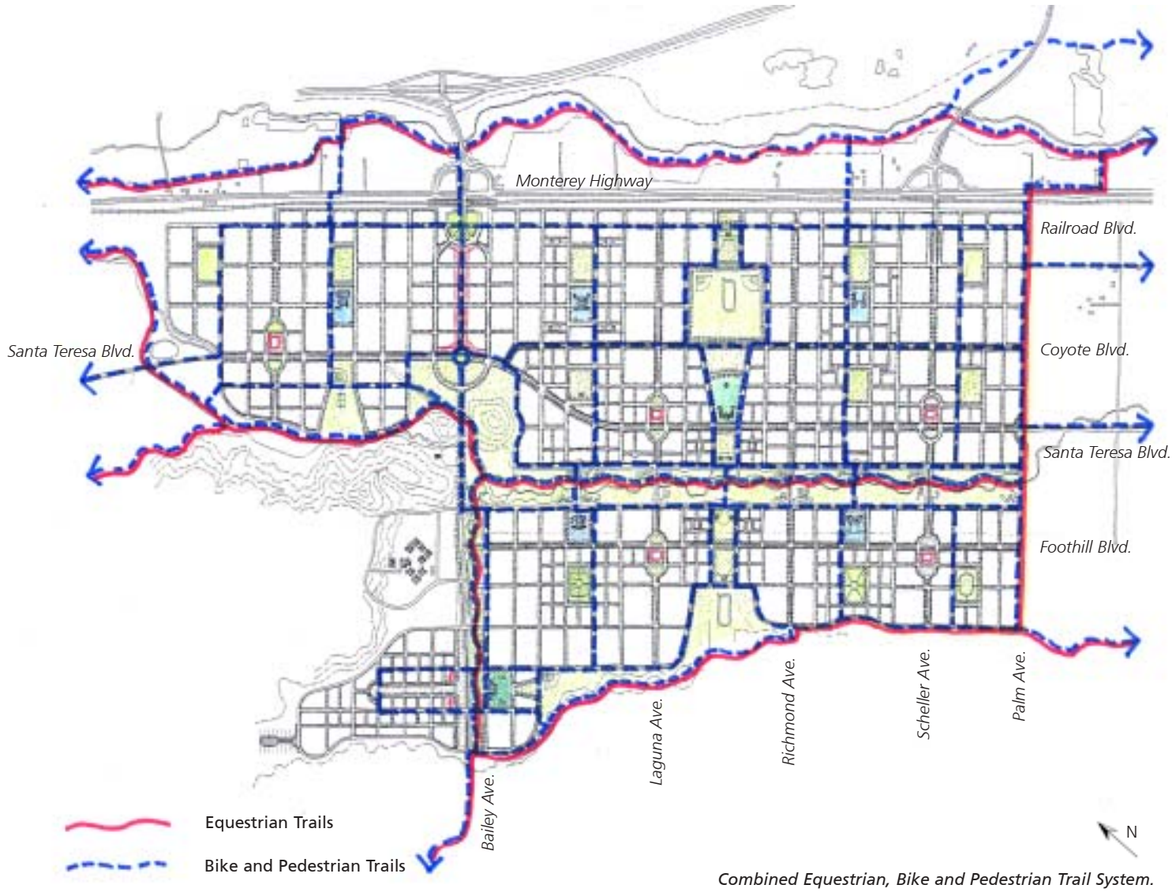
Equestrian facilities in the vicinity of Coyote Valley are currently provided in the Coyote Creek Parkway and Santa Teresa County Park. An equestrian trail extends more than 6.5 miles south from the Coyote Ranch Road area through the Parkway to an equestrian staging facility at Burnett Avenue just east of Highway 101 at the Walnut Rest Area. At Santa Teresa County Park, facilities include an equestrian staging area, corral, and 14 miles of unpaved multi-use trails. The Vision expands the opportunities for equestrian use by incorporating equestrian trail facilities into the Fisher Creek, Bailey Avenue, and Palm Avenue greenways and linking these trails to existing and proposed trail systems in the adjoining areas. These dirt surface trails will parallel the paved multi-use paths provided in the greenways.

Policy Recommendations

Provide a comprehensive bicycle network that includes on-street bike lanes on major routes in the urban area, off-street paved multi-use paths through the greenway system, and connections to regional trail facilities in surrounding parkland and open space areas.

• • • •

Provide a pedestrian and equestrian trail network in the greenway system that connects to surrounding parkland and open space areas, including County trail and equestrian facilities at Coyote Creek Parkway, Santa Teresa Park, and Calero Reservoir. Dirt surfaced, equestrian trails will parallel the paved multi-use paths.



Combined Equestrian, Bike and Pedestrian Trail System.

Transportation Demand Management (TDM)

Transportation Demand Management (TDM) is an integral component of the circulation system proposed for Coyote Valley. Besides helping greatly to reduce the traffic impacts of Coyote Valley on the surrounding regional roadways, TDM will be critical to achieving several key goals, including:

- Land use patterns that are defined by buildings and open spaces, rather than surface parking lots;
- Streets that are welcoming not just to cars, but to bicyclists and pedestrians;
- Shifting infrastructure costs from oversized streets, parking structures and other auto facilities into high-quality urban amenities; and
- Improved air and water quality, safety, and social equity.

The TDM program proposed for Coyote Valley is based on other innovative programs in Santa Clara County, including those at NASA Research Park and Stanford University. These locations generate between 25 and 35 percent fewer automobile trips than neighboring employment centers due to their TDM programs. At NASA Research Park, tenants are required to make the true cost of parking visible to commuters in the form of parking charges or parking cash-out. Under the parking cash-out program, the employer provides free parking to employees who drive, but also pays the cash value of that parking to employees who do not drive in the form of free transit passes, taxable cash or other benefits. Tenants at NASA Research Park have also been required to form a Transportation Management Association (TMA) which provides free transit passes, carpool matching, extensive shuttle program, and other services. Tenants benefit by saving on parking construction costs and by offering their employees an attractive, pedestrian-oriented campus unlike most of their Silicon Valley neighbors.

At Stanford University, the institution operates under a General Use Permit Agreement with Santa Clara County that has allowed up to five million square feet of development since 1989, but required the campus to maintain its peak period auto trips at 1989 levels. To remain in compliance with the permit, Stanford offers a partial parking cash-out program, extensive shuttle services and free regional transit passes to its employees.

The Coyote Valley TDM Program

The Vision incorporates the following elements of a comprehensive TDM program that will reduce peak period auto trips by more than 30 percent.

- Parking pricing is the most effective, economically efficient and equitable element of TDM. By removing steep subsidies for the car, parking pricing can help create

an effective market for a full array of transportation choices. Based on Silicon Valley land prices, the actual price of surface parking starts at $2,000 per year, with structured parking slightly lower despite the typical per-space construction cost of $30,000. To be most effective, parking fees should be charged by the day or hour—with no discount rate for monthly or annual permits—giving employees an incentive to leave their cars at home.

- Parking Cash-out allows employers to avoid the employee retention problems of parking charges while still achieving the effectiveness and fairness of parking fees. Parking cash-out programs treat transportation as an employee benefit and subsidize employee commutes by the same amount regardless of how employees choose to get to work. Employees who drive get free parking, employees who take transit get free transit passes plus some taxable cash, and employees who walk or bike get the full value of parking in the form of taxable cash.
- Ridesharing, including both carpooling and vanpooling, is a critically important program in low-density Santa Clara County where most residents cannot reasonably take transit or bike to work. Where parking pricing or cash-out programs are offered in suburban areas, carpooling usually takes the largest share of the resulting mode shift. To make ridesharing work, online ridematching services should be offered in coordination with RIDES for Bay Area Commuters program, along with preferential parking.
- Transit passes provide a strong incentive for employees to try taking transit to work, and they should be offered for both Caltrain and VTA services.
- Shuttles and other feeder transit are important for distributing commuters within Coyote Valley, particularly between the Caltrain station and the rapid transit bus line on Santa Teresa Boulevard. They should be provided free to all users.
- Alternative work schedules and telecommuting are increasingly popular in Silicon Valley not only to reduce peak period traffic but also to improve overall employee morale.
- Carsharing is a highly effective tool to reduce auto ownership, especially to allow two-car households to become one-car households. By providing hourly neighborhood rental cars for Coyote Valley residents, cars are also made available for employees who need to run errands during the day.
- Guaranteed Ride Home programs offer an insurance policy for all commuters who leave their cars at home. In the event of a emergency or unexpected schedule change, Coyote Valley should offer free taxi rides or rental cars to stranded employees.
- Bicycle facilities, such as secure bike parking, good bicycle routes, clothes lockers and showers, are all important for encouraging biking to work.

For more detail on TDM programs and opportunities, refer to Appendix B.

Policy Recommendations

Transportation Demand Management Program

Implement a comprehensive Transportation Demand Management (TDM) program to reduce vehicle trips, particularly during commute hours. Such a program could include:

- *Parking pricing to encourage the use of other commute modes and promote an effective market for a range of transportation choices;*
- *Parking cash-outs whereby transportation is an employee benefit with commutes subsidized by the same value regardless of the commute mode;*
- *Ridesharing such as carpooling and vanpooling and including a ridematching service in conjunction with the RIDES for Bay Area Commuters program;*
- *Transit passes for employees on both VTA and Caltrain systems;*
- *Shuttles to distribute commuters between Caltrain and rapid transit stations to major employment centers;*
- *Alternate work schedules and telecommuting;*
- *Carsharing including hourly rentals for residents and for employees who need to run errands during the day;*
- *Guaranteed ride home program for employees in the event of a personal emergency or unexpected schedule change; and*
- *Bicycle facilities in employment centers such as secure parking, showers, and change facilities.*

Coyote Valley Parking Program

- *Establish, as part of the development approval process in Coyote Valley, a measure for determining the grounds for approval based on parking demand, such as average vehicle ridership, mode split, vehicle trip limits, or maximum parking ratio.*
- *Establish an independent Transportation Management Agency (TMA) to manage parking supply and improve transportation access in Coyote Valley.*
- *Fund TMA efforts by requiring parking impact fees for new development in Coyote Valley based on the market rate of parking construction.*
- *Determine parking supply based on expected trip reductions by the Transportation Demand Management (TDM) program and opportunities for shared parking*
- *Prohibit discount pricing on long-term or more frequent parking.*
- *Require a cash-out or transportation allowance program for any employer that subsidizes parking for employees.*
- *Require residential owners and renters to pay for parking separately from their unit cost.*
- *Provide on-street parking in Coyote Valley as a means of reducing the land area allocated to parking, buffering pedestrians from adjacent traffic, and providing convenient front door access along retail streets.*

V. TOWN STRUCTURE

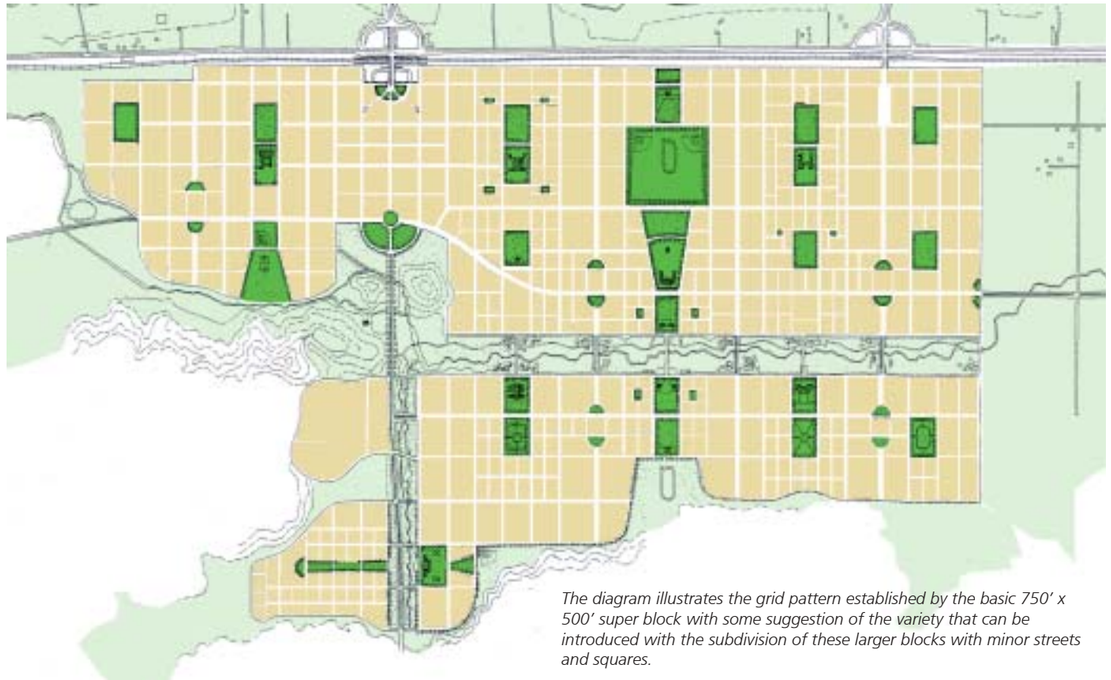
As described in the preceding sections, the proposed design for the new town grows from the natural and built conditions of the existing site. The town is organized around a framework of open spaces and a grid of streets, boulevards, squares, and parks. The urban area of the proposed town occupies the land to the west of Monterey Highway and the existing Caltrain line, and is bisected by Bailey Avenue and Santa Teresa Boulevard.

The boundary of the urban area is shaped by the foothills to the east, west, and north. To the south, Palm Avenue marks the boundary between the developed land and the Coyote Food Belt.

Coyote and Fisher Creeks, which flow north through the valley, form natural corridors that will remain as important amenities and will continue to function as part of the flood management and park systems.

Coyote Creek, the larger of the two, retains its existing alignment as part of an agricultural and natural parkland corridor east of the town. Fisher Creek will be partially realigned and reconfigured to create an enhanced natural open space corridor and flood management channel running north-south through the town.

The combination of natural creeks and more formally landscaped parks is used to organize the town plan into four quadrants. The east-west Central/ Foothills corridor park bisects the north-south Fisher Creek corriodor.



The diagram illustrates the grid pattern established by the basic 750' x 500' super block with some suggestion of the variety that can be introduced with the subdivision of these larger blocks with minor streets and squares.

A. Neighborhood Elements – Blocks and Squares

The interconnected street grid that gives structure to the town further subdivides land bounded by an existing framework of regional and agricultural roads. The basic unit of this subdivision is a large super block measuring 750 feet by 500 feet. These blocks, which are approximately 7 acres in size, are suitable for development by a single office or industrial user. However, for residential and most commercial uses, a further subdivision into smaller urban blocks, as shown on the accompanying illustration, is more appropriate. These smaller blocks are similar in size to those in older American cities and are supportive of pedestrian-scaled streets and walkable neighborhoods. Small blocks, dispersed traffic, and walkability go hand in hand.

Small parks are distributed throughout the residential and mixed-use fabric of the new town. These parks function as town squares or town greens within the grid of streets. They provide accessible open space at the heart of each neighborhood and give identity and desirable address to the buildings that face them and define their edges.

As noted, the basic block size is based on the underlying 750- by 500-foot grid dimensions that underlay the existing field and road pattern within Coyote Valley. This block has a 3:2 length-to-width ratio that is similar to those found in many California cities. With street rights-of-way removed, the net block size (i.e., developable area within the street framework) is reduced to 680 feet by 430 feet, or an area of 6.7 acres. This block size forms the basic building block of the town plan and is capable of many variations in terms of subdivision. The diagrams to the right show nine different ways of subdividing a typical super block. Subdivision of the block should be mandatory for residential development, although the actual location of mid-block lanes can be left to the developers of super blocks.

Several of the adjacent diagrams show the introduction of mid-block squares. These open space areas are similar in character to those found in Savannah, Georgia, Grammercy Park in New York, or South Park in San Francisco. They provide an oasis of greenery within the block and a focal point for the surrounding neighborhood.

Policy Recommendations

• • • •

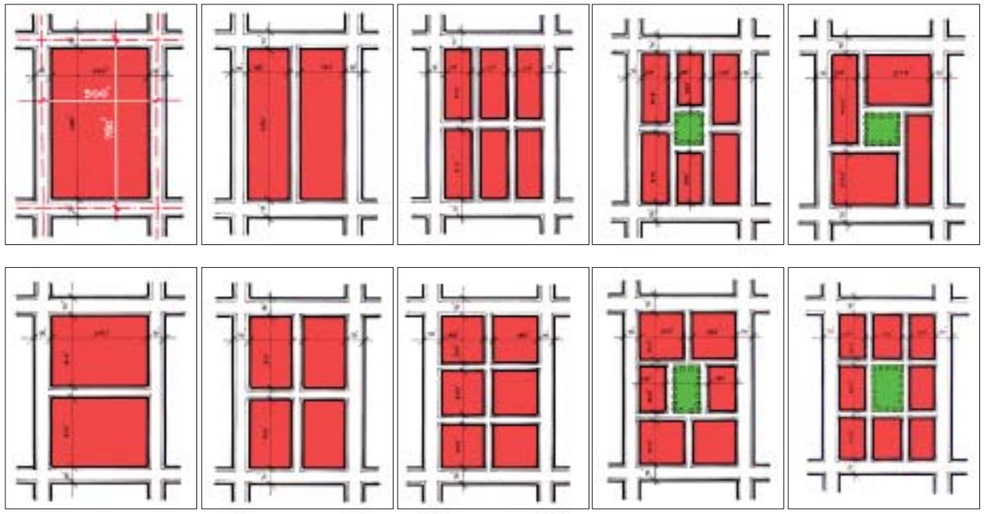
Provide a gridded network of streets based on a 750-foot by 500-foot block size to accommodate larger development formats while requiring subdivision into a more fine-grained development pattern of blocks and squares for most uses, but particularly residential.

• • • •

Require residential developers to subdivide super blocks, providing at least one mid-block minor street.

• • • •

Require the submittal of a plan for minor streets as a condition of development approval and the construction of at least one minor street prior to the occupancy of the first building permitted on a particular block.



The basic 750'x 500' block can be subdivided in numerous ways to add to the variety and pedestrian scale of the town.

South Park, San Francisco | *Savannah, Georgia* | *Gramercy Park, NewYork*

These three diagrams show how the pattern of blocks and squares have been used in other communities to create distinctive urban neighborhoods.

B. Height Map

The height of buildings in neighborhoods and the clustering of tall buildings in designated areas are important parts of the new town's urban structure. To prevent patterns of low-density sprawl from becoming established in Coyote Valley, most areas have minimum heights for structures. It is important, however, that these minimum heights not attempt to concentrate development so aggressively that the controls simply drive development to more outlying and less regulated land. In the Town Center particularly, it is appropriate for there to be lower minimum height limits on catalytic development sites during an interim period to encourage establishment of the Town Center before market conditions support a true high-rise cluster.

Rather than establishing rigid maximum height limits, the Vision recommends that districts be defined with prevailing heights. Generally, prevailing heights identify the maximum building height considered appropriate for an area given its location and use characteristics, but do not represent fixed limits. Individual building projects can exceed designated prevailing heights as long as the project is consistent with the character of surrounding buildings. No prevailing height is identified for the Town Center. It is desirable for the central core of the Town Center along Bailey Avenue to contain tall buildings. A dense concentration of development in the Town Center supports active pedestrian life in the town core, conserves land, and accommodates the City's proposed development program. It also concentrates population in the area best served by transit and gives focus and identity to the community as a whole. Finally, it provides development opportunities that are rare in the Bay Area for major employers to have prominent and highly identifiable signature buildings. For many of the same reasons, smaller concentrations of mid-rise buildings are appropriate at each of the Neighborhood Centers.

As illustrated in the accompanying diagram, the prevailing heights in the Neighborhood Centers and around the periphery of the Town Center will generally result in buildings in the 4- to 8-story range. Areas along the Santa Teresa Boulevard transit spine will generally result in buildings in the 3- to 5-story range. The balance of the town will generally be characterized by buildings in the 2- to 3-story range.

**Minimum building height in catalytic development sites is 35'.*

C. Density

The density map shown here is the corollary to the height map shown in the previous discussion. It shows the desired distribution of development throughout the community and the points of concentration at the Town Center and Neighborhood Centers. The Vision stipulates minimum densities to prevent patterns of low-density sprawl from becoming established in the Valley. No maximum densities are proposed, since providing more development on less land supports the goals of the Vision. Providing for light, air, open space and appropriate relationships with neighboring buildings and streets should be controlled through detailed design guidelines, not indirectly through density limits.

Housing densities in residential and mixed-use districts have been established to serve two important goals: affordable family housing should be distributed throughout the community, and affordable family housing is best provided with densities in the 25 to 35 units per acre range. For people without families (e.g., young singles, retirees, those in assisted living situations, etc.) housing densities can be higher while still maximizing affordability, since living units can be smaller. The goal of providing a range of housing types that appeal to the diversity of people who work in the Valley demands that some areas not be developed as high-density apartments or condominiums. A limited number of sites are therefore classified with a density of 10 to 20 dwelling units per acre.

Policy Recommendations

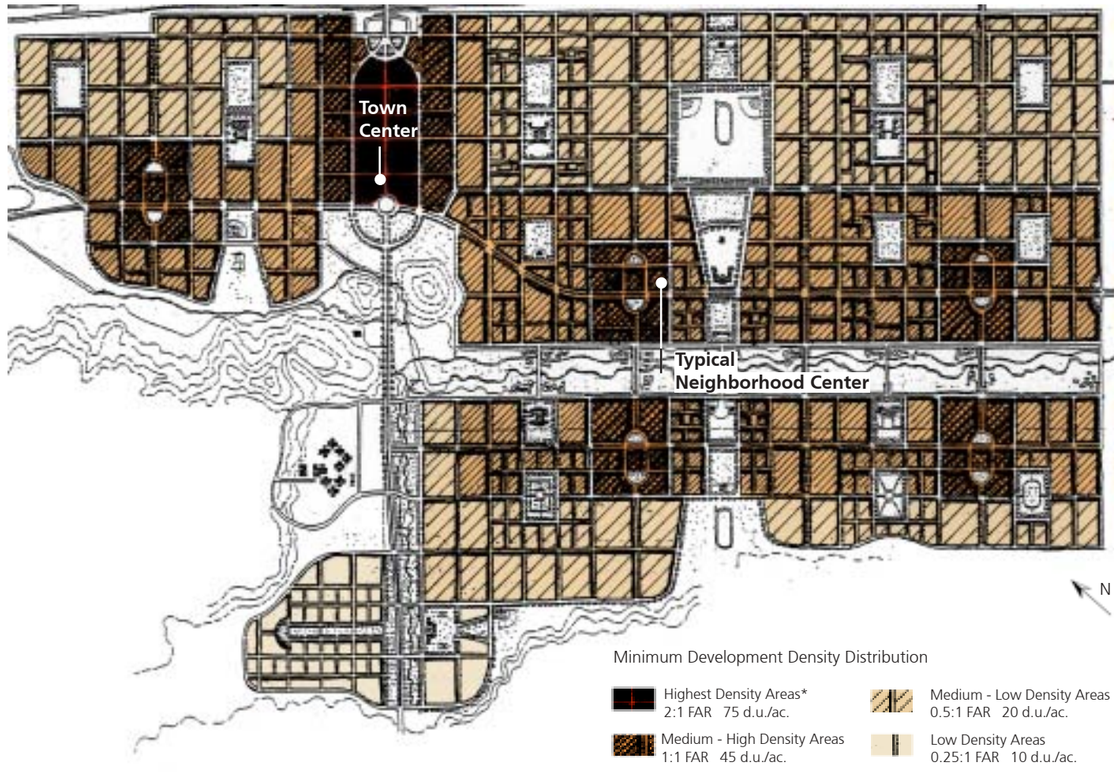
Establish minimum building height limits for the Town Center, Neighborhood Centers, and neighborhoods to discourage low-density sprawl, encourage compact development, and protect existing views.

• • • •

Establish minimum development densities for the Town Center, Neighborhood Centers, and neighborhoods to discourage low-density sprawl and encourage compact development.

• • • •

To jump-start development in the Town Center, permit a limited amount of development with lower densities and prevailing heights on catalytic development sites until market conditions support the true densities envisioned.



D. Town Center

The size of the proposed development program, its distance from other established centers, and the scale of the Valley itself suggest that Coyote Valley needs a true mixed-use Town Center. The residential population of the Coyote community and its workforce population will be comparable to that of Mountain View, Redwood City, or San Leandro. The distances from central Coyote Valley to downtown San José and to Morgan Hill are comparable to that from Menlo Park to downtown Palo Alto or San Mateo to Burlingame. More than any other feature, the early establishment of the Town Center will give Coyote Valley a sense of place and of community that will prevent it from becoming simply featureless and centerless sprawl on the fringe of San José.

Automobile Access and the Pedestrian Environment

The establishment of a true Town Center in Coyote Valley requires purposeful strategies to address two difficult issues. First, the merchants and employers of the Town Center will require regional automobile access, even if the center is well served by public transit. Regional arterial roads capable of carrying the traffic volumes required tend not to be supportive of the pedestrian environment of a Town Center. No one is likely to propose replication of environments such as San José's San Tomas Expressway or Stevens Creek Boulevard as the centerpiece of the new Coyote Valley community. Such environments are, however, an automatic by-product of commercial zoning combined with the concentration of regional traffic on wide arterials.

The Vision looks to the highly successful model of downtown Palo Alto as an alternative to these unattractive places. Downtown Palo Alto has a remarkable similarity in scale to Coyote Valley, and in the physical relationship between the main retail district, the freeway, and Caltrain. Large volumes of regional traffic daily move through downtown Palo Alto on University Avenue, which provides a direct connection between Stanford University and Highway 101. University Avenue, which is a two-lane and two-way street, is flanked by the couplet of Lyton and Hamilton Avenues. These three streets work together to effectively distribute both regional and local traffic while maintaining a scale that is compatible with a pedestrian district. Short blocks, relatively continuous street frontages, and ample parking, most of which is concealed in the middles of blocks, contribute to the success of this district.

The Coyote Valley Town Center closely follows Palo Alto's example. Bailey Avenue will be a two-lane, two-way street that functions as the main street of the new Town Center. Bailey Avenue will be supplemented by two new streets: a one-way westbound street one block to the north, and a one-way eastbound street one block to the south. The three streets are integrated into a downtown street environment that encourages walking trips and supports a pedestrian-oriented retail district. The mixed-use building typologies shown later in this chapter illustrate how parking can be accommodated in mid-blocks while continuous street frontages support a lively downtown.

Phasing of Development

A second critical issue the Town Center will face is phasing, the fatal flaw of many well-intentioned and otherwise well-conceived plans. It is appropriate and logical that the Town Center, which has the best regional access for automobiles and public transit within the new community, should house the highest concentration of employment and the highest-density residential buildings. Typically, however, older town centers have achieved their urban and transit-supporting densities only after generations of building and rebuilding.

The Town Center is structured on a triad of streets that will accommodate high volumes of east-west traffic while preserving a safe and attractive pedestrian environment. Public transit anchors the Town Center with the Caltrain station at the east end and a BRT/LRT station at the west end.

In Coyote Valley, which is about to change abruptly from rural to urban, the market does not exist initially for the high-density buildings envisioned for the urban core, yet it is essential to establish the Town Center at the outset to give focus, cohesion, and identity to the new community. This contradiction can be overcome by the designation of a limited number of catalytic development sites in the Town Center, and potentially in the Neighborhood Centers as well.

The catalytic sites are intended to jump start development of the Town Center before the community is able to attract high-rise office towers or residential development of the highest densities. These sites are strategically located on or near Bailey and close to the transit stop at Santa Teresa Boulevard and the Caltrain station south of Bailey Avenue. They are also sites that are closest to existing utility infrastructure. During the early years, lower density commercial and residential development will be permitted on these sites.

Accessible utilities, automobile and transit access, and building densities that match market demand and current development economics encourage the early establishment of the Town Center and also help create the market conditions that will ultimately support appropriate higher density projects. This set of controls mimics the market dynamics that typically create vibrant town centers over long periods. It is appropriate that these lower density development rights be "sunsetted" or phased out as the Town Center matures so that the development potential is not lost to low-density development.

Policy Recommendations

Establish the Town Center on a triad of streets including one-way couplets to carry through-traffic and a two-way "main street" to carry local traffic.

• • • • •

Establish the Town Center as a pedestrian- and transit-oriented urban core where the highest density of mixed-uses is located.

• • • •

Locate buildings at the sidewalk to establish a consistent street wall.

• • • •

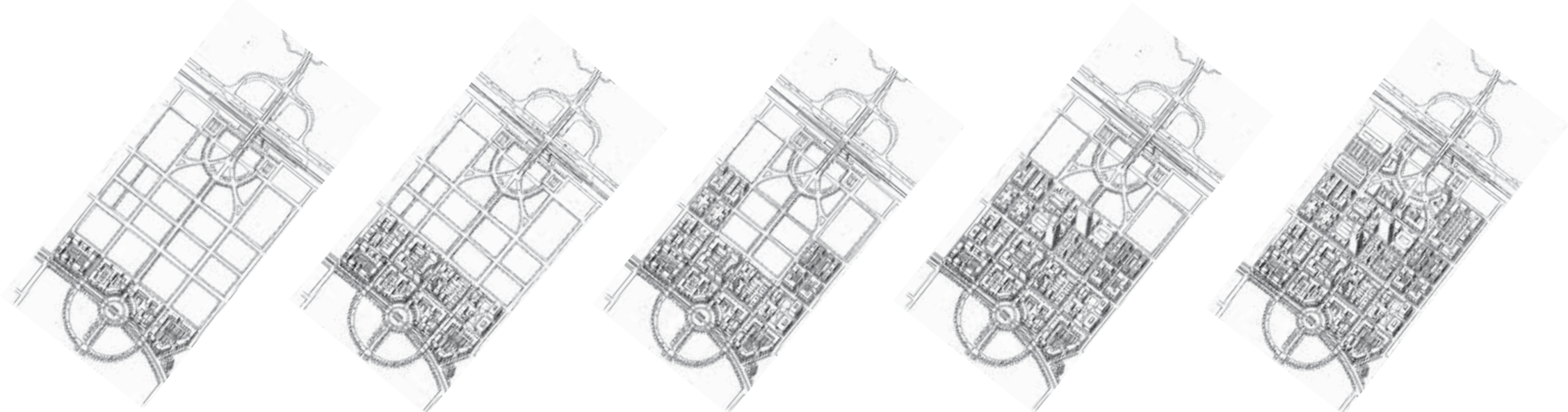
Locate off-street parking in parking structures and behind street-fronting buildings.

• • • •

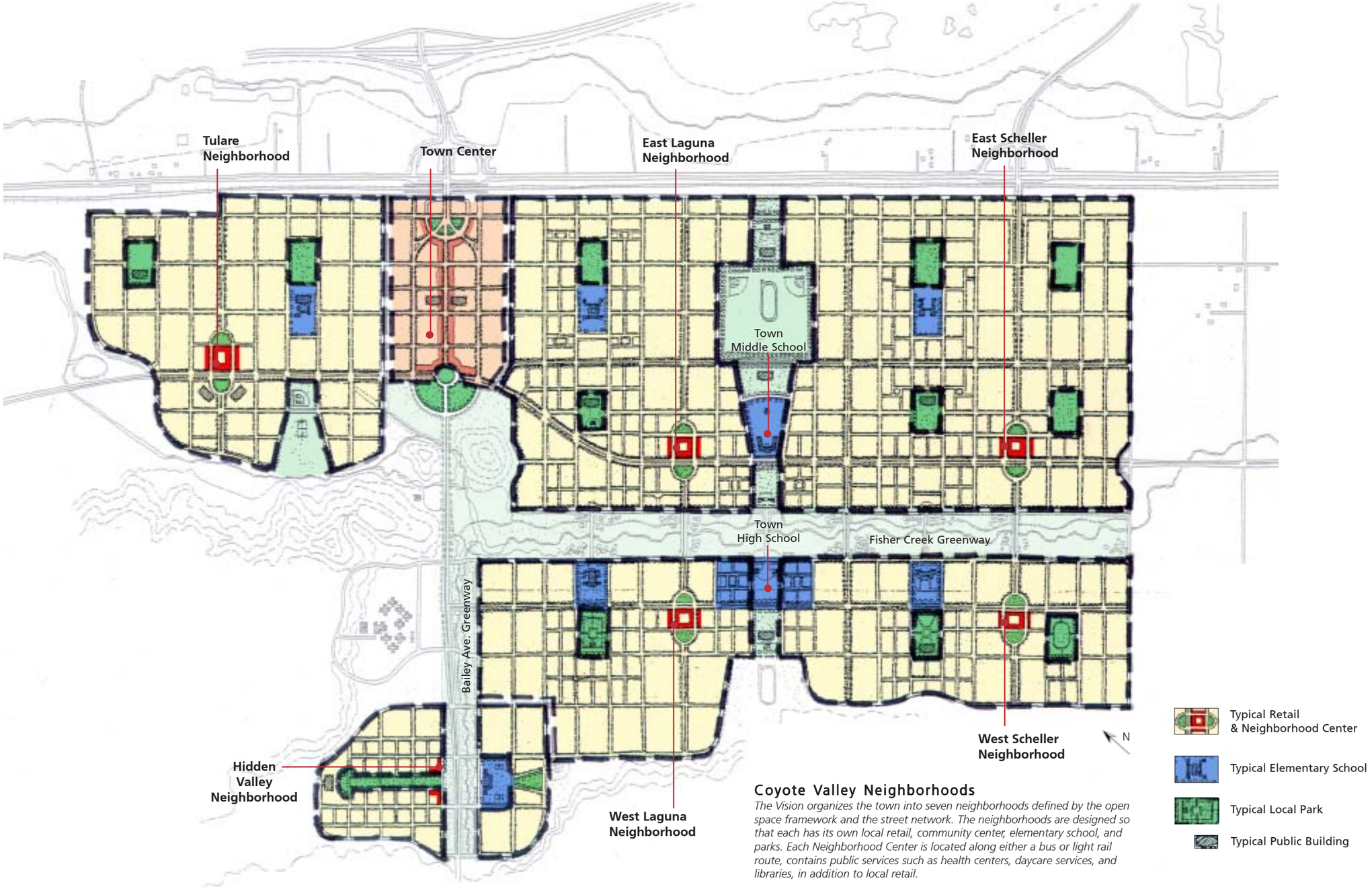
Locate pedestrian-generating uses, such as retail, with transparent storefronts at the street level to encourage pedestrian activity.

• • • •

Provide pedestrian amenities, such as squares, plazas, public art, transit shelters, information kiosks, and landscaping.



This set of diagrams illustrates how growth in the Town Center might be initiated at designated catalytic development sites near Bailey Avenue and Santa Teresa Boulevard, with higher density development of the core occurring in a later phase.

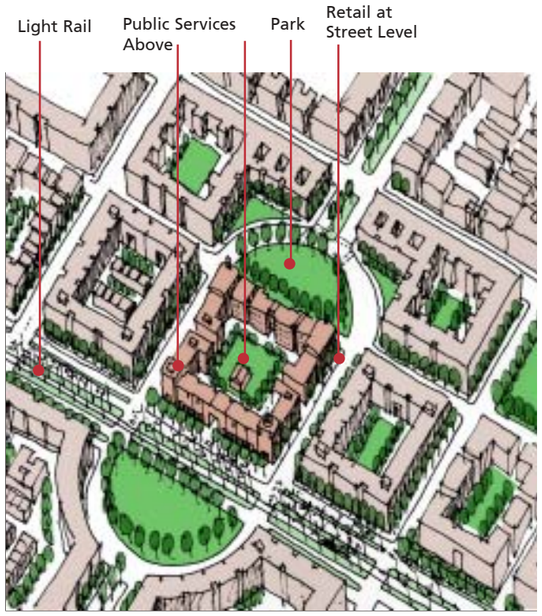


Coyote Valley Neighborhoods

The Vision organizes the town into seven neighborhoods defined by the open space framework and the street network. The neighborhoods are designed so that each has its own local retail, community center, elementary school, and parks. Each Neighborhood Center is located along either a bus or light rail route, contains public services such as health centers, daycare services, and libraries, in addition to local retail.

E. Neighborhood Centers

In addition to the Town Center, which serves the entire community, each neighborhood of 10,000 to 12,000 residents needs a commercial center that is designed to provide a limited amount of convenience retail and community services within walking distance of residents. The retail will also need to be accessible and visible to regional auto traffic and public transit to be sustainable. The Neighborhood Centers shown on the adjacent map have been strategically located to achieve each of these goals. Each of the centers is located on a transit line and at least one boulevard. The centers also follow the model of the Town Center and divide arterial traffic into two small one-way streets to provide an appropriately scaled pedestrian environment.



Each Neighborhood Center contains a dense mix of public and private uses such as independent retail stores, a health center, a post office, a community meeting space, and a childcare and senior center.

Policy Recommendations

Establish Neighborhood Centers as pedestrian- and transit-oriented villages meeting the daily service needs of the surrounding residents.

• • • •

Establish transit as an integral means of accessing Neighborhood Centers by creating a transit station in each center.

• • • •

Locate buildings at the sidewalk to establish a consistent street wall, and require the majority of these street walls to have transparent storefronts.

• • • •

Locate off-street parking in parking structures or behind street-fronting buildings.

• • • •

Locate pedestrian-generating uses, such as retail, at street level to encourage pedestrian activity.

• • • •

Provide pedestrian amenities, such as squares, plazas, public art, transit shelters, information kiosks, seating areas, landscaping, and weather protection, to enhance and encourage pedestrian activity.

Neighborhood Center of East Scheller

F. Schools

The National Center for Environmental Health has produced alarming data that shows how urgently the nation's standards for school design are in need of reform. Obesity, diabetes, hyper-activity and chronic depression are at epidemic levels among American school children. Epidemiologists link these diseases to lack of physical activity, poor diet, and indoor environments without daylight. Schools that children cannot walk or bike to, schools supported by their contracts with fast food purveyors, and the appalling invention of the windowless classroom are culpable in the calamitous state of our children's health. No responsible plan for Coyote Valley can fail to address these issues.

All schools in the Coyote Valley Vision have been sited to be centrally located to those they serve and to ensure convenient access from the surrounding neighborhoods. Elementary schools are in the neighborhood they serve. The middle school and high school are located on the network of community and regional parks that weave through the community, as well as near transit. The parks not only provide opportunities for recreational physical activity; they also provide safe and convenient pedestrian and bicycle routes from home to school.

Since Coyote Valley is in the Morgan Hill Unified School District, the Vision assumes the District's capacity standards for elementary (550 students), middle (750 students), and high schools (1,250 students). However, given the urban character envisioned for Coyote Valley, urban acreage standards (i.e., 7 acres for elementary, 14 acres for middle, and 20 acres for high school) are considered more appropriate than the State acreage standards normally used by the Morgan Hill District (i.e., 10 acres for elementary, 20 acres for middle, and 40 acres for high school).

Smaller school sites are used in part because the Vision assumes joint use of parklands by the schools to address their open space needs. Joint use of public parkland by the school district will require reasonable arrangements for the security of school children and a level of cooperation and joint effort between agencies that value their autonomy. Given the state of children's health, it seems a small price to pay.

Although Coyote Valley students could be accommodated by the planned high school capacity within the Morgan Hill School District, it is both desirable and appropriate for Coyote Valley to have its own high school, and not depend on the remote Sobrato High School planned for Morgan Hill. Consistent with the goals of compactness and walkability, the high school site is centrally located within the community and occupies only half the 40-acre standard suggested by the State. A model for the kind of high school envisioned are the handsome urban high schools built in San Francisco in the 1920s and 1930s. Galileo High School depicted here is an example. It is a high-density building complex of enduring dignity, fully integrated with a vibrant mixed-use neighborhood, and a centerpiece for the surrounding community. Such a school in Coyote Valley can serve many valuable civic functions, including community use of the high school's gym, performance spaces, assembly rooms, and sports facilities.

Elementary Schools are generally located adjacent to a neighborhood park.

Rosa Parks Elementary School, Berkeley, CA

The Middle School has been centrally located along the east-west and north-south open space corridors.

Galileo High School, San Francisco, CA

G. Public Buildings

Like the schools, public buildings in Coyote Valley are strategically located on sites that make them the focus of community and neighborhood life. Public buildings like post offices, fire stations, and health clinics should be located in the Neighborhood Centers, wherever possible on sites that are given special status by the configuration of streets or parks. It is essential for the coherence of the community that the location of important public functions not be simply a residual of private development transactions, but that sites be carefully considered and secured in advance.

Other public facilities, such as libraries and community centers, will be incorporated into the fabric of the Town Center, Neighborhood Centers, and community parks per City of San José standards. The population of the new town will require at least 22,000 square feet of library space that can be provided in two large or three smaller facilities. Suitable locations for two large facilities include the transit station area at the west end of the Town Center or the Central Park in the vicinity of the middle school. Three smaller facilities could be located at each of the Neighborhood Centers along Santa Teresa Boulevard.

The new town will require at least 40,000 square feet of new community center space in facilities that range from 5,000 to 10,000 square feet. One facility should be located at each of the three community parks. Ideally, a large facility would be co-located with a library in Central Park. Smaller facilities could be co-located in the neighborhood parks that are shared with school sites or integrated into each of the Neighborhood Centers to take advantage of transit access.

Libraries and community centers can be located in Neighborhood Centers or in local parks.

Public buildings like post offices, fire stations, and health clinics should be located in the Neighborhood Centers.

Albany Library & Community Center, Albany, CA

Post Office, Berkeley, CA

Policy Recommendations

SCHOOLS

Locate schools, parks, and other public facilities together to create a focal point for neighborhood life.

• • • •

Encourage the joint use of public parks by schools to support a more compact and pedestrian-oriented community.

• • • •

Provide a higher-density, urban-style high school, such as Galileo High School in San Francisco, to serve as an educational and civic center for the community.

• • • •

PUBLIC BUILDINGS

Locate public buildings and uses, such as post offices, government services, medical clinics, and daycare facilities, in Neighborhood Centers and adjacent to transit to ensure convenient access and signify their importance to community life.

Site public buildings at the terminus of street corridors or facing parks and public squares.

• • • •

Prepare a Community Service Plan to ensure adequate phasing and implementation of the range of local services necessary for those living and working in Coyote Valley as it grows.

H. Residential Use Districts

The Vision provides for varied residential districts that will create a wide range of housing choice and allow for the integration of affordable housing throughout the community. This range of housing choices is intended to make living in Coyote Valley attractive to the variety of people who will work there, thereby minimizing commuting. It also has the purpose of creating a diverse and therefore more interesting community. All residential building types will be subject to design guidelines that make them supportive of pedestrian-oriented neighborhoods.

The Vision assumes that the mix of housing in Coyote Valley will range in densities from a minimum density of 10 dwelling units per acre to upward of 100 dwelling units per acre. The assumption is that a relatively small portion of the Valley would be allowed to develop at the minimum density, and that the majority of the units would probably be in the 25 to 35 dwelling units per acre range where construction costs are most in line with affordability objectives and the likely near-term market. In order to achieve the City's target of 25,000 housing units, the Vision projects an average density of 28 dwelling units per acre for the new community.

Policy Recommendations

. . . .

Provide a mix of housing types that appeal to a range of income levels, life stages, and lifestyles.

. . . .

Require at least 20 percent of all residential units to be affordable.

. . . .

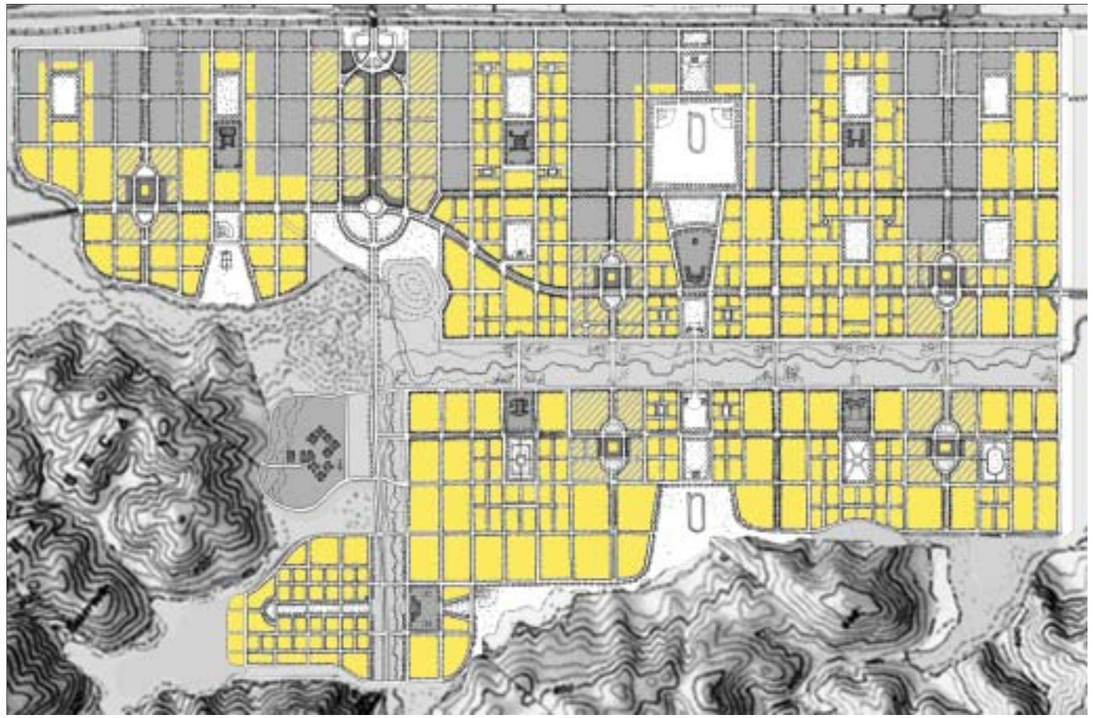
Require parking for detached units to be located in the side yard or the rear.

. . . .

Require parking for attached units to be located in rear with alley access.

. . . .

Provide accessory units with alley access.



Map of Residential Use Districts

Residential: Low-Density

These two house types represent the lowest densities to be found in Coyote Valley.

- Residential Density: 10–15 Dwelling Units/Acre (DU/AC)
- Building Types: Detached and
  Semi-Detached with Secondary Units
- Parking Types:
  Private Garage
  Alley Garage

2- and 3-story semi-detached dwelling with secondary unit over garage
15 DU/AC Density

2-story single-family detached unit with alley garage
10 DU/AC Density

Residential: Medium-Density

These moderate density house types are appropriate for affordable and market rate housing.

- Residential Density: 25–30 DU/AC
- Building Types:
  Townhouses at grade
  Townhouses with tuck-under parking
  Stacked Townhouses with tuck-under parking
- Parking Type:
  Private garages
  Congregate garages

4-story stacked pair of townhouses over garage
30 DU/AC Density

3-story townhouses over own garage
25 DU/AC Density

3- and 4-story 8-plex with congregate garages
30 DU/AC Density

Residential: Medium – High Density

Above a density of 32 dwellings per acre it becomes necessary to provide podium-parking garages—assuming a parking ratio of 2 spaces per unit. Below this density it is possible to provide either tuck-under wood-frame garages or surface parking, both of which are substantially less expensive than concrete parking podiums. This has implications on housing costs and in particular affordable housing. Requiring large amounts of the housing to be built with parking podiums will result in the need for larger subsidies to maintain affordability.

- Residential Density: 35–45 DU/AC
- Building Type: Midrise
- Parking Type: Podium

5-story stacked flats over one level of parking podium
45 DU/AC Density

Residential: High-Density

In order to provide a choice of housing types and accomodate a wide variety of households, and to create a compact walkable town, certain areas will have higher densities.

It is recommended that the higher densities occur in the Town Center, the Neighborhood Centers and along the main transit routes. Densities of a 100 dwelling units per acre would result in a significant population close to shops and services.

- Residential Density: 75–125 DU/AC
- Building Type: Towers
- Parking Type: Podium

8-story "below life-safety" midrise apartment tower with 2–3-level parking podium
100 DU/AC Density

6-story stacked flats with 2 level parking podium
75 DU/AC Density

I. Employment-Oriented Use Districts

Since Coyote Valley will be a major employment center, the configuration of its commercial districts will determine much about the character of the community. This Vision is based upon the emerging model of "district" as opposed to the older model of "campus" as the organizing idea for employment centers. When Stanford Industrial Park was built in the early 1960s it represented a fresh new vision of clean industry in a green suburban setting. As that model has been reproduced over the last 40 years in places that have neither the locational advantages nor the natural setting of the Stanford lands, the model has come to represent something quite different from its progenitor. The office campus has come to stand for isolation, massive automobile trip generation, inefficient use of land, and loss of community. The Vision is based upon the conviction that as employment becomes increasingly located within transit-served, walkable, mixed-use communities, the older isolated campus type development increasingly will be perceived as obsolete real estate of diminished value.

An employment-oriented district must serve the same functional needs as the office park, the R&D center, the corporate campus, and the industrial park. It must be appropriately served by parking, it must accommodate buildings with large and flexible floor plates, and groups of buildings must sometimes function as a single, secured enclave. The accompanying drawings show how these requirements can be met with configurations of blocks that also create streetscapes that contribute to walkable neighborhoods and are compatible with other uses including residential on the adjacent block.

Of course some industrial, manufacturing, and bio-tech uses involve materials, products, or practices that are not compatible with other activities. These uses should not be intermingled in a manner that would result in either real or perceived conflicts with more sensitive uses. The Vision designates two districts specifically for such uses, one at the northeast corner of the town and one at the southeast corner. Both are located close to Monterey Highway and the railroad tracks, and both districts would be separated from residential uses by less sensitive employment activities. The amount of land needed for such uses will be a function of the market as the community grows. The areas designated for them can be expanded if needed, but the concept is to keep these uses together in their designated areas.

The Vision assumes that the mix of employment-generating uses in Coyote Valley will range from a minimum density of 0.25 Floor Area Ratio (FAR) for lower-density and more land-intensive uses to an FAR upward of 3.00 for higher-density office-type uses. The assumption is that a relatively small portion of the Valley would be allowed to develop at the minimum density, and that the majority of the employment-generating uses would develop in the 1.00 FAR range. In order to achieve the target of 18 million square feet of employment-generating development, the Vision projects an average Valley-wide intensity of 1.00 FAR for non-residential development.

Policy Recommendations

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Locate off-street parking in parking structures or behind street-fronting buildings.

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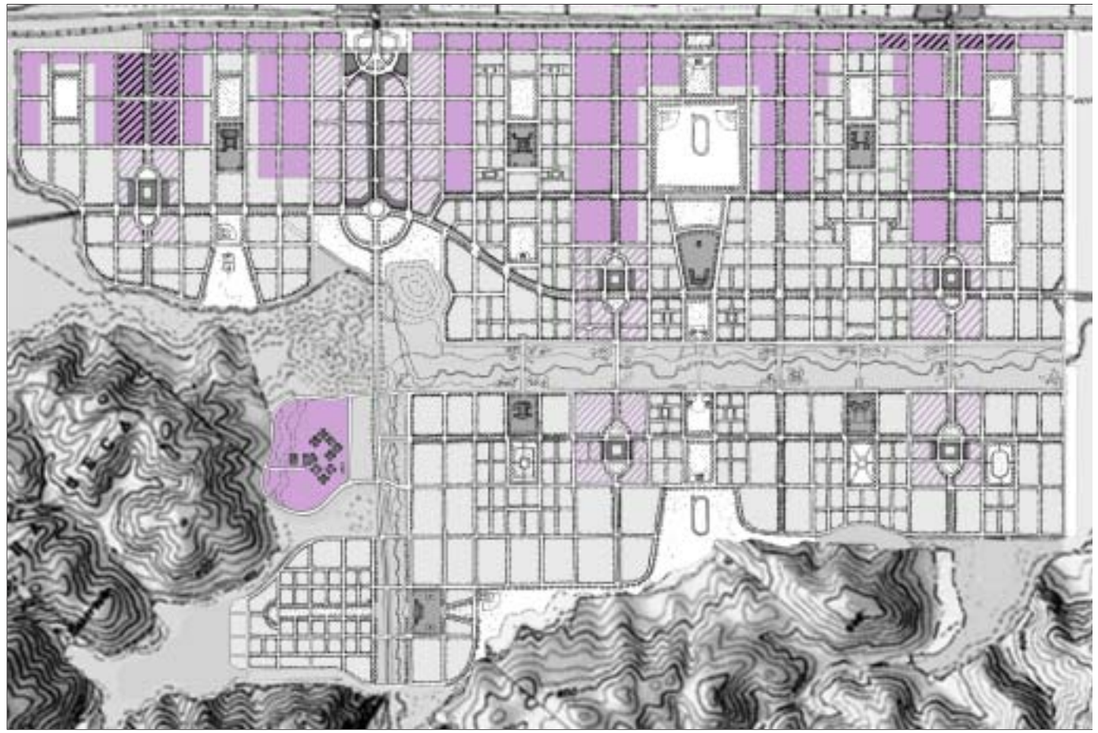
Permit small-scale public, retail, and business service uses that meet daily employee needs while reducing trips, such as a deli or food court, dry cleaner, daycare center, ATM, fitness center, document service, courier, etc., to be located in commercial and industrial areas.



Map of Employment-Oriented Use Districts

0.75 : 1 FAR Commercial Building Density

This drawing shows office development with surface parking at 2 cars per 1,000 square feet of building space. Development can take the form of perimeter block buildings hiding the surface parking lot on the interior of the site. Three-story, 50' high buildings are possible. Narrow-width floor plans are encouraged to maintain a continuity of the perimeter street-wall. When configured as narrow-width buildings, as encouraged by green building standards (e.g., 65'), every workspace can have access to daylight.

- Commercial Density: 0.75:1 FAR
- Parking Ratio: 2 cars per 1,000 sq ft
- Parking Types: On-site surface and head-in, on-street parking

Mid-block surface parking

On-street parking

Perimeter block office buildings

1 : 1 FAR Commercial Building Density

At this density, some structured parking-garages become necessary. Development can still take form of perimeter-block buildings. Three-story, 50'-high buildings are possible.

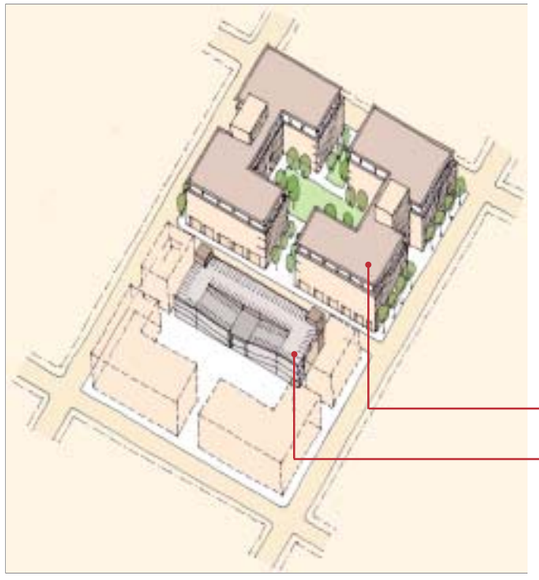
- Commercial Denstiy: 1:1 FAR
- Parking Ratio: 2 cars per 1,000 sq ft
- Parking Types: On-site surface and multi-story structured parking and head-in, on-street parking

Structured parking garage

On-street parking

Perimeter block office building

2 : 1 FAR Commercial Building Density



At this density it becomes necessary to jump in scale to the next height defined by building codes, namely 85'—"Below Life-Safety"—6 or 7 stories, made of concrete or steel-frame construction.

Structured parking-garages are necessary for on-site parking.

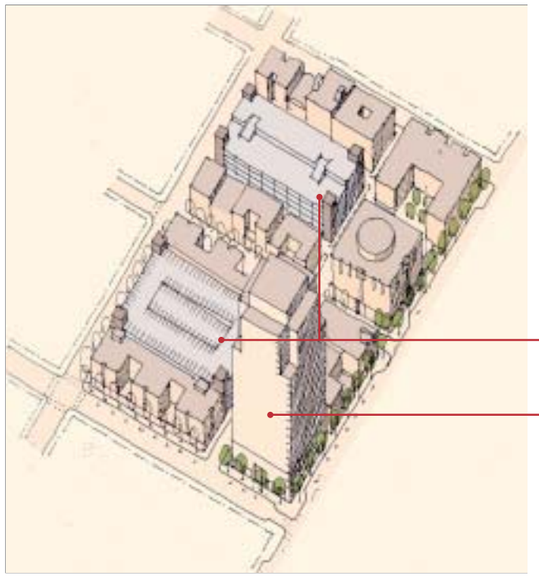
Development can take the form of mid-rise perimeter-block buildings configured around courtyards. This type is appropriate near transit.

- Commercial Density: 2:1 FAR
- Parking Ratio: 2 cars (or less) per 1,000 sq ft
- Parking Types: Off-site structured parking

Mid-rise office building

Off-site structured parking garage

3 : 1 FAR Commercial Building Density



At this density it becomes necessary to build high-rise towers. This type of development is suitable in the Town Center.

- Commercial Density: 3:1 FAR
- Parking Ratio: 2 cars (or less) per 1,000 sq ft
- Parking Types: Off-site structured parking

Off-site structured parking garages

High-rise office building

J. Mixed-Use Districts

While it is appropriate that some of the land in Coyote Valley be devoted to blocks with a single use—residential, commercial, or industrial—it is also desirable for substantial areas of the plan to be mixed-use.

The accompanying illustrations show how residential, office commercial, and retail uses and their parking can be integrated with one another in ways that conceal parking in the middle of blocks and build continuous street frontages supportive of pedestrian life.

Policy Recommendations

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Provide for both the vertical and horizontal mixing of uses.

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Permit public and commercial uses that are complementary and contribute to the creation of a vibrant social environment.

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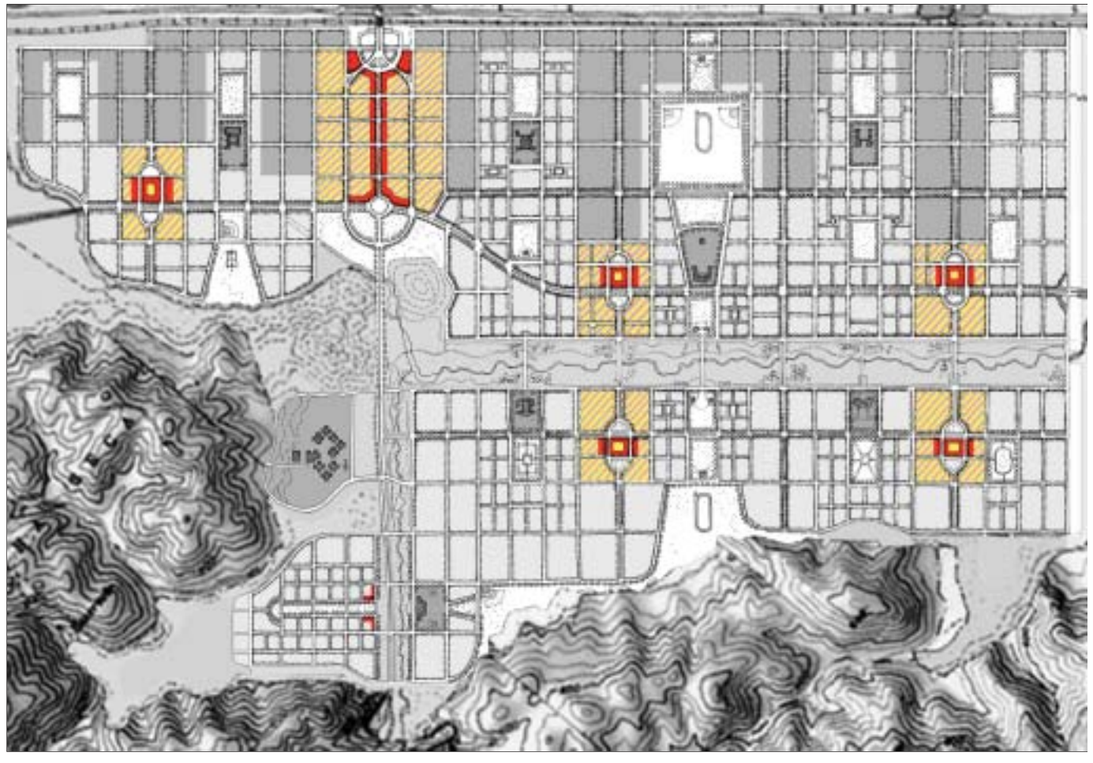
Locate pedestrian-generating uses, such as retail, at street level to encourage pedestrian activity.

• • • •

Locate non-pedestrian-oriented uses on upper floors or in separate structures located in the rear.

• • • •

Prohibit auto-oriented uses in mixed-use districts, such as auto services, motels, personal storage, drive-thru, surface parking, etc.



Map of Mixed-Use Districts

Mixed-Use: Live-Work Lofts & Residential

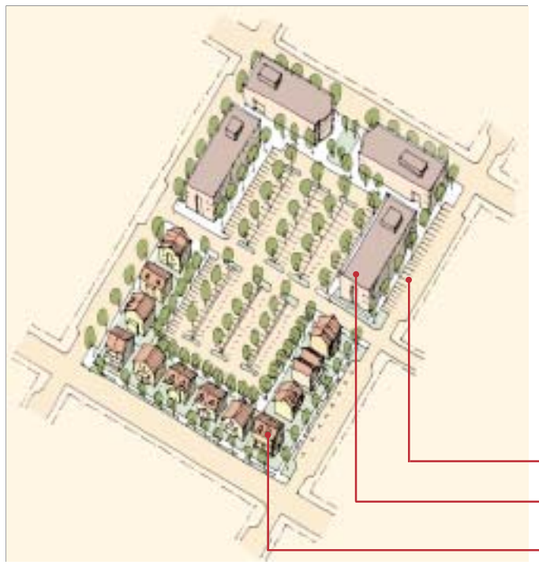
This diagram shows the compatibility of Live-Work-Loft-type buildings adjacent to perimeter of the block enclosing surface parking. A mid-block alley divides the block allowing the different uses to face each other across the street. The 3- and 4-story townhouses are arranged on either side of parking courts and either face the streets or a mid-block landscaped common space.

- Commercial Density: 0.5:1 FAR
- Residential Density: 30 DU/AC
- Parking Ratio: 2 cars per 1,000 sq. ft.

3- and 4-story townhouses over garages

2-story Live-Work Lofts with on-street, head-in parking and on-site surface parking

Mixed-Use: Commercial & Residential



Perimeter block development with surface parking on the interior. This layout shows how it is possible to accommodate mixed uses on the same block. Three-story commercial office buildings are located on one end facing the streets with both on-street, head-in parking and on-site surface parking. The interior parking lot is hidden from view from the surrounding streets by housing lining the streets. Duplex semi-detached townhouses with side-yard parking are shown.

- Commercial Density: 1:1 FAR
- Residential Density: 25 DU/AC
- Parking Ratio: 2 cars per 1,000 sq ft

On-street, head-in parking

3-story office buildings

2- and 3-story semi-detached townhouses with side-yard parking

Mixed-Use: Commercial, Retail & Residential

This block is on Bailey Avenue in the Town Center district and shows the mix of uses possible. Retail uses line Bailey Avenue at ground level with either residential or commercial uses above.

Parking is accommodated in a variety of ways, either on street, on interior surface parking lots, or in structured parking garages. The parking structures are lined with other uses to minimize their impact on the street. If two sides are left open, then the parking garage can be naturally ventilated.

- Commercial Density: Up to 2:1 FAR
- Residential Density: 30–50 DU/AC
- Parking Ratio: 2 cars per 1,000 sq. ft.

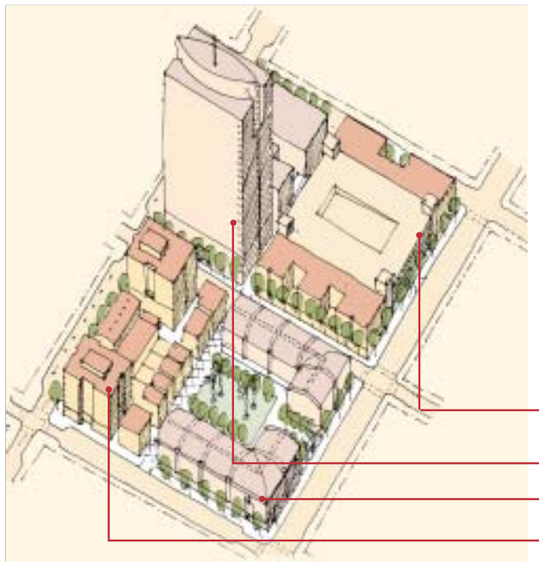
Parking garage wrapped with building space on two sides

Mid-rise residential buildings over ground floor retail

Mid-block surface parking lot

Commercial perimeter block office building

Mixed-Use: High-Density Commercial, Retail & Residential



This block is on Bailey Avenue and illustrates the density envisioned as the town matures. A combination of high-rise office buildings and mid-rise residential buildings are shown. The buildings facing Bailey Avenue have ground floor retail with mixed-uses above.

Parking is provided by a combination of on-street, and podium or structured parking garages.

- Commercial Density: 3:1 FAR and over
- Residential Density: 75-100 DU/AC
- Parking Ratio: 2 cars per 1,000 sq. ft.

Structured parking garage with liner buildings

High-rise office building over retail

Perimeter block commercial

Mid-rise residential buildings over retail with podium parking

K. Building Precedents

Residential Buildings

Coyote Valley's proposed range of house types and densities will be similar to the examples shown here. In order to create a compact, walkable, transit-oriented community, the overall density will be higher than most of San José, with an average net density of 28 dwellings per acre. The lowest-density neighborhoods will consist of single-family houses similar to those shown here. Townhouses and "Tuck-Under" row-houses with front doors facing a street or court and individual garages served off the rear are an attractive house type that gives both individual identity as well as being compact and efficient. At higher densities stacked units, one above the other, are required. These can take the form of either walk-up or corridor-access layouts and require podium parking rather than individual garages.

10 Dwelling Units per Acre **The Alameda, San José**
Single-family detached houses with side yard garages.

20 Dwelling Units per Acre **Eden Palms, San José**
Attached townhouses with rear yard garages.

27 Dwelling Units per Acre **Georgetown, San José**
"Tuck Under" townhouses with alley access to garages at the rear

Commercial and Mixed-Use Projects

The examples shown here indicate the types of office buildings that would be appropriate for the scale and character of Coyote Valley as an urban environment. The lowest-density buildings shown with mid-block surface parking are still good urban buildings that hold the street-wall and are part of the urban fabric, rather than stand-alone suburban buildings set amidst a sea of parking.

The mixed-use examples are all from Bay Area communities showing the desirability of shops under offices or residences making lively streets where people can shop, have lunch, and be within easy walking distance of a wide range of services without needing to drive to every destination.

0.75:1 FAR **Third St., San Rafael**
Office building, surface parking, and subterranean garage.

2:1 FAR **Castro Street, Mountain View**
Midrise office building and structured parking.

3:1 FAR **University Center, PaloAlto**
Midrise office building and structured parking.

35 Dwelling Units per Acre **Cahill Park, San José**
Rowhouses with podium parking at the rear.

45 Dwelling Units per Acre **Avalon, San José**
3-story stacked units over retail with podium parking.

75 Dwelling Units per Acre **Villa Torino, San José**
4-story stacked flats over two levels of podium parking.

100 Dwelling Units per Acre **Downtown San José**
5-story stacked townhouses and flats over 2 levels of podium parking.

Live-Work Lofts **San Pablo Ave, Emeryville**
Live-work units and townhouses.

Offices over Retail **Castro Street, Mountain View**
Small offices over retail, near surface parking.

Offices over Retail **University Ave, Palo Alto**
Offices over retail, structured parking.

Mixed-Use Building **Shattuck Ave., Berkeley**
Apartments over offices over retail.

L. Industrial & Large Retail Buildings

Though the focus of the Vision is on its mixed-use neighborhoods, residential fabric, and open space network, it also contains industrial districts. Most employment is better located in mixed-use neighborhoods than in single purpose "campuses," but there are some important elements of the local economy, such as some high-tech manufacturing and bio-tech uses, whose form and function are not amenable to integration with housing or other sensitive uses.

The premise behind the organization of these districts is that isolated buildings in a sea of parking are no more appropriate or inevitable for industrial uses that they are for offices. Industrial workers also benefit from working in walkable neighborhoods and having accessible places for lunch and services. A properly organized industrial district does not have to be the ugly part of town.

The adjacent illustrations show how industrial buildings with normal standards of floor plate size, truck access, and parking can be configured into urban blocks that shape a pedestrian environment and are themselves an attractive and coherent element of townscape.

Policy Recommendations

Establish industrial districts that can accommodate uses and processes that are incompatible with residential and other non-residential uses in the new town.

Permit small-scale retail and business service uses that meet daily employee needs while reducing trips, such as a deli or food court, dry cleaner, ATM, etc.

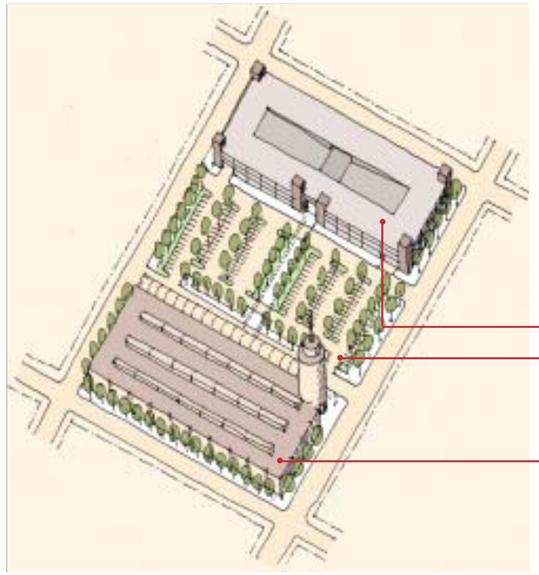
Locate off-street parking behind or beside street-fronting buildings.

Require buffering and screening along the boundaries of the industrial district to provide additional security and compatibility.

Distribution Buildings With Truck Parking

Industrial and warehouse uses can be designed to fit into the Coyote Valley urban fabric with buildings that hold the surrounding street-walls and form secure truck delivery courts within. Office buildings can be located at the entry side and car parking can be accommodated with both head-in parking on the surrounding streets as well as surface parking within the block.

Combinations: Large Retail Buildings



Even large-scale retailers can find a place within Coyote Valley! Buildings should hold the street-walls and have store fronts facing the surrounding streets. Parking should be landscaped and structured to avoid acres of empty lots.

M. Green Buildings

A goal of the Vision is to support sustainable building practices to the highest degree possible. The field of “green” building is rapidly evolving, and the Vision for Coyote Valley should similarly evolve to accommodate and support new practices, technologies, and standards as they emerge. Currently the LEED (Leadership in Energy and Environmental Design) Green Building Rating System is the most developed standard that addresses sustainable building practices for the building types that will accommodate most of the new employment in the Valley. The City of has adopted Green Building Policies that recommend adoption of green building principles and practices, their application to City projects, and promotion of these practices to the private sector. The City should promote the application of the San José Green Building Policy goals and the San José LEED Green Building Rating System to new development in Coyote Valley.

The LEED system and other standards for environmentally appropriate buildings (e.g., standards operative in the U.K., the Netherlands and Germany) share some common principles. All favor (or mandate) office buildings with narrow floor plates as opposed to the very deep buildings that are common in Silicon Valley. Narrow buildings are far superior to deep buildings with regard to daylighting, possibilities for natural ventilation, indoor air quality, and energy use because they require less mechanical equipment to meet health standards. It should be noted that narrow floor plate buildings provide another significant advantage for the Coyote Valley Vision. As shown in the preceding Employment-Oriented Use District illustrations, the continuity of street frontages that support the pedestrian character of streets and districts is more easily achieved with narrow buildings than with deep floor plate buildings.

Policy Recommendations

• • • •

Require non-residential buildings to achieve at least the minimum standards for LEED certification.

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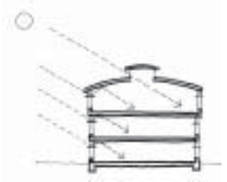
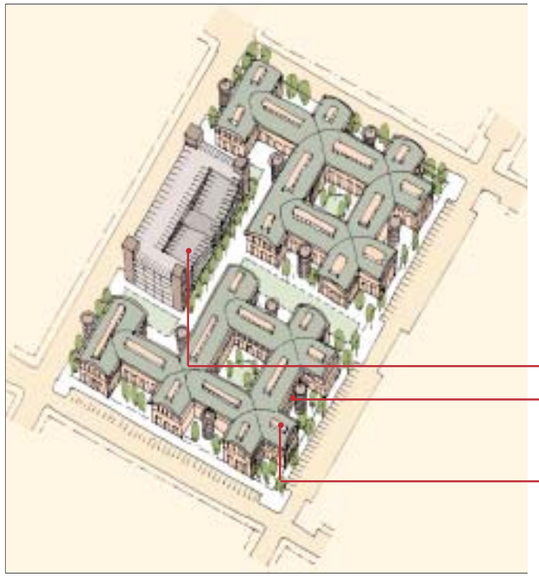
While LEED standards do not yet exist for multi-family housing or neighborhood design, apply such standards in Coyote Valley as they become available.

Green Corporate Campus



Daylight Penetration
Light shelves and roof monitors allow daylight to reach every workspace.

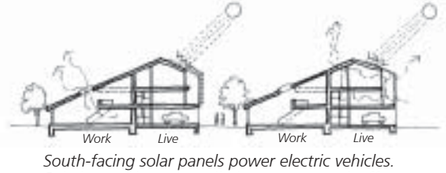
Natural Cross Ventilation
Glass enclosed stair tower acts as a thermal chimney.



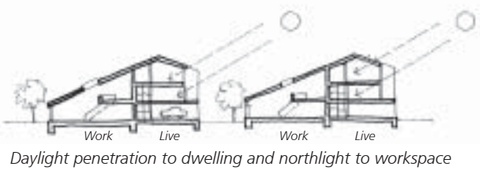
Office buildings with narrow floor plates can permit every workspace to be accessible to daylight, thereby reducing the need for artificial lighting. Light shelves at the windows and top floor roof monitors can control and disperse the amount of daylight and reduce glare from direct sunlight.

Heavily insulated grass roofs reduce the amount of heat-gain in the summer and help reduce the need for expensive air conditioning. During the mild winter and early spring months it should be possible to rely on natural ventilation altogether.

Green Live-Work Lofts



South-facing solar panels power electric vehicles.
Solarium and cross ventilation creates stack effect.



Daylight penetration to dwelling and northlight to workspace

The BedZed Live/Work Development in London is shown as an example of a balanced community with south-facing townhouses back-to-back with north-facing office/work spaces. All the units are naturally ventilated with roof cowls to draw air through, and rooftop solar-collectors provide power for neighborhood electric vehicles. The development has its own power plant using wood-chips as fuel and generates more electricity than it consumes.

VI. SOCIAL EQUITY

A. Social Equity Through Design

The Coyote Valley Vision is based on a fundamental premise that a key step to creating a strong, diverse community is to design its housing, infrastructure, employment centers, and institutions so that people from widely varied backgrounds and economic groups can live and work in Coyote Valley, interact with each other, and meet their basic needs. The Vision calls for substantial amounts of affordable housing in Coyote Valley distributed throughout the area so that residents of different economic backgrounds can live side by side. Integrating affordable housing into the fabric of the community also means that lower-income residents will be able to access community amenities like parks, libraries, and grocery stores as easily as higher-income residents. By calling for a robust public transit system that will allow residents to get around in the Valley and travel outside it, the Vision provides mobility to people who cannot drive, cannot afford to own a car, or simply choose not to drive.

The Vision sees Coyote Valley's Town Center and Neighborhood Centers as hubs of community social activity. These mixed-use areas will include essential destinations for residents like grocery stores, post offices, health care facilities, childcare centers and banks. They will also include restaurants and entertainment destinations like movie theaters and nightclubs, to meet the entertainment needs of the entire community—including families, seniors, and young singles. In addition to providing local services, the individual Neighborhood Centers are likely to have facilities and characteristics that are unique to each and will attract residents from throughout the community and encourage cross-neighborhood interaction. For example, one Neighborhood Center may have a cultural orientation with a museum and performing arts center, while another may have an entertainment focus with movie theaters and nightclubs.

However, design alone will not guarantee social equity. If designed in accordance with Smart Growth principles, Coyote Valley is likely to be a very desirable place to live. However, communities like Mountain View and Palo Alto have seen this desirability push lower-income residents out of the community because they can not afford to live there. Also, if there is too much emphasis on high-tech employment, Coyote Valley runs the risk of providing a very limited range of employment opportunities and community facilities that appeal to only a narrow economic sector. The following discussion addresses options for creating affordable housing, excellent community facilities, and high-quality jobs.

A key concept is to provide convenient access for everyone in the community to essential destinations and services. Neighborhood Centers will include many of the daily destinations adjacent to transit to facilitate such access.

B. Affordable Housing

The affordable housing crisis continues to grip the Bay Area, and nowhere is this crisis more acute than in Santa Clara County. According to the Silicon Valley Manufacturing Group's (SVMG) *Projections 2000* report, five times more jobs than housing units were added in Silicon Valley during the boom economy of the late 1990s, and housing rents increased by 60 percent. The report found that, despite the economic downturn, housing prices continue to rise by 8–12 percent annually, and that housing ownership rates in Silicon Valley have hit an all time low. According to the Association of Bay Area Governments (ABAG), the San José area will add 132,000 jobs by 2025, furthering the need to increase the housing supply.

The lack of affordable housing—in both the rental and ownership housing markets—is one of the primary causes of sprawl in the Bay Area. Feeling priced out of the housing market near job centers, countless families are drawn to bedroom communities on the urban edge in search of homes they can afford. This housing crisis results in the long commutes and traffic congestion that have negative effects on the environment, business productivity, family life, and the community as a whole. Placing 25,000 housing units and over 50,000 new jobs in Coyote Valley, as the City proposes, will inevitably lead to more cars on Santa Clara County's highways. To provide enough housing units in Coyote Valley to house everyone who is expected to work in the Valley, at least 33,000 housing units will be needed. If one assumes that a share of San José's households headed by non-working adults are also likely to eventually reside in Coyote Valley, the total housing demand, based on San José growth goals for the Valley would increase to over 35,000 housing units (see Housing Appendix E). This means the City's current plans will create a deficit of about 10,000 housing units and result in a substantial number of Coyote Valley workers needing to commute to their jobs from outside the Valley.

To minimize the traffic impact of development in Coyote Valley, and to provide the opportunity for workers across economic levels to live close to their jobs and avoid crushing commutes, the Coyote Valley Vision calls for developing a range of housing options that meets the needs of the full spectrum of households that will make up the diverse population of the Valley.

Affordable Housing Need and Supply

Appendix E analyzes the likely makeup of a future Coyote Valley workforce and finds that meeting the affordable housing needs of Valley residents will be a significant challenge. More than 37 percent of workers are expected to be from low-income households (making less than 80 percent of Santa Clara County's median income), and half of those will be very low-income workers (less than 50 percent of median income). An additional 24 percent will be from moderate-income households (80 percent to 120 percent of median income). Given the housing market of Silicon Valley, an array of public policies and subsidies will be needed to provide an adequate supply of housing affordable to each of these income categories.

The City of San José has set a goal that at least 20 percent of the housing units—5,000 units—developed in Coyote Valley will be affordable (although the City has not specified to what income levels). Considering the housing need of low-income workers and the fact that these workers are the least likely to secure housing they can afford without assistance, the Coyote Valley Vision calls for an aggressive goal of making one-third of these 5,000 units affordable to low-income households, another one-third to very low-income households, and another one-third to extremely low-income households (less than 30 percent of median income). Reaching this goal will require substantial subsidies and political will. It will be critically important for this housing to be kept affordable over time through deed restriction mechanisms.

To avoid the creation of a stratified community, made up almost exclusively of high-income residents who can afford market-rate housing and low-income residents that benefit from affordable housing policies, the City should also develop policies and programs to assist moderate-income households. Programs such as inclusionary housing (see below) could create moderate-rate housing units without the need for subsidies, and modest public subsidies can help first-time home buyers with down-payment assistance. Policies that encourage the creation of moderate-income housing, such as "unbundling" parking costs from the cost of buying or renting a unit and allowing small-lot clustered developments, will also be essential. Such programs would require substantially less subsidy than is needed to create housing for low-income households, and perhaps no subsidy, since moderate-income households need less help accessing the market.

To meet the needs of a diverse community, a range of housing sizes and types should be provided. These should include units for families of various sizes, as well as for individuals, the elderly, and non-family households. Long-term, deed-restricted, affordable housing units should include both ownership and rental housing. A fair amount of such housing will be in the form of deed-restricted below-market-rate units included in market-rate housing developments. Another portion will be provided as affordable housing developments created by non-profits or the public sector. The most economically marginalized households often do not have the ability to pursue homeownership, therefore much of the rental housing will need to be available to very low- and extremely low-income households. Programs to promote homeownership will mostly benefit moderate-income households and some low-income workers.

A range of housing types and sizes should be provided to meet the diverse needs of the community.

Housing Distribution

Affordable housing units—whether provided as part of market-rate housing or as 100 percent affordable housing developments—should be distributed throughout Coyote Valley, and not concentrated in any one area of the Valley. Although special attention should be given to locating lower-income affordable housing within convenient walking distance (1/4 to 1/2 mile) to transit. Further, affordable housing units in market-rate developments should also be fully and indistinguishably integrated with the market-rate units, and affordable housing developments should blend seamlessly into the surrounding neighborhoods.

Inclusionary Zoning

Inclusionary zoning programs require developers to dedicate a percentage of units in a project for moderate- and/or lower-income households. Eight of Silicon Valley's cities already apply some variation of this strategy. In Coyote Valley, a viable program could require 20 percent of for-sale condominiums and townhomes to be affordable, with a portion targeted to moderate-income, a portion to low-income, and a smaller portion to very low-income households. Considering the likely affordable housing need in the Valley, the City should explore whether a higher percentage of affordable units can be feasibly required as part of the inclusionary policy for the Valley, or if the policy can target lower-income households. Some evidence from other newly developed California communities indicate this may be possible.

For the low- and very low-income targeted units to be financially feasible, the developer could be expected to absorb half the required subsidy; public resources would be required for the other half. Apartment complexes would also have a 20 percent obligation, with half of the affordable units accessible to extremely low-income families and half to very low-income families. Volatility in the economics of apartment construction requires that the balance between developer subsidy and government subsidy be determined closer to the completion of the City's Coyote Valley specific planning process, and revisited from time to time as economic conditions evolve. In light of the difficulty of applying an inclusionary program to the relatively small number of single-family detached projects in Coyote Valley, an in-lieu fee program should be established. The fees should be high enough to make a meaningful contribution to meeting Coyote Valley's affordable housing need.

Policy Recommendations:

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The City should establish an Inclusionary Zoning Program for Coyote Valley that includes the following guidelines for all affordable housing units:

- *Through deed restrictions, units will maintain their affordability status for at least 30 years.*
- *Construction of affordable units shall be linked to phasing of market rate units, and not postponed until after market rate housing is finished.*
- *Below-market-rate inclusionary units should reflect the mix of unit types and sizes of the overall development.*
- *The City should encourage that Coyote Valley's affordable housing include a mix of both rental and ownership (i.e., for-sale) units.*

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Public Subsidies. Public revenues will be required to generate units affordable to the most economically marginalized families. A number of sources for these funds exist, or potentially could be created, including the following possibilities:

- *Redevelopment Tax Increment Funding - California cities are required to set aside 20 percent of the tax increment generated by Redevelopment Agencies for low- and moderate-income housing. San José recently went beyond this minimum and now puts 30 percent of the tax increment toward such housing. This money can be spent throughout the city, not just in the Redevelopment Project Area.*
- *State and federal affordable housing tax credits and funds - Federal resources include the Community Development Block Grants, HOME funds, and Low Income Tax Credits (LIHTC). State resources include the Multifamily Housing Program administered by the Department of Housing and Community Development (HCD), the Multifamily Rental Housing program administered through the California Treasury Department, and the State's LIHTC program. Programs that specifically assist those trying to achieve homeownership include the California Home Program and a myriad of California Housing Finance Agency programs that directly assist home buyers.*
- *County Housing Funds - Allocation from funds that have been created from "pass-throughs" from the San José Redevelopment Agency. Recent agreements between the City of San José and Santa Clara County have provided*

the County with substantial resources that can be allocated for capital projects, including housing. The Board of Supervisors has expressed interest in making housing one of the priority uses for these funds; some of this allocation could be targeted toward low-income or special needs housing in Coyote Valley.

- *Santa Clara County Housing Trust - The Housing Trust is a public private partnership of Santa Clara County and a number of major private organizations. The Trust has established a policy of dedicating one-third of its resources to helping finance affordable housing in San José. A portion of these resources could be dedicated to Coyote Valley. The Trust does not act as the primary funder of projects. Instead it uses its resources to provide "gap" financing to non-profit developers to make up the difference between funds generated from other sources and the full cost of the project.*
- *2002 State Housing Bond - San José and Santa Clara County are able to compete for the vast majority of the $2.1 billion in grants raised by the bond. This money is available only to projects that have been approved at the local level by the end of 2007.*
- *Santa Clara County and/or San José Housing Bond - Santa Clara County and the City of San José should both make it a priority to place housing bonds on the ballot for voter approval. Housing bonds can raise substantial funds to subsidize affordable housing. For example, a San José bond generating $200 million would require a property tax assessment of approximately $18.00 per $100,000 of assessed valuation.*
- *U.S. Department of Housing and Urban Development (HUD) Section 8 Project Specific Certificates – Financing of affordable housing projects can be greatly facilitated if it is guaranteed that Section 8 certificates will be attached to all or a percentage of the project's units. Currently, HUD does not encourage linking certificates to projects. To attach Section 8 certificates to specific projects, there would need to be a change in HUD policy at the federal level.*
- *Assess non-residential properties for affordable housing - As part of a Community Facilities and Services Districts (see following discussion in Section C) funds for affordable housing could be raised by assessing non-residential property.*
- *Local transportation sales tax revenues - While it will probably be several years before Santa Clara County puts forth a new transportation sales tax measure, a portion of revenues from the measure could be earmarked to support construction of affordable housing near transit lines or transit stations. For example, a half-cent sales tax increase would generate approximately $135 million per year, for use county-wide, over 20 years. If 20 percent of that amount were earmarked for affordable housing and that revenue stream were bonded, at least $270 million per year could become available.*

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Private Housing Assistance. Tools to make housing more affordable are not limited to the public sector. Among the private sector mechanisms that could be used to support affordable housing in Coyote Valley are:

- *Location Efficient Mortgages (LEM's) - LEM's are designed to help homebuyers who are interested in living in dense, transit-accessible neighborhoods. With a LEM, participating lenders take into account the transportation-related savings realized by households that use public transit amenities located within the community. This allows the lender to modify standard debt-to-income ratios, resulting in households being able to qualify for larger mortgages. LEM's typically benefit households that are just under the qualifying limit for market-rate housing—in other words, those with moderate incomes.*
- *Employer Assisted Housing programs - Around the country, some employers have developed innovative programs to encourage employees to live close to work. The G.1440 Company in Baltimore provides grants of over $1,000 as a match to City provided dollars that help employees buy homes in selected neighborhoods. The company also pays the first month's rent of employees who rent in neighborhoods close to work. Another example is the San Francisco bio-tech company Tularik Inc., which provides home purchase loans of $30,000 to $70,000 to relocating employees.*

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Density. *The Vision calls for a wide range of housing densities in the Valley, and encourages some housing at densities of up to 125 units per acre to allow developers to spread the cost of affordable units over larger numbers of market rate units. Density ceilings (i.e., maximum densities) should not be applied anywhere in Coyote Valley; instead the Vision recommends density "floors" (i.e., minimum densities) to encourage maximum creativity in the design of buildings with less costly units.*

Affordable housing should be seamlessly integrated with market-rate housing.

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Incentives. *To assist developers in meeting the Vision's affordable housing goals, the City should develop a program of incentives that will help mitigate the cost of construction. Such incentives might include:*

- *"Reduction" or "waiving" of application and processing fees, and streamlined processing of applications for affordable housing developments. Under state law, these fees cannot technically be waived, but can be offset with redevelopment or general fund dollars.*
- *Reduction in parking requirements for affordable housing developments.*
- *Reduction in the park dedication requirements for affordable housing developments.*
- *Reductions in fees and requirements to market-rate developers willing to exceed the inclusionary housing requirements.*
- *Since a Master Environmental Impact Report (EIR) will be completed as part of the San José's Coyote Valley Specific Plan, the environmental review of specific projects can be tiered from the Master EIR minimizing the time and money spent conforming to CEQA.*
- *Allowing inclusionary units to have less costly interior finishes, appliances, and features.*
- *Provision of "reverse density bonuses" to developers who construct high-density, affordable housing projects. Although the average densities in Coyote Valley will be high, some low density, high-end housing is compatible with the Vision. This strategy links the opportunity to build such housing to developers who assist in meeting the Vision's affordability objectives. For example, certain portions of the Valley might be zoned for moderate densities with the option of lower-density construction available to holders of special permits. Access to permits would be limited to developers that accomplish specified objectives that are beyond the minimum affordable housing requirements.*

At least 5,000 affordable housing units will be developed in Coyote Valley.

C. Community Facilities

In addition to housing, it is important that the Coyote Valley community provide convenient and affordable access to community services, particularly for lower-income households. The Vision recommends that key commercial and social services be located near transit to facilitate convenience and minimize vehicle trips. Key community services such as daycare (for children and seniors), health care, and job training, and key retail services such as grocery stores, dry cleaners, drug stores, etc. should be located near transit stations. By locating these facilities near public transit, families can accomplish all of their daily routines and errands without needing an automobile. The ability to function without a car on a daily basis translates into significant savings related to reduced automobile operation, maintenance, and insurance costs. It also translates into greater productivity and enhanced quality of life since less time is spent driving to dispersed destinations.

Community Facilities and Services Districts

Some community amenities, like grocery stores, will be provided via market mechanisms. Others, like libraries and schools, have dedicated sources of public money to fund their development. Other facilities however, like low-income childcare and health care facilities, will benefit significantly from additional revenue sources.

A Community Facilities and Services District (CFSD) is a designated land area in which property owners agree to pay special assessments on their parcels in order to receive specific benefits from the local government. The terms of the District must be approved by two-thirds of the property owners before it can be implemented. Typically a District is used to provide services—like roads, sewers, and flood management—that are financially beyond individual landowners. While CFSD's typically only cover these major infrastructure projects, they can be used to fund other community amenities.

The City of San José has already designated a Community Facilities District for the North Coyote Valley. For a variety of reasons, including infrastructure costs, the need of landowners to coordinate on projects like flood management, and what may be a slow pace of development in Coyote Valley, a Mid Coyote Valley CFSD will also likely be established. The CFSD would plan and organize infrastructure requirements, allocate cost, issue bonds to finance infrastructure construction, and recoup its expenses over time from assessments on benefiting property owners.

The North Coyote Valley CFSD only covers major infrastructure needs. When the Mid Coyote Valley CFSD is created, the District should also be authorized to fund things such as:

- Costs associated with the affordable housing requirements (discussed earlier in this chapter).
- Costs associated with land preservation for parks, agriculture, and open space (discussed in Chapter IV).
- Costs associated with community amenities, such as provision of land for childcare centers or health clinics.

To equitably distribute responsibilities among landowners throughout the Valley, a supplemental North Coyote Valley district should be established that is authorized to handle affordable housing and community amenity costs.

Childcare

As many as 4,250 children may require subsidized childcare slots or after-school care in Coyote Valley—1,320 between the ages of 0 and 5, and 2,910 between 7 and 17. This estimate is based on the following assumptions:

- 5,000 affordable housing units will be built in Coyote Valley.
- These units will generate .85 children per household (the average for the City of San José).
- The age distribution of children is the same as in the rest of San José.
- Households living in affordable housing will lack the economic capacity to pay for unsubsidized childcare and after school care.

An average daycare facility cares for 55 children, meaning that as many as 80 daycare facilities that serve low-income families may be needed in Coyote Valley. To partially accommodate this need, the Coyote Vision calls for sites for 10 childcare centers to be provided without cost to centers that offer subsidized slots to low-income families. The cost of these centers could be covered with funds generated through Coyote Valley's Community Facilities and Services Districts or via other mechanisms as deemed appropriate. Childcare centers should be located at all transit villages and at major commercial centers.

Health Care

The City of San José currently has 21 clinics for an average of one clinic per 42,600 people. Based on this average, Coyote Valley should have two community clinics that provide services to all residents in the community, including the uninsured. These clinics will be especially important given the distance of the Coyote Valley community from a hospital. The land for these clinics should be provided without cost to a non-profit or public provider. Costs for the land could be included within the assessments allocated through the CFSD's and additional funding resources should be pursued to guarantee the construction of these clinics.

Policy Recommendations:

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Provide a minimum 22,000 square feet of library space to serve the new town. Priorities for the location of library facilities should include Central Park, the Town Center, and neighborhood commercial centers. Opportunities for the co-location of library and other community facilities should be explored.

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Provide at least 40,000 square feet of community center space to serve the new town. Priorities for the location of community center facilities should include neighborhood commercial centers and community parks.

D. High Quality Jobs

The Coyote Valley Vision calls for the creation of a diverse and integrated employment base that includes the full range of jobs and services necessary to support a community of 80,000 people, rather than developing the Valley primarily for a narrow sector of high tech office and industrial park jobs. Providing for a wide range of employment is an essential component of equitable, livable communities. Ensuring that a variety of job types exist in Coyote Valley will provide for an "interesting mix of people" that adds spice to day-to-day interactions, and help reduce vehicle trips by providing jobs, goods, and services all within the community.

Small Business Opportunities

The creation of a new community provides the opportunity to support the development of new small local businesses. The introduction of large employers to the Valley will generate significant demand for support services. This in turn provides a perfect opportunity to incubate new small businesses that are owned and operated by San José residents, and ideally Coyote Valley residents. Studies have shown that locally owned businesses bring numerous benefits to a community, including much higher retention and reinvestment of profits within the community, greater likelihood to hire local workers, greater support, and synergy with other local businesses, and more community identity and pride.

Job Training and Local Hiring

To sustain a diverse and stable employment base, the new community should commit to practices for training and hiring local residents. While the absence of any current residents in Coyote Valley makes this objective impossible in the near term, it should be a long-term objective once a residential population has been established. In addition to supporting the creation of a stable pool of trained employees, local hiring and job training practices will reduce commute time and distances as a higher percentage of local jobs are filled by local residents. While the job training might be operated by an independent party such as a local non-profit, larger employers should be encouraged to assist in the funding and operation of on-going job training programs. The service providers and advocates could use such funding as leverage to raise money from other public and private sources for job training.

Employee Compensation

Several components of the Coyote Valley Vision—such as providing significant affordable housing and access to transit—will make it easier for low-income residents to live in Coyote Valley by reducing essential costs. However, the goal of economic diversity and social equity in Coyote Valley cannot be fully achieved unless residents earn adequate wages to cover necessary expenses. The City of San José recognized the critical importance of maintaining adequate wages when it adopted its "living wage" policy in 1998. The ordinance applies to firms that provide contract services to the City or that receive subsidies from San José. As opposed to the federal minimum wage, which is $5.15/hour, and the California minimum wage, which is $6.75/hour, the San José living wage is $10.10/hour with health care and $11.35/hour without insurance.

One way of ensuring that employees earn enough pay to cover their expenses is to provide for a diversity of employers in Coyote Valley that pay decent wages, and to provide for the job training programs that will give Coyote Valley residents the skills to fill those jobs. The City should view the establishment and growth of firms that pay wages sufficient to support a family as an essential component of its economic development objectives for Coyote Valley.

During the next several years, it is also likely the City will be considering modifications to its economic development policies regarding job quality, including requirements that businesses that receive major subsidies or other specialized assistance from the City provide adequate compensation and benefits to their workers. Since the City will almost certainly be playing a substantial role in organizing the provision of infrastructure in Coyote Valley, and will probably provide other assistance to businesses, these future economic development policies, once adopted by the City, will likely be applicable to Coyote Valley. To the extent that these requirements involve costs that should be broadly shared throughout Coyote Valley, they could be partially funded by the Community Facilities and Services Districts.

Policy Recommendations:

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The City should establish a program that encourages Coyote Valley businesses—especially large businesses—to contribute to a job training program for local residents by donating seed money, program meeting space, and encouraging employees to volunteer time as teachers and mentors.

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The City should establish an incentive program that encourages the hiring of people educated through local job training programs.

Some job training facilities, especially those that serve low-income residents, could be partially funded with money generated by the Valley's Community Facilities and Services Districts.

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Many programs exist to support small businesses—from federal and State low interest loan programs to private community venture funds. The City should establish a program that assists local businesses in accessing these resources so they can establish operations in Coyote Valley.

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The City should establish a program of incentives that encourages larger businesses in Coyote Valley to commit to contracting with local businesses for a certain percentage of their service contracts.

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The City should provide zoning flexibility to support the development of live-work projects. Live-work buildings can provide excellent environments for the growth of new small businesses in that they can reduce the initial overhead associated with the start-up of a new business. Policies should be adopted to ensure that a percentage of these live-work units remain affordable over time.

Mixed-use projects such as the Historic Housewives Market in Oakland are excellent incubators for small local businesses.

VII. ECONOMIC VITALITY

A. Diverse Economic Activities and Places

Economies are similar to living organisms; they need diversity, energy, balance, and connectivity in order to sustain their vitality and respond positively to inevitable change. The recession following the boom of the 1990s has left substantial amounts of Silicon Valley's office and industrial space vacant, illustrating how traditional development patterns do not respect diversity, nor can they respond flexibly to market changes or sustain economies over the long term.

The Vision provides for a community where a diversity of businesses—both large and small—will thrive. This diversity will contribute to the overall economic health of the Valley by insulating the community from the ups and downs of economic cycles. It will also lower costs for property owners and renters by reducing infrastructure, energy, transportation, and perhaps even health care costs. Also, by creating an attractive and desirable place to live and work, the Vision will provide property owners with an opportunity to prosper through higher property values.

The following summarizes the myriad ways in which the Vision for Coyote Valley can lead to a new kind of place that sustains long-term economic vitality.

Shifting away from the development pattern of large office campuses geared to large single users, the Vision emphasizes economic diversity through mixed-use districts that allow for a broad range of small to large businesses across industry sectors. This approach harks back to the successful history of Silicon Valley—a vibrant brew of technological innovation sparked in small spaces and then encouraged to grow into larger facilities within the same community. Today, as the "knowledge" economy that so famously underpins the region continues to evolve and invent new businesses, it is again experiencing this cycle. From bioscience start-ups, to growing media publishers, to wireless communications corporations, the key is to offer a range of building sizes and types that will accommodate companies in different stages of growth and change, and with different space needs.

From a regional economic perspective, Joint Venture Silicon Valley predicts a new wave of technological innovation from bio-tech, info-tech, and nano-tech disciplines for Silicon Valley in the coming years. In its "The Next Silicon Valley" report, the organization forecasts: "There may be a fundamental difference between this wave and the previous waves. Prior waves were based on an industrial model that required more space and more people, and hence promoted rapid quantitative growth spurts that placed major demands on our community infrastructure. The next wave may be different. We may have the opportunity for high productivity growth based on a fundamentally different industrial model with fewer material inputs and less land required. The 'small technologies' of the future may lead to different development and employment patterns in the next Silicon Valley."

The Coyote Valley Vision, with its enhanced connectivity between people, places, and spaces, is poised to accommodate this "next wave." The added flexibility of the Town Center, neighborhood districts, live-work units, transit-oriented convenience, buildings that can accommodate a variety of uses, and walkable shops and restaurants will be able to respond to economic change far better than the large campus buildings that are sitting vacant in today's economic downturn.

The Vision for Coyote Valley also offers a strong community identity and quality of life, characteristics sought by many employers as they consider their company locations. Employees across all income levels want to work and live in communities where affordable housing is available and where there is overall access to high quality of life. According to the Bay Area Economic Forum, the Bay Area's economy hinges on this difficult-to-quantify quality of life character, which is threatened in many locations throughout the region due to high housing costs and rising traffic congestion.

The Forum states: "The Bay Area enjoys some important advantages, but it is not without competition. There are other regional economies in the United States that have enjoyed high productivity growth and offer a lower cost of living than the Bay Area, making them attractive to both companies and workers. If the Bay Area loses talent to other regions, its source of advantage will erode, which will reduce or even reverse the advantages it now enjoys....The lack of affordable housing, an inadequate transportation system, and an underperforming K-12 educational system threaten the long-term economic prosperity of the region."

The future Coyote Valley community will provide affordable housing, easy access to parks, transit, and shopping, and allow residents to live close to jobs. It will also provide a variety of commercial sites—from industrial to downtown office buildings—that can accommodate the needs of Silicon Valley's present and future employers. These factors will make Coyote Valley a model for how Silicon Valley can compete with any other region in the nation at attracting cutting-edge employers.

B. Reduced Infrastructure and Fiscal Costs

Although a general understanding of the costs of sprawl has increased in the past decade, many Bay Area local governments have simultaneously grappled with on-the-ground land use and taxation policies, seeking to maximize public revenues and minimize costs to sustain public services in the face of severe budget constraints. Often, these local decisions are made incrementally, responding to short-term objectives without considering long-term cumulative effects or broader regional impacts.

There are two general types of costs to local government arising from new development: capital costs for infrastructure and community facilities, and ongoing fiscal costs for provision of municipal services and maintenance. For several decades following Proposition 13 and other statewide policy initiatives, both have posed challenges to local government budgets.

Capital Costs for Infrastructure

To address diminishing revenues and increasing demand for community facilities, most cities, including San José, have curtailed their own expenditures on capital improvements, except in locations where redevelopment projects are encouraged. Instead, most or all of these direct capital costs to serve new development are passed to the developers, through development impact fees and exactions, and in some cases, to the eventual occupants (buyers and/or tenants) through special assessment districts and other financing mechanisms. The Vision anticipates that fees, exactions, and assessment districts will play a major role in providing Coyote Valley with infrastructure. In communities throughout California, the shift of infrastructure costs to eventual homebuyers, renters, and business owners has played a role in limiting the ability of new development projects to meet affordable housing or economic development goals.

Analysis from Smart Growth planners indicates that compact development can mitigate these costs. While the precise cost savings will vary among projects and between local governments, literature on this topic suggests that infrastructure costs can be reduced by 40 percent or more through the use of Smart Growth planning and compact development approaches to shorten sewer mains, roadways, and other expensive infrastructure. A 1999 study by the Center for Energy and the Environment analyzed several scenarios of sprawl versus Smart Growth for housing projects in the Minneapolis–St. Paul area and found an even higher reduction. Houses in a sprawl subdivision incurred infrastructure costs of $18,374 per unit compared with a Smart Growth scenario of $7,813 per unit.

In Coyote Valley, compact land development will translate into lower overall infrastructure costs compared to the sprawl version of a community with 25,000 housing units and more than 50,000 jobs. For example, sewer and water systems can be shortened and more efficiently designed, and roadways will be shorter and will efficiently share capacity with transit systems and pedestrian movement, reducing the need for expensive accommodation of large traffic volumes in any given location.

The Coyote Valley Vision will also minimize capital costs for infrastructure due to its intentionally fine-grained land use pattern. The Vision provides for a neighborhood/district/town center layout, and a flexible mix of land uses, allowing the community to respond to changing market conditions. Moreover, the overall pattern envisioned does not depend on large parcels of land to be developed in an “all or nothing” sequence for large single users. Instead, the community can be built over time using varied amounts of land converted to developed uses and allowing for phased implementation. These aspects of the Vision—flexible land use patterns that can respond to market conditions rather than sit vacant and the ability to develop smaller increments of land—will both translate into a sensible, phased development approach, lessening the up-front capital costs needed to serve each increment of new growth for many infrastructure systems.

The savings from lower infrastructure costs due to compact development and the more fine-grained, flexible mix of land uses, can benefit all parties in the development process, with specifics depending on the mechanisms employed to finance the costs. Some of the costs will be borne by developers paying impact fees, and while these are generally calibrated to meet future citywide infrastructure needs, the cost reductions in Coyote Valley may change the calculation of impact fees citywide. Other costs may be financed through one-time exactions from developers to build infrastructure or fund program costs such as childcare facilities and health clinics specific to Coyote Valley. In these cases, lower costs compared to a sprawl alternative may create a strong financial incentive from the private developer’s perspective to build the smarter vision. Both lower impact fees and fewer one-time exactions will also assist non-profit housing developers in meeting their financial needs (or lower public agency costs if these are being subsidized on behalf of non-profits).

Savings from compact development can be reinvested in the community by funding the planned community facilities that will serve the needs of lower-income households, particularly the childcare facilities and health clinics. Resources to fund these facilities are envisioned as an integral part of the overall financing plan for the Valley and including mechanisms such as the Community Services and Facilities Districts (discussed in Chapter VI), development impact fees, and one-time payments by developers.

Buyers and renters may also enjoy some of the cost savings associated with lower infrastructure costs as developers pass on lower fees and assessments in the form of lower sale prices and rents. However, since private developers will often retain the additional profits, the City could structure development incentive programs that reward the use of compact development and lower infrastructure costs to encourage passing these savings forward in exchange for other entitlements.

Ongoing Fiscal Costs

In contrast to capital costs, the ongoing provision of municipal services—such as police and fire protection, libraries, and general government—has remained primarily a local government fiscal responsibility. In cities across California, fiscal impact studies are typically conducted prior to project approvals, and often much earlier, during the general plan or specific plan stage of land use planning. Decisions to approve new development proposals have led to numerous examples of the "fiscalization" of land use and assumptions regarding "fiscal winners and losers."

One of the most common outcomes of this process has been the assumption that new housing developments are unable to fully fund increased demands on police, fire, schools, and libraries through project-generated tax revenues, creating an assumption that most housing projects are fiscal losers. However, it should be noted that this presumption is often incorrect. Many housing projects can be fiscally neutral or have positive impacts on a city's General Fund, depending on the pace in which the units are developed and sold or rented (typically referred to as "absorption"), home values, and existing service capacities.

To illustrate that housing can be a "fiscal winner," consider the following example of the differential in property tax revenue between compact housing and suburban-style offices. If 100 housing units are built and sold in a 2-year period on three acres of land—so that the total built area is 150,000 square feet, and each 1,500 square foot unit averages $500,000 (more than $330 per square foot)—this 100-unit project would yield more than $500,000 per year in property tax revenues. Moreover, tax revenues would likely start flowing rapidly due to strong demand and fast sales of those units.

In comparison, if the same three acres are developed for suburban-style offices at a floor area ratio of 0.25 to allow for surface parking, the commencement of property taxes would depend on the timing of construction (which may take several years or more). The eventual property tax yield for those 3 acres generating a 32,670- square-foot building worth $250 per square foot would be less than $82,000 per year. It should be noted that the inclusionary housing policies set forth in Chapter VI would result in 20 percent of the housing units in this example to be sold at prices affordable to very-low- and low-income households. These units will also generate property tax revenues and contribute to the overall fiscal balance of the project.

The ultimate impact on the City's General Fund will depend on the cost to provide services to these alternate land uses. These service costs, in turn, depend on a multitude of factors such as number of calls for police service and the existing capacity of police personnel to absorb additional service calls. However, it is likely that, on balance, the housing use in this example will have a more positive fiscal impact than the office development.

In Coyote Valley, the Vision's mix of uses has not been analyzed for its fiscal impact on the City's General Fund; the City of San José should conduct a detailed analysis of the fiscal impacts of Smart Growth as it prepares its specific plan. It is likely that the Vision's market-rate housing components will be, at a minimum, revenue-neutral. The range of housing choices offered through diverse product types will lead to the ability to attract different occupants, while the amenities offered by the Vision will lead to relatively high overall housing values for the market-rate components. Similarly, the mix of small and larger business, industrial, and retail spaces will bring an overall higher property tax value because they can be sold or rented in smaller increments than a single large-user campus, matching the ebbs and flows of market demand. In addition, the reduced commute trips and increased pedestrian movement will lower the long-term maintenance costs to roadways, while the increased amount of retail space over prior plans will lead to higher sales tax revenues.

C. Higher Return on Investment

One of the key trends in Smart Growth communities is a growing realization by private investors that compact development can lead to higher profits in real estate development projects. A stronger sense of community, greater convenience in a congested world, and preservation of viewsheds and open space has been demonstrated on the ground to result in higher property values. Economists call these higher values attributable to specific Smart Growth amenities or other factors "premiums," because they are additive to the basic value of the real estate project.

These findings are documented in Valuing the New Urbanisim, a study published by the Urban Land Institute (ULI), the preeminent real estate development trade organization in the country. The study examines sale price trends for four New Urbanist communities based on Smart Growth principles: Southern Village in Chapel Hill, North Carolina; Harbor Town in Memphis, Tennessee; Laguna West in Sacramento; and Kentlands in Montgomery County, Maryland. The study found that premiums for these communities' housing sale prices compared to conventional nearby subdivisions ranged from 4 to 25 percent, with an average of 11 percent price premiums. Researchers identified these premiums after adjusting for differences in unit sizes and amenities, and found the results to be statistically significant.

A related aspect of the Vision is its emphasis on creating transit-oriented development, which will also bring enhanced sale price and rent premiums. For example, in a 1997 study of premiums associated with BART station-area transit-oriented development, the analysis found price premiums of $4,280 to $48,960 per unit for single-family homes, rent premiums of $42 to $50 per month for residential rental units, and rent premiums of up to $3.35 per square foot per year for office spaces.

While these sale price or rent premiums attributable to the Vision's Smart Growth and transit-oriented development patterns will assist in creating financially feasible projects, they underscore the need for careful planning to ensure sufficient affordable housing. As outlined in Chapter VI, a comprehensive set of affordable housing policies and programs will be necessary to offset these higher values, ensuring that a diverse community can be built to accommodate all housing needs.

The Vision also incorporates direct development cost savings through reduced parking standards. Parking in surface lots consumes valuable land. Structured parking conserves land and may be a better long-term investment for a land owner since more land can be put to more valuable uses, but in the short run, structured parking is expensive to construct. Typical parking garages can cost upwards of $10,000 per parking space in above-ground garages to $20,000 per space in partially submerged podium structures, to more than $25,000 in underground garages. Development cost savings from reduced parking requirements can add up quickly—for a 100-unit multi-family project, a reduction from two podium garage parking spaces per unit to one space results in an immediate cost savings of $1 million or more.

Some of these savings can be enjoyed as profit by developers, and savings can also be passed onto renters and homebuyers in the form of reduced housing costs. Moreover, for every square foot of land that is devoted to high-value housing or employment space rather than automobile space, these tradeoffs can yield higher return to the landowner from better utilization of land to produce revenues. Finally, a direct fiscal result of reduced parking requirements is that more housing units can be built per acre than in sprawl communities, potentially increasing property tax revenues on a per-acre basis.

D. The Long Term: Reduced Costs and Increased Property Values

The Vision's focus on green building concepts, transit-oriented development, and integration of mixed-use districts will also bring substantial long-term economic value to businesses, residents, and public agencies.

The City of San José has adopted a Green Building program for its own facilities, and has implemented it in designs for the West Valley Library, Pala Community Center, and the new Civic Center. Private buildings in San José, such as the 29,200-square-foot International Brotherhood of Electrical Works, have also incorporated these standards, leading to energy cost savings of 80 percent on the building's electrical power consumption. In another example, the Thoreau Center for Sustainability, a historic building renovation in the Presidio of San Francisco, has saved more than $22,000 per year in energy costs (one-third of its annual energy costs).

By offering transit as an alternative to driving, along with the policies aimed at commute trip reduction, the Vision will generate substantial transportation cost savings to residents. According to the Surface Transportation Policy Project, households in communities with strong public transportation systems spend substantially less on transportation than households in communities with poor transit systems. For example, in the late 1990s in Houston, where a car is necessary for almost every trip, the average household spent $8,840

annually on transportation—an amount larger than average annual housing costs in the community at that time. Conversely, in Baltimore, a city with a robust transit system, the average annual household transportation cost was $5,236—more than $3,600 lower than in Houston.

The Vision may also provide health care savings. The increased health benefits of more walking, changes in local dietary habits resulting from the connection to the Coyote Valley Food Belt, and reduced air pollution will all likely contribute to a "healthy" community, potentially lowering longer-term health care costs.

Communities with Smart Growth features also tend to sustain and enhance property values over the long term. For example, at the 240-unit Village Homes community in Davis California, single-family homes were developed with features including natural drainage systems, energy-efficient construction, and on-site community gardens. The sustainable development approach has, over time, demonstrated clear benefits in resale prices—analysis conducted 15 years after construction showed that homes sold for $10 to $25 per square foot above comparable units.

From a regional perspective, developing Coyote Valley consistent with Smart Growth principles will bring a broad range of economic benefits when compared to typical sprawl development. The Bay Area will continue to grow—the Association of Bay Area Governments forecasts the need to accommodate an additional 1 million jobs and the households associated with them by the year 2020. Implementation of the Coyote Valley Vision will accommodate a portion of that growth, eliminating pressure for those households and jobs to be located elsewhere as sprawl development. Moreover, by locating jobs and housing together in a compact, walkable community, the cross-regional commuting of people to their jobs will be reduced. These benefits, in turn, have economic effects ranging from decreased air pollution to time-savings from lower commute distances and increased worker productivity.

E. Economic Benefits of Smart Growth

The Vision for Coyote Valley "gets it right" by creating a wide array of benefits for the community's residents, workers, and employers:

Benefits to City of San José

- Reduced infrastructure costs from compact development
- Fiscal benefits to City's General Fund from reduced maintenance and energy costs
- Increased property tax revenues from higher land and building values
- Increased sales tax revenues from more substantial and better-integrated retail
- Reduced traffic congestion
- Increased attraction of employers
- Increased capacity to absorb economic cycles
- Model community prepared for Silicon Valley's "next wave" of economic growth

Benefits to Landowners/Developers

- Sale price and rent premiums, leading to greater profitability and higher return on investment
- Reduced market risk due to flexible and diverse building types
- Reduced development costs in infrastructure and parking

Long Term Economic Benefits

- Reduced occupancy costs for businesses through energy savings
- Increased worker productivity through higher quality of life and lessened commute times
- Lower resident occupancy costs due to potentially lower tax assessments, lower energy bills, and lower transportation costs
- Increased property values for business and residences
- Prevention of sprawl throughout the region by accommodating growth in Coyote Valley in an environmentally sensitive, socially equitable and economically sound manner
- Higher quality of life and sustained economic vitality

Appendices

A. Agriculture

Funding Sources for Agricultural Land Protection

A number of resources are available to support the protection of agricultural land. Farmers (or a non-profit owner) can apply for funds to sell development rights or establish agricultural conservation easements. Two main sources are:

- Farmland Protection Program (FPP) - U.S. Department of Agriculture (USDA). FPP provides funds to help purchase development rights to keep productive farmland in agricultural uses. Working through existing programs, USDA joins with State, tribal, or local governments to acquire conservation easements or other interests from willing landowners. USDA provides up to 50 percent of the fair market easement value. To qualify, the farmland must be privately owned, have a conservation plan, and be large enough to sustain agricultural production. The farm bill provide $50 million (nationwide) for the Farmland Protection Program in 2002. This will increase to $100 million in 2003.

- California Farmland Conservancy Program (CFCP) - California Department of Conservation (DOC). CFCP is a voluntary state program that seeks to encourage the long-term, private stewardship of agricultural lands through the use of agricultural conservation easements. The CFCP, formerly known as the Agricultural Lands Stewardship Program, was created in 1996. It provides grant funding for projects that use agricultural conservation easements for protection of valuable farmland and rangeland.

Additional resources are available for farmers (or a non-profit owner) to secure term funding to support conservation practices, enhancements, restoration, or eco-system protection. Some of these are:

- Environmental Quality Incentives Program (EQIP - USDA) The Environmental Quality Incentives Program (EQIP) provides technical, educational, and financial assistance to eligible farmers and ranchers to address soil, water, and related natural resource concerns on their lands in an environmentally beneficial and cost-effective manner. Participants prepare conservation plans and enter into 5-10 year contracts to implement the plans.

- Conservation Security Program (CSP - USDA) CSP is a program in 2002 farm bill. Implementation of the program began in 2003. It offers three tiers of "green payments" that financially reward farmers and ranchers for good environmental stewardship. Payments will be based on the number and type of conservation practices that are implemented on a farm or ranch. The maximum payment for Tier I practices is $20,000 annually, Tier II is $35,000, and Tier III is $45,000.

Depending on their location, farmers could be eligible for additional support for conservation practices that impact seasonal wetlands and waterways. Farmers with animal operations (specialty poultry or goat dairy) might be eligible for other types of funds. Committed farmers could also participate in the Williamson Act or Super Williamson Act in order to lower their property taxes.

Some funding sources will be applicable on a Food Belt-wide basis for activities such as infrastructure installations and improvements (e.g. roads, composting facility, cooling/packing/processing facility, utilization of waste water). These sources include CDFA and USDA rural development programs and the Santa Clara Valley Water District.

Function of the Food Belt Center

It is anticipated that the Food Belt Center (see page 38) will need to provide the following types of services to direct the development and operation of the Food Belt:

Policy Stewardship

- Coordinating policy issues impacting agriculture and facilitating policy implementation. (One such policy could be the development of a town Food Policy Council and/or Sustainability Plan that would reinforce the importance of local agriculture.)
- Providing regulatory information to farmers
- Analyzing emerging taxation plans
- Expanding the pool of stakeholders

Marketing and Promotion

- Facilitating connections between institutional buyers and farmers. (The San Jose Unified School District has already expressed interest in purchasing Coyote Valley grown products.)
- Organizing promotional events
- Providing information about local producers including agro-tourism information and farm trail maps
- Developing a labeling initiative for Coyote Valley products
- Managing a central farmers' market or developing a central public market
- Providing information about small business development

There are a number of sources for marketing support including: CDFA block grants for agricultural marketing

initiatives; USDA Rural Development programs, Value-Added Development Grants, Community Food Security Grants, and Direct Marketing grants; UC Sustainable Agriculture Research and Education Program (SAREP); and UC Small Farm Center, especially its promotion of agro-tourism.

Promotion of Agricultural Literacy, Awareness, and Experience

- Coordinating of programs in schools
- Developing signage to prominently identify the agricultural preserve areas
- Managing urban agriculture plots.

Technical Assistance

- Providing information about technical assistance resources
- Sponsoring educational farm field days for farmers

Support for Ethnic Farmers and Consumers

- Assisting with translations
- Facilitating information access and exchange

Managing Leased Farmland Owned by the Center

This approach presumes that it would be feasible for the Center to develop a business plan to use a tax-free revenue bond or another mechanism to purchase farmland and lease various sized plots to farmers and allotment gardeners on various length terms. One advantage of this arrangement would be that the Center could then impose reasonable requirements for sustainable practices, which would maximize the land's long-term value.

Appendices

B. Circulation: Transportation Demand Management

Transportation Demand Management (TDM) is an integral component of the circulation system proposed for Coyote Valley. Transportation demand management includes various strategies to encourage more efficient travel behavior and to improve the quality of travel for all modes. The benefits of TDM are many, including: reduced traffic congestion, infrastructure costs, energy use, and pollution; and increased travel choice, safety, and equity. In short, TDM represents a more cost effective, flexible, and sustainable approach to transportation.

"Built In" Elements of TDM

It is worth noting here that the Vision for Coyote Valley has TDM "built in." The Vision includes urban development densities, a mix of land uses, and connected streets in a pedestrian-oriented and human-scaled neighborhood form. And while each of these features has only a modest effect on travel demand, together they create a synergy that can reduce vehicle trips by between 20-35 percent compared to more auto-dependent neighborhoods. How is this possible? First, the higher urban densities and mix of uses proposed increase the number of potential destinations located in Coyote Valley, which reduces travel distances and the need for automobile travel. Second, the proposed higher urban densities increase the number of transportation options available in Coyote Valley since increased demand makes these options more cost effective. Finally, the higher densities tend to reduce traffic speeds, increase traffic congestion, and increase parking costs which makes driving relatively less attractive than alternative modes. The total result is reduced per capita automobile ownership and use, and increased use of alternative modes such as transit, walking, or cycling.

Additional TDM Strategies

In addition to these "built in" macro-scale elements, additional micro-scale TDM strategies can be used in concert to reduce vehicle trips by 25 percent or more. These additional strategies are generally applied on a development-by-development basis to reduce vehicle trips, particularly during commute hours. Key strategies are outlined below.

Parking Pricing

Although it is often provided at no charge to the user, parking is never free. Each space in a parking structure can cost upwards of $30,000. Even on-street spaces incur costs in terms of land value and maintenance. It is a traditional real estate practice to bundle the cost of parking in a lease or purchase agreement for the sake of simplicity. However, providing any service for free or at highly subsidized rates encourages use, and in the case of parking means that more spaces have to be provided to achieve the same rate of availability. As such, parking fees are an essential TDM component in the Coyote Valley Vision, in order to both reduce vehicle travel and ensure that pedestrians, cyclists, and transit riders do not pay for parking they neither want nor need.

Parking fees should not be viewed as a means of punishing those who choose to drive. In fact, drivers are generally more upset by parking fees when there are few alternatives to driving alone or owning a vehicle. Parking fees raise revenue to cover the costs of providing a service, and by removing the parking subsidy, the economic playing field between travel modes is leveled. It is also critical that residents and employers are made aware that rents, sale prices, and lease fees are reduced because parking is charged for separately. Unbundling the cost of parking allows residents and employers to choose how much parking they wish to purchase. No resident, employer, or employee should be required to lease a minimum amount of parking.

The implications of parking fees have slightly different implications for residents, employees, and retail customers:

- For employees, a parking fee is the single most effective strategy of encouraging people to use alternatives to the automobile. In the Bay Area, parking charges have been found to reduce vehicle trips from between 8 and 21 percent, with reductions of up to 28 percent in other suburban California locations. Almost 90 percent of residents in Santa Clara County have free parking at work.[1]

- For residents, a parking fee will have a smaller effect on demand since it is easier for people to take transit or carpool to work than to give up a vehicle altogether. However, charging separately for parking will also reduce the cost of housing for people who cannot afford or choose not to own a car.

- For retail customers, it may be appropriate to provide free or subsidized short-term parking, at least initially, to maximize the economic vibrancy of a retail district.

- Parking meters are an effective way of encouraging turnover of prime "front door" parking spaces.

[1] RIDES for Bay Area Commuters, *Commute Profile 2002.*

Ridesharing

Ridesharing includes carpooling and vanpooling. Employment rideshare programs typically provide car and vanpool matching, vanpool sponsorship, preferential parking, and free parking to discourage single-occupant vehicle commuting. Since one of the greatest barriers to the use of ridesharing is lack of information, employment rideshare programs help fill this gap. In the Bay Area, the RIDES for Bay Area Commuters program offers online ridematching services to help commuters find a carpool partner.

Shuttle Services

There are several types of shuttle services that use small buses or vans to provide public mobility. Circulating shuttles carry passengers for short trips along busy corridors, including business districts, employment and education campuses, and parks or recreation areas. A good example is the Emeryville GoRound that connects the employment and shopping areas in the city with the MacArthur BART station. Demand-response paratransit includes various types of flexible route transit service using small buses, vans, or shared taxis. Special mobility services provide mobility to persons with disabilities. Jitney services use vans or small buses to provide self-financing, privately-operated transit, such as the Caltrain Jitney service in San Francisco between Downtown and the Caltrain terminal on King Street.

Alternative Work Schedules

Alternative work schedules are a useful way of staggering commute trips. Flextime allows employees to vary their daily work schedules, such as starting the day earlier or later than normal business hours. A compressed work week means employees can work fewer but longer days with one day off every week or every two weeks. Finally, staggered shifts, which has the same effect as flextime, can reduce the number of employees arriving and leaving a worksite at one time.

Telework

Telework is comprised of a range of programs and activities that substitute telecommunications for physical travel. For instance, telecommuting allows employees to work from home or another location (such as a neighborhood telework office) in order to reduce commute travel. Teachers and students use telecommunications as a substitute for physical meetings in distance learning. Teleshopping (Internet shopping) refers to use of telecommunications to facilitate retail purchases and avoid physical visits to a store. Telebanking (Internet banking) allows banking and bill payment transactions to be completed electronically. Electronic government refers to use of telecommunications by government agencies to provide services that would otherwise require a visit to a government office. There are many more examples whereby the cyberworld can be used to accommodate a task, transaction, experience, etc., without physically requiring a trip to do so.

Guaranteed Ride Home

These programs provide an occasional subsidized ride home to commuters who use alternative modes. For example, such a program may provide a taxi ride or use of a company car if an employee must return home in an emergency or stay at work later than expected. Such a program addresses a common objection to the use of alternative modes.

Bicycle Facilities

Cycling is an effective alternative transportation mode that is accommodated in the Vision in the form of an extensive bicycle network of bike lanes and trails. However, in order to maximize the benefits of this mode, bicycle facilities at home and work are required. For instance, many Bay Area cities, including Palo Alto, specify secure and weather-protected bicycle parking facilities for new developments. The inclusion of preferred bicycle parking and shower/changing facilities in employment centers provide significant incentive for employees to cycle to work.

Car-Sharing

Car-sharing programs, such as City CarShare and Flexcar in the Bay Area, provide members with access to a vehicle without the need to own one. Around 25 members share each car, making reservations through the Internet and paying on a time and mileage basis. At residential developments, each car-sharing vehicle replaces five to six private cars. At employment sites, car-sharing can allow people to take transit to work by making a car available for errands during the working day.

EcoPasses

The Valley Transportation Authority (VTA) runs a successful EcoPass program, which provides bulk transit passes at discounted rates to employers or groups of residents.

Coyote Valley Parking Program

To achieve its vehicle trip reduction and sustainability goals, development in Coyote Valley must take a bold approach to parking supply, management and pricing. Implemented well, these strategies will reduce congestion, increase local transit use, encourage rational user choice, and help realize project goals.

The following discussion lays out a parking management approach for Coyote Valley that explains the parking strategies needed to achieve development goals, the benefits of those strategies and how the strategies can be implemented. This program is based primarily upon two highly successful Santa Clara County examples of sustainable transportation and parking management:

- *The Stanford University General Use Permit. Under its 1989 and 2000 General Use Permit Agreements, Santa Clara County has allowed Stanford University to build up to 4.4 million square feet of new academic development provided its peak period auto trips do not exceed 1989 levels. As a result of this traffic cap, Stanford has developed one of the most successful Transportation Demand Management programs in the country. Its transit, bike and TDM programs are entirely funded by parking fees, which are currently set at $156 - $368 a year. In addition, Stanford pays up to $160 a year in cash to commuters who do not buy a parking permit. All Stanford employees get free rides on Caltrain, VTA and SamTrans transit, plus the university offers an extensive free local shuttle network. For more detail on Stanford's programs, see transportation.stanford.edu, and for their General Use permit, see http://www.sccplanning.org/planning/content/PropInfoDev/PropInfoDev_Stanford_University.jsp*

- *The NASA Ames Research Park. NASA signed tenant agreements in February 2003 for a major new research campus located on Moffett Field. A major component of NASA's program is sustainable development, and as a result they have looked hard at parking and transportation issues. The signed agreements require that all NASA tenants must reveal the "true" cost of parking to Research Park employees, through direct parking fees or parking cash-out programs. The Development Plan also includes extensive investments in bicycle, pedestrian and shuttle infrastructure. Altogether, the investments reduce the parking demand on site from a typical four parking spaces per 1,000 square feet down to 1.9. For more detail, see http://researchpark.arc.nasa.gov/NADP/NADP%20Oct2002.pdf.*

Parking Program Principles and Rationale

Create a Shared Parking Supply

Parking should be a shared resource throughout Coyote Valley. By maximizing efficiencies between users, shared parking reduces the total amount of parking that would otherwise be needed. Shared parking also supports the use and development of large, strategically-placed parking structures that reduce the amount of land that must be dedicated to parking, thereby reducing land paving.

Parking consolidation also improves the pedestrian environment and traffic flow by limiting the number of curb cuts needed for typical development with multiple small surface lots. The elimination of numerous small lots also facilitates densification of land use, which helps create a more walkable, transit-friendly environment and is economically rational.

Establish a Third Party Entity to Construct and Manage the Parking Supply

A parking management district or transportation management association should be established to construct and manage the parking supply. The third party entity will be charged with making decisions about parking construction in the context of broader transportation access goals and can therefore regulate parking supply according to a master site plan.

Having the parking managed by a third party eliminates the propensity for site-employers to provide free or reduced-cost as a perk to certain employers. In addition, central management of parking payment, maintenance, security, operations, information and janitorial services, relieves developers, tenants, and lessees from these responsibilities. In addition, centralized management facilitates uniform policies across Coyote Valley that will level the economic advantages between access modes. Finally, having a third-party managed parking supply separates the cost of parking from the cost of other real estate, which supports the project's sustainability goals.

Charge for Parking

Charging for parking is the single most effective strategy to encourage people to use alternatives to the single occupant vehicle. Parking charges have been found to reduce vehicle trips anywhere from 8 percent to 30 percent.

Free parking encourages people to drive, increases the costs of development, and encourages a built environment that does not put land to its highest and best use. The powerful subsidy of free parking makes driving the most economically advantageous and rational choice for travelers compared to walking, cycling, or using transit. Free parking is at odds with the goals of the Coyote Valley land use plan to reduce auto traffic and emissions.

Implementation Strategy

City General Use Permit

To enable the above parking strategies, Coyote Valley must be governed by conditions that will prevent typical market-based parking decisions from occurring. The City will need to establish a conditional use permit that will set an Average Vehicle Ridership (AVR), mode split, vehicle trip cap, or maximum parking ratio at the site. If the latter mechanism - a maximum parking ratio - is selected, the ratio would have to be adjustable over the course of development to allow a rational parking phasing strategy.

Establish a Third Party Parking Entity

A Third-Party entity should be established to construct and manage the parking supply. The entity could be called a Parking Management District or a Transportation Management Agency ("TMA"). The entity would be dedicated to the improvement of transportation access to Coyote Valley and to meet the conditions of the use permit. In addition to its parking responsibilities, the entity could also be responsible for running any site-wide, communally-funded Transportation Demand Management programs that might be established. For the purposes of the following discussion, the entity is called a "TMA."

Each developer would be required to fund the TMA for the privilege of developing in Coyote Valley per the funding strategy described below. Those funding the organization would make up the TMA board of directors. In the early stages of development, the board would be developers, while in later stages it could include tenants as the funding requirement is passed on through rents.

Initially, the TMA would not have staff, but would simply be a decision-making body made up of the board of directors. The board will expand as the number of Coyote Valley developers increases and as Coyote Valley development is leased.

Establish TMA and Parking Financing Mechanisms

To fund parking construction, maintenance and management, money that developers would have spent to build parking in a typical suburban office park will be spent on TMA fees, instead of parking. The parking standards for San Jose should be used to estimate these fees. For example, if the standard is 4 spaces per 1,000 square feet of development, the developer will pay to the TMA the cost of building this parking, rather than pay to actually build the parking. The fee will be established based on the market rate of parking construction in the Coyote Valley environment - including the value of the land underneath the parking.

A developer will have the choice to pay the TMA the cost of constructing the parking as a surface lot or as a structured lot. The annual fee would be based on the amortized annual cost of constructing the required number of parking spaces, maintenance for those spaces and the annual lease value of the land on which the parking is built. The fee would be due to the TMA for 25 to 35 years, depending on the amortization period selected. Thus, if a developer selects to pay for structured parking, construction costs will be higher but land lease costs will be lower. The opposite would be true for a developer selecting the surface lot option.

The TMA will be required to lease the land on which parking is built. Land lease fees would be paid back to the developer who owns the land on which the parking is sited. The TMA will also pay for parking construction costs of the garages.

There will be no free parking in Coyote Valley. Parking fees will be established to cover the full cost of the parking and the land. Some revenues from fees will be returned to the developers and others will be retained by the TMA to support Transportation Demand Management Strategies.

Furthermore, the TMA will build less parking than what the developers' fee could have paid for. Thus, there will be some surplus revenues from the fees paid by the developers that can also be used to support TDM. The following explains the parking financing mechanism in more detail:

- **Step 1:**
  Developers pay to the TMA a fee representing the annualized cost of
  a) parking construction, and b) land value.

- **Step 2:**
  The TMA uses this money to pay a land lease back to the developer. This amount will be less than that paid by the developer to the TMA, because the TMA will lease less land than what the developer was charged for. The TMA will lease less land, because the TMA will need to build less parking than that paid for according to the fee formula. This surplus revenue can be used to support TMA staff and TDM programs.

- **Step 3:**
  The TMA pays for parking construction using TMA fees. The amount the TMA pays for parking will be less than the amount of developer fees collected, because the TMA will build less parking than paid for according to the fee formula. This surplus revenue can be used to support TMA staff and TDM programs.

- **Step 4:**
  Parking fees are set to cover the full cost of parking construction, maintenance and land costs. This fee is passed through the TMA to the developers to fully reimburse the developers for their initial investment in the TMA. Because some land costs have already been returned to the developers (Step 2), there will be a balance of revenue available to fund TDM strategies.

  While developers will be required to pay up front without immediate benefits, in the long run their fees are fully reimbursed and as more land is available for development.

Phase Parking Construction

The TMA will be responsible for decisions about parking construction. Because the board is made up of the developers, the TMA could decide to hire one or more of the developers to build the parking. Parking supply, however, would be governed by the site master plan and the general use permit.

Decisions about parking supply would be dictated by the general use permit. If the permit sets a maximum or parking cap, the maximum/cap will dictate the amount of parking that can be built in each phase. If the permit sets a maximum number of vehicle trips allowed, the needed parking supply should be determined based on the allowable amount of vehicles. Parking should be supplied in order to support the vehicle trip goal.

For example, if the use permit requires that vehicle trips be reduced 30 percent beyond what is traditionally observed at nearby sites, then the parking supply should be 30 percent less than traditional requirements.

- **Phase 1:**
  Parking will be built gradually over the course of the development. Until a critical amount of development is achieved, it will be not be logical to build a large, consolidated structured parking supply. As such, it will appropriate to build surface parking lots during Phase 1. The surface lot supply would be a shared parking supply.

  During Phase 1, parking should be built at a higher ratio than what will be ultimately required and desired at project build-out. With each phase of construction, the number of parking spaces per total square feet of development will decline. In addition, at the early stages of development, there will not be the necessary critical mass of people on site to support aggressive Transportation Demand Management strategies, like transit and shuttle services that are needed to support a lower parking ratio.

  All parking, even in Phase 1, however, should be constructed as controlled-access parking and should not be free. Parking fees should be established to cover the full cost of parking construction, land, and maintenance. Assuming that parking spaces were all provided in surface lots, the average annual cost of parking would be approximately $3,355. This equals monthly, daily and hourly fees of $280, $12.75 and $1.60 respectively. The assumptions used to develop these figures are shown at the end of this Appendix.

- **Phase 2:**
  Phase 2 will begin when development activity reaches levels to warrant the construction of a parking structure. The structure would consolidate parking for many different uses and be a shared supply.

- **Phase 3:**
  Phase 3 will begin when the Phase 1 surface lots are replaced with additional development. Parking for the additional development and the displaced surface lot spaces will be accommodated in consolidated, strategically placed parking structures.

Parking Policies

The City of San Jose and the TMA should enforce the following parking policies among developers, their tenants and subtenants:

- There will be no free parking on site Monday through Friday. Depending on uses at the site, the TMA may decide to allow free parking after a certain time at night or on weekends, when demand is lower.

- Parking charges will take effect at the earliest feasible point in site development.

- Parking is priced based on the cost to provide parking and fund the site-wide Transportation Demand Management programs.

- Tenants, residents, employers, and employees are under no obligation to lease any minimum amount of the parking supply.

- In any lease agreements, parking costs will be separated from other lease costs.

- Employers that want to subsidize parking for their employees have the option to do so through parking cash-out arrangements only (i.e. employers are not able to absorb the cost of parking for their employees, unless they offer equal benefits to non-parking employees).

- Parking pricing and card-access technology will be used to provide economic incentives to those using transportation alternatives on an occasional basis.

- Access technology will be used to limit the need for extensive parking policing and permit systems.

- Parking supply will reflect anticipated trip reduction and opportunities for shared-use parking.

- Parking pricing will not reward long-term parkers.
- In the long-term, technology will be maximized to provide economic incentives to those parking outside the peak by charging flexible parking rates based on demand.
- The TMA will create uniform parking policies and procedures to support the shared system.
- The TMA will interface with all employees to provide parking information.
- Parking payment will be centrally managed - this entails coordinating with the TMA board and employers to develop systems for revenue flow, reconciliation, and employee parking pre-tax payment.
- Centrally manage maintenance, security, operations, information and janitorial services.

Parking Fees

Parking prices will be charged using a time-based strategy so that long-term or more-frequent parking is not rewarded with discounts. This can be done using debit-card or smart card technology. The hourly rate per day will max out at eight hours and the daily rate per month will max out at 22 days per month. Anyone who parks less than eight hours per day or less than 22 days per month will end up paying less than the monthly rates.

The TMA, under the guidance of its board of directors, will develop a revenue and reconciliation model for the distribution of the parking fees generated to cover parking construction costs back to the parking owners. This will be determined based on parking data from the controlled-access card readers.

Subsidized Employee Parking

A site employer may offer free or subsidized parking to its employees only through a parking cash-out program or transportation allowance program. When an employer subsidizes the cost of leased parking, California law requires the employer to offer parking cash-out. If the employer chooses to subsidize employee parking, parking cash-out arrangements will be required as part of lease agreements to ensure that partners and tenants do not absorb the cost of the parking without offering equal benefits to employees who do not park.

Through a parking cash out program, an employer offers its employees the choice of:

- free parking;
- a transit/vanpool subsidy equal to the value of the parking (of which a portion would be tax-free); or
- a taxable carpool/walk/bike subsidy equal to the value of the parking.

The Lessee pays the parking charges to the third-party parking manager on behalf of the employees who select to park on site. Employees who opt for the subsidies are not eligible to receive free parking from the employer. On days when these employees drive to work, they would be responsible for their parking charges.

The employer could also subsidize parking through a transportation allowance program. Through this program, each employee would be provided a monthly transportation allowance (e.g. $50 per month). Employees can use it for parking, transit costs, or pocket the cash if they choose to walk or bike.

Employers offering parking cash-out or transportation allowance programs will have the option to contract with the on-site TMA to administer their programs.

Subsidized Visitor Parking

Employers will be able subsidize their visitor parking in one of two ways:

- Purchase a supply of reserved parking that the employer can designate as visitor parking. The employer will be responsible for paying the monthly reserved fee to the third party parking management association.
- Purchase employer-provided validation stickers. These stickers will be priced at market rates.

Residential Parking Charges

Residents will pay for parking separately from their housing rental costs. Each resident will be able purchase at least one parking space at their housing location. Residents may be able to purchase more than one on-site parking space on an as-available basis.

On-Street Parking

It is expected that every street in Coyote Valley will be lined with on-street parking, greatly contributing to the area's parking supply while providing several benefits:

- Because there is no need for dedicated "drive aisles," on-street parking consumes between 50 percent and 66 percent of the paved land per space as off-street parking.
- On-street parking provides an effective physical and psychological buffer to protect pedestrians on urban sidewalks from adjacent traffic.
- On-street parking is critical for the success of "main street" retail, providing convenient access for motorists in a manner that does not harm the pedestrian realm.

It is also expected that fees will be charged for all on-street parking in Coyote Valley. These rates will be the same as the rates for the off-street garages, but they will primarily be charged hourly. Along most streets, fees can be paid at pay-and-display machines located at key locations and at all entrances to the area, and should be set up to take credit cards and debit cards. In retail areas, traditional parking meters can be used, but these should also emphasize convenience, accepting all forms of payment media.

In residential areas, residents may pay for on-street parking on an annual basis for themselves, along with as-needed and advance-purchase permits for their guests. Stanford University's daily parking permits have a calendar printed on them in lottery ticket format, allowing visitors to purchase them in advance and "scratch-off" the date they wish to use them.

Parking Access

- Parking access for office park areas will be monitored through technology as opposed to manual policing of permits.

- All parkers will use card-access technology to enter any parking area.

- Card-access technology will be consistent between garages and lots and will feed into the same database regardless of parking location.

- Card access technology will be programmed to charge parkers based on an hourly/daily rate using debit-card technology.

ESTIMATED COST PER PARKING SPACE

Capital Costs	**Surface Parking**	**Garage Parking**	**Equally Mixed Supply**
Construction cost per Space	$2,000	$11,500	
Controlled-access, debit card technology per space	520	350	
Project management at 3.45%	$87	$409	
Land Cost Per Space 1	$12,500	$5,000	
Total Capital Cost Per Space	$15,107	$17,259	
Annual Capital Cost Per Space 2	*$1,279*	*$1,461*	
Operating Costs			
Annual maintenance	$30	$150	
Utilities	$5	$8	
Annual parking management/staff	$50	$75	
Insurance	$15	$30	
Total/Space	$100	$263	
Total Annual Cost Per Space	$3,355	$2,515	$2,935
Monthly Fee	$279.58	$209.58	$244.58
Daily Fee	$12.71	$9.53	$11.12
Hourly Fee	$1.59	$1.19	$1.39

Assumptions:
Land Cost = $1.5 million per acre
120 spaces per acre for surface parking; 300 spaces per acre for structured parking.
Financing at 7.5% over 30 years.
22 days per month; 8 hours per day.

Appendices

C. Town Center Scale Comparisons: North San Jose, Palo Alto & Mountain View

Golden Triangle Area, North San Jose

The Golden Triangle Area of North San Jose represents the way Coyote Valley would be built if sprawl were the guiding force. This area was built in the last twenty years and consists of segregated land uses divided by large arterial roads and buildings set back from their streets by large areas of surface parking lots or minimal landscaped strips. There is nowhere to walk and every activity requires an automobile trip.

Housing is separated into large developments of the same type of building serving the same type of population or income group; all single family houses, or all rental apartment buildings.

Offices are in stand-alone buildings surrounded by parking lots and the minimal amount of retail is in the left-over portions of the big parcels.

Traditional Town Centers

The Coyote Valley Vision Plan proposes that the Town Center follow a more traditional pattern as found in the downtown areas of communities such as Mountain View or Palo Alto. Both Castro Street in Mountain View and University Avenue in Palo Alto are examples of transit-oriented, walkable, mixed-use communities where it is possible to live and work without needing a car for every activity. Both have a train station at one end. Within the ten-minute walking distance, each offers a wide range of shops, restaurants, offices and dwellings. Palo Alto, despite its upscale image even has a well-designed Single Room Occupancy (SRO) hotel for its lowest income levels.

Arriving by Car

For those arriving by car, parking is available at meters on both Castro Street and University Avenue as well as in mid-block surface parking lots or structured parking garages hidden from view from the surrounding streets.

A Ten-minute Walk

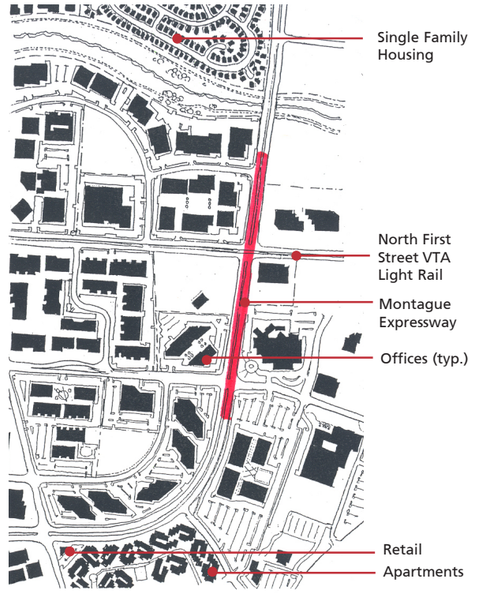
Contrast the experience that someone walking the same ten-minute distance would have at the Golden Triangle and the other two examples. In North San Jose one would pass 9 buildings in contrast to 44 in the same distance in Mountain View, and 69 in Palo Alto. In both of the traditional main streets the experience is lively, varied and active at all times of the day and evening.

Proposed Coyote Valley Town Center

The proposed plan for Coyote Valley's Town Center draws for its inspiration from these other centers by having a main street that is narrow and pedestrian-friendly, served by public transit and with a rich mix of uses along its length. Similar to Palo Alto, a trio of streets allows through-traffic to bypass the center, while permitting transit and slower moving traffic, bicycles and pedestrians to have priority on the main street.

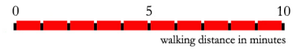
Montague Expressway, San Jose

North San Jose



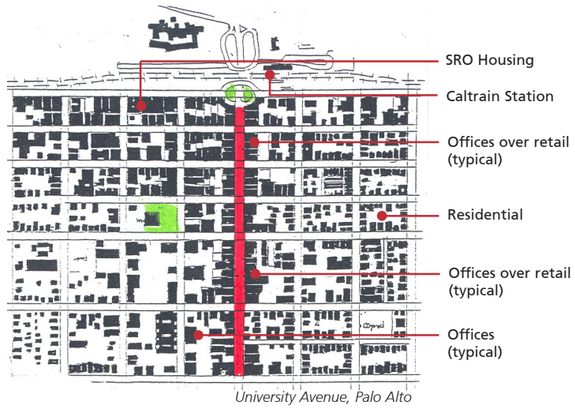
Golden Triangle, North San Jose

The drawings above and to the right are all drawn at the same scale. Each red line represents a ten-minute walking distance.



University Ave, Palo Alto

Castro Street, Mountain View



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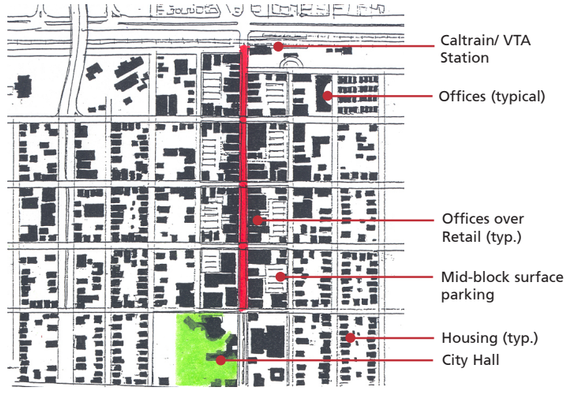

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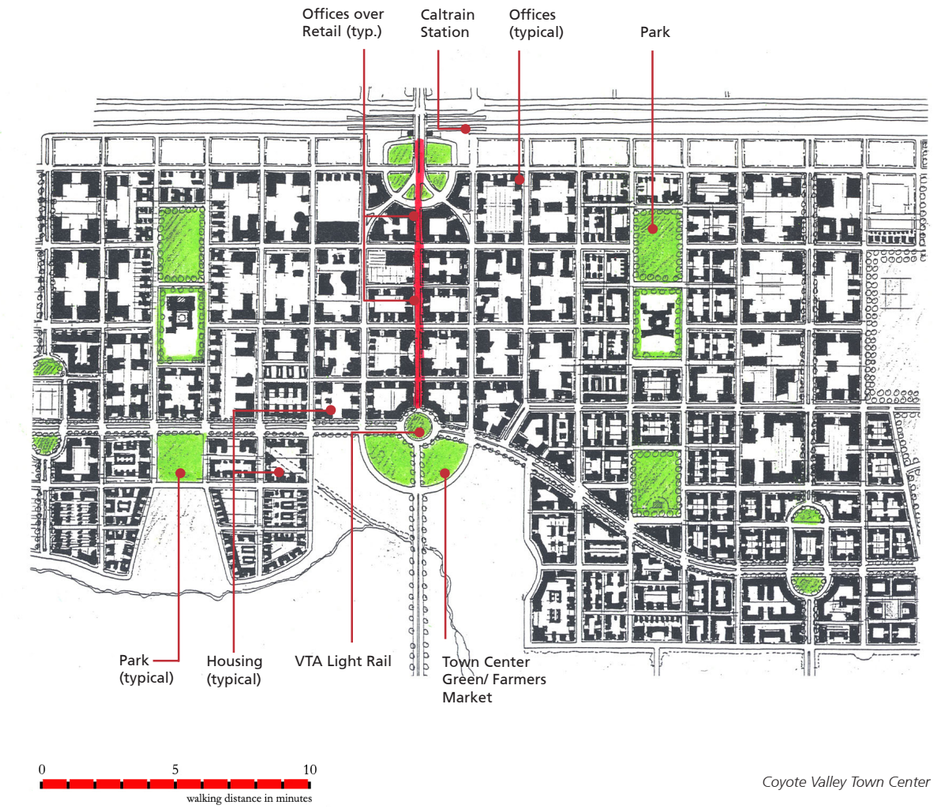
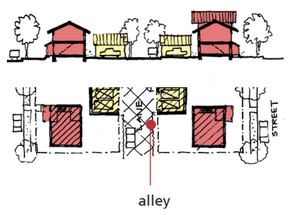
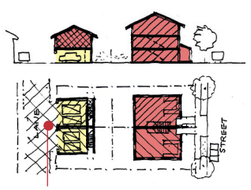
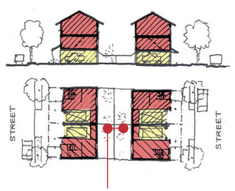
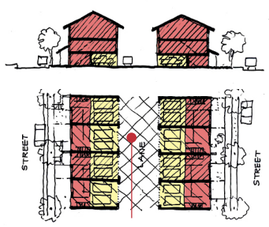


Coyote Valley Town Center

Appendices

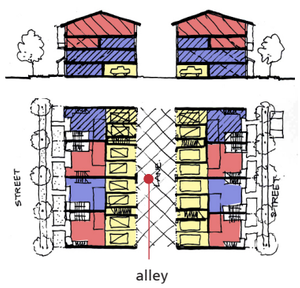
D. Residential Density Matrix

	Single Family Detached	Semi-Detached with In-Law Unit	Front-Loaded Row Houses	Rear-Loaded Row Houses
	(2 Story) Garage at Rear	(2-3 Story) Garage at Rear	(3 Story) Garage at Front	(3 Story) Garage at Rear
				
	 alley	 alley	 rear yards	 alley
Density Dwellings / Net Acre (DU/AC)	**10 DU/AC**	**15 DU/AC**	**20-25 DU/AC**	**25-30 DU/AC**
Parking Type	1 Car per Dwelling	1 Car per Dwelling	1 Car per Dwelling	1 Car per Dwelling
Construction Type	Wood Frame	Wood Frame	Wood Frame	Wood Frame
Construction Cost Index[1]	**1.00 cost index**	**0.95 cost index**	**0.90 cost index**	**0.90 cost index**
Stacked/ Unstacked Units	Unstacked			
Individual Garage/ Podium Parking				
Wood Frame/ Concrete Construction				
Vision as Illustrated: 28.5 DU/AC avg. 25,000 Dwelling Units Total Percentage of each type 881 acres requried total	1,000 DU 4% 100 acres	2,500 DU 10% 167 acres	6,250 DU 25% 250 acres	3,500 DU 14% 117 acres

[1] Cost index represents relative construction costs for each building type based on Bay Area standards.

Stacked Rowhouses

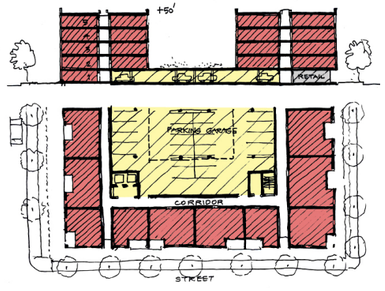
(4 Stories)
Garage at Rear



30-35 DU/AC
1 Car per Unit
Wood Frame
1.20 cost index

Stacked Flats

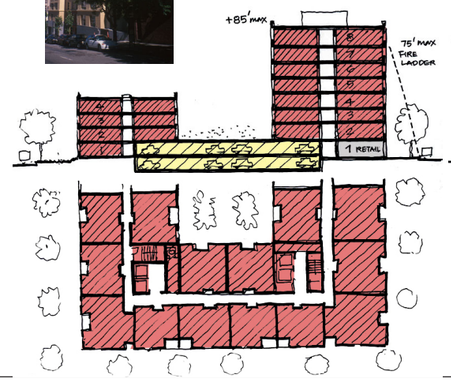
(5 Stories)
1 Level Podium Parking



35-45 DU/AC
1 Car per Unit
Wood Frame over Concrete Garage
1.60 cost index

Midrise Stacked Flats

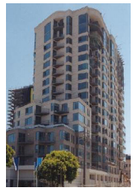
(below 8 Stories)/ Below Life Safety
2 Level Podium Parking

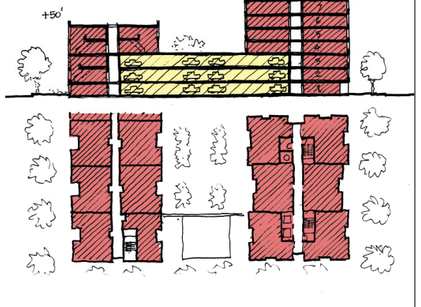


45-75 DU/AC
1 Car per Unit
Concrete Frame
2.00 cost index

Highrise Stacked Flats

(above 8 Stories)/ Above Life Safety
3 Level Podium Parking





75-125 DU/AC
1 Car per Unit
Concrete Frame
2.25 cost index

Stacked

Individual Garages | **Podium Parking**

Wood Frame Construction | **Concrete Construction**

3,250 DU 13% 93 acres	5,000 DU 20% 111 acres	2,500 DU 10% 33 acres	1,000 DU 4% 10 acres

Percentage of Dwellings

Unstacked/ Stacked	Garage/ Podium Parking
40%/ 60%	53%/ 47%

Appendices

E. Coyote Valley Housing Needs Analysis

Overview of Housing Needs: Beyond a Jobs/ Housing Balance

The relationship between jobs and housing is a key driver of existing development patterns in the Bay Area. Workers are often forced to commute long distances from areas with ample supplies of housing that they can afford and that meet their needs to areas with jobs. This pattern has substantial negative consequences for the environmental, the social, and economic sustainability of the community and the region, and threatens the economic vitality of San Jose.

The jobs/housing balance is a measure of the number of jobs available in a specific area compared to the number of housing units in the same area (or more precisely, the number of employed residents living in these housing units). However, just analyzing the quantity of jobs and housing in an area does not address the relationships between wages earned by people holding local jobs, resulting household incomes, and the need for housing that is affordable to those workers to enable them to live near their place of work.

As part of the Coyote Valley Vision, this additional analysis was conducted to estimate the types of jobs expected from commercial development in Coyote Valley. The analysis then converted these new jobs to likely wages, resulting household incomes of the households with these new workers living in them, and related housing need by income level. This estimate of housing needed by income level within the future Coyote Valley community provides a critical step in understanding the affordable workforce housing needs that should be met locally to give all workers an opportunity to live near work, to reduce potential traffic congestion and mitigate other growth impacts.

Methodology

The workforce housing needs analysis estimated housing demand generated by new employees working in the commercial development envisioned for Coyote Valley by the split between owner occupied homes and rental units (typically called the "tenure split") and income level, expressed as percent of Area Median Income (AMI) to relate the findings to affordable housing programs and regulations.

Economic Base Estimates

The Coyote Valley Vision assumes 50,000 "basic jobs" and 3,000 "retail/service jobs" will be located in the Valley. "Basic jobs" will primarily be in the high technology manufacturing, services, government, and finance, real estate, and insurance (F.I.R.E.) sectors, reflecting the economic base of the City and Santa Clara County. "Retail/service jobs" will mainly fall under the retail trade and services sectors. The Vision will also likely generate a small number of agricultural jobs, probably in the range of 100 to 300. Due to the difficulty of developing an

Table 1: Estimate of Housing Demand from New Workers in Coyote Valley Vision Plan

NEW COYOTE VALLEY JOBS BY INDUSTRY CATEGORY

	Basic Jobs		Retail/Service Jobs		
Industry Category (c)	Industry Distribution (a)	New Coyote Valley Jobs (b)	Industry Distribution (a)	New Coyote Valley Jobs (b)	Total New Coyote Valley Jobs
Construction	0.0%	0	3%	83	83
Manufacturing	5.5%	2,757	0%	0	2,757
High Technology	*20.3%*	*10,163*	*0%*	*0*	*10,163*
Transportation and Public Utilities	0.2%	116	2%	46	162
Wholesale Trade	0.6%	316	10%	312	628
Retail Trade	1.3%	632	42%	1,247	1,879
F.I.R.E. (d)	7.4%	3,675	0%	0	3,675
Services	36.5%	18,250	38%	1,125	19,376
Business Services	*18.5%*	*9,251*	*3%*	*91*	*9,343*
Government	9.7%	4,838	3%	95	4,933
Total	**100.0%**	**50,000**	**100.0%**	**3,000**	**53,000**

Notes:
(a) From ABAG Projections 2002. Figures show the distribution of new jobs in Santa Clara County between 2000 and 2020.
(b) New Basic Jobs in Coyote Valley: 50,000
New Retail/Service Jobs in Coyote Valley: 3,000
(c) This analysis does not address housing demand created by additional agriculture employment in Coyote Valley open space areas. Based on existing agriculture employment in southern Coyote Valley, 100 to 300 permanent agriculture jobs are expected.
(d) Finance, Insurance, and Real Estate

HOUSEHOLD INCOME DISTRIBUTION BY INDUSTRY CATEGORY (a)

	Annual Household Income Category (b) (c)			
Industry Category	Very Low	Low	Moderate	Above Moderate
Mining and Agriculture (d)	29.0%	18.4%	28.5%	24.1%
Construction	18.0%	19.3%	28.1%	34.6%
Manufacturing	12.9%	17.0%	28.5%	41.6%
High Technology	9.1%	14.6%	26.9%	49.3%
Transportation and Public Utilities	12.7%	17.7%	29.3%	40.2%
Wholesale Trade	14.4%	18.7%	26.2%	40.8%
Retail Trade	22.0%	20.0%	25.6%	32.4%
F.I.R.E. (e)	13.2%	15.5%	24.8%	46.5%
Services	19.2%	16.7%	23.7%	40.4%
Business Services	19.3%	18.6%	24.4%	37.7%
Government	18.7%	20.5%	23.4%	37.4%

Notes:
(a) Household income distribution data from 1990 Census Public Use Microsample (PUMS) for Santa Clara County. This is most recent data allowing for cross-tabulation of occupation by industry and household incomes. 2000 PUMS data not available until Summer 2003.
(b) Reflects 2001 HCD-defined income levels. Analysis assumes that while HH incomes may change, the distribution among income categories will be similar in 2020.
(c) Very Low Income Households - up to 50% of Area Median Income (AMI). Up to $48,000 for 4-person household in 2001.
Low Income Households - up to 80% of AMI. Was up to $74,250 for 4-person household in 2001.
Moderate Income Households - up to 120% of AMI. Was up to $115,200 for 4-person household in 2001.
(d) This analysis does not address housing demand created by additional agriculture employment in Coyote Valley open space areas.
(e) Finance, Insurance, and Real Estate

Sources: Association of Bay Area Governments, *Projections, 2002*; U.S. Census Public Use Microsamples, 1990; BAE, 2003.

accurate estimate of the number of agricultural jobs, they are not included in this analysis.

To estimate demand for Coyote Valley housing generated by the Vision's projected employment, the number of new Coyote Valley jobs were broken down by industry, based on Association of Bay Area Governments (ABAG) employment projections for Santa Clara County through 2020, and the land uses envisioned for Coyote Valley. Considering the stated desire of the City to place a substantial number of high technology jobs in the Valley, the ABAG forecasts were adjusted to increase the anticipated overall proportion of new employment in high tech, business services, and F.I.R.E jobs.

Next, a distribution of household incomes of employees within each major industrial sector for the Santa Clara County economy was developed, based on data from the 1990 Public Use Microdata Sample (PUMS), a detailed set of raw data from the Census's long form (1990 PUMS data was used because data from the 2000 census was not yet available). All of the PUMS income figures were inflated from 1989 to 2001 dollars using the San Francisco-San José-Oakland CMSA Consumer Price Index (CPI). The PUMS data was then analyzed to develop a household income distribution for every industry, using intervals that match the 2001 California Department of Housing and Community Development income limits for Santa Clara County. As a last step in the demand analysis, the household income distributions for each industry were applied to the projected number of new jobs. This resulted in the number of new Coyote Valley jobs by industry and associated household income category. The total number of jobs was then divided by the assumed employees per household (1.6) to determine the potential number of households, by income level, that would demand housing in Coyote Valley (see Table 2).

Non-working Households

In addition to workforce housing, residential communities have non-working residents. The workforce demand analysis considers only workers in Coyote Valley and does not account for housing needed to house non-working residents of the area including the elderly and special needs populations. To estimate the number of no-worker households that will likely reside in Coyote Valley, it was assumed that Coyote Valley would have the same proportion of non-working households as San José in general. According to the 2000 Census, 7.6 percent of San José families have no workers in the household and these families earn incomes 40.6 percent of the San José average household income.

Table 2: Coyote Valley Housing Units by Household Income Level for New Workers

	Very Low Income HHs	Low Income Households	Moderate Income HHs	Above Mod Income HHs	Total
Total New Jobs By HH Income Level (b)	**8,800**	**9,100**	**13,200**	**22,000**	**53,000**
Housing Need for New Workers by Income Level:					
Owner Households (c)	3,400	3,500	5,100	8,500	20,600
Renter Households (c)	2,100	2,200	3,200	5,300	12,700
Total Units by Income Level (d)	**5,500**	**5,700**	**8,300**	**13,800**	**33,300**
Percent of Total Households	*16.5%*	*17.1%*	*24.9%*	*41.4%*	*100.0%*
Additional Units Needed for Households with No Workers (e)					
Total Coyote Valley Housing Supply (based on General Plan Targets)					**25,000**
Citywide Percentage of Families w/o Workers					**7.5%**
Households with Workers	1,170	680	30	30	**1,900**
Distribution of Household Income for Households w/o Workers (f)	61.5%	35.6%	*1%*	*1%*	
TOTAL DEMAND	**6,670**	**6,380**	**8,330**	**13,830**	**35,200**
	18.9%	18.1%	23.7%	39.3%	100.0%
TOTAL PROJECTED HOUSING SUPPLY					**25,000**
TOTAL PROJECTED HOUSING SUPPLY/(DEMAND) BALANCE					***(10,200)***
TOTAL VERY LOW/LOW INCOME UNITS NEEDED					**13,050**
					37.1%

Notes:
(a) Very Low Income Households are at 50% of Area Median Income (AMI).
Low Income Households are at 80% of AMI.
Moderate Income Households are at 120% of AMI.
(b) Calculated by applying Household Income Distribution to Total New Coyote Valley Jobs in Table 1.
(c) Owner-occupied households in San Jose per 2000 Census - 61.8%
(d) Assumes Employed Residents per Household in Coyote Valley = 1.6
(e) The workforce demand analysis considers only workers in Coyote Valley and does not account for housing needed to house non-working residents of the area. According to the 2000 Census, 7.57% of family's have no workers and these families have 40.6% of the average household income.
(f) Household income distribution derived by adjusting San Jose household income distribution downward 40.6%. Workerless familes have 40.6% the household income as the San Jose average.

Sources: U.S. Census, 2000; BAE, 2003.

Findings

The following findings are shown in Tables 1 and 2.

- Jobs/Housing Balance for New Workers. The analysis indicates that the overall balance of the number of jobs and resulting number of units needed to house new workers within the Valley will not be met by the Vision's planned 25,000 housing units. Workforce housing needs will require at least 33,000 housing units, leaving an overall gap of at least 8,000 units in terms of total planned supply. This result is due to the fact that the Vision accepts the City's target of 50,000 primary jobs and 25,000 housing units, this mix is unbalanced in the direction of jobs.

- Very Low Income Workforce Households. The analysis indicates that at least 16.5 percent of the workforce will earn very low incomes (incomes up to 50 percent of Area Median Income, which was approximately $48,000 for a four-person household in 2001). To fully meet the need of very low income workers, 5,500 housing units that are affordable at this income level will have to be provided. This analysis projects that this income level will demand at least 3,400 ownership units and 2,100 rental units.

- Low Income Workforce Households. The analysis shows that 17.1 percent of the workforce will earn low incomes (between 50 percent and 80 percent of Area Median Income, approximately $48,000 to $74,250 for four-person household in 2001). To fully meet the housing need of low income workers, another 5,700 units would need to be affordable at this income level. This analysis estimates that this need includes at least 3,500 ownership units and 2,200 rental units.

- Moderate Income Workforce Households. The analysis indicates that 24.9 percent of the workforce will earn moderate incomes (defined as 80 percent to 120 percent of AMI, in 2001, this would equate to between $74,250 and $115,200 for a four-person household). To fully meet the housing need of moderate income workers 8,300 units will need to be affordable at this income level. Moderate income households can typically afford rental housing in San Jose, but can not afford to purchase most newly constructed housing units available in the marketplace today. As Coyote Valley market-rate units would be newly constructed and able to command relatively high prices because of the beautiful setting and amenities of the Vision, without assistance programs these moderate income workforce households will also face difficulty living near their workplace.

- Non-Worker Households. Assuming that there will be 25,000 housing units in Coyote Valley, this analysis indicates the need for 1,900 units to house non-working households. Based on the 2000 Census figures indicating that these households have incomes significantly lower than San José averages, demand for 1,170 Very Low and 680 Low Income units can be expected from non-working households.

- Overall Housing Demand/Balance. Including Workforce and non-worker households, housing demand will require approximately 35,200 housing units, leaving an overall gap of 10,200 units in comparison to total planned supply in Coyote Valley. This analysis indicates demand for 6,670 units of Very Low Income, 6,380 units of Very Low Income, and 8,330 units of Moderate Income housing. As noted above, this analysis does not include housing for between 100 and 300 agricultural workers. A small number of units will need to be provided to accommodate these workers.

- Relationship to San Jose General Plan Affordability Goals for Coyote Valley. The above analysis shows that, to meet the needs of the Coyote Valley workforce and households with no workers, at least 37.1 percent of all housing units developed in Coyote Valley will need to be affordable to very low and low income households in order to match the wages earned by jobs in the same area and accommodate non-working households. An additional 23.7 percent of housing units will need to be priced at levels affordable to moderate income workforce households. Even though the City's general plan does not call for providing the amount of housing necessary to meet the Valley's total housing demand, the Vision calls for the 25,000 housing units that are planned to be proportionally targeted as affordable across income levels based upon the needs revealed by this analysis. Doing so will allow people of various income levels to live close to work, will help reduce the number of commuters into Coyote Valley thereby minimizing traffic and smog and will help to build an overall more diverse community.

- The San Jose General Plan only calls for 20 percent of housing units in Coyote Valley to be affordable, and does not specify the income range. If this remains the goal, this Housing Needs Analysis indicates that the General Plan goal will fall far short of meeting the Valley's future affordable housing needs. To meet the affordable housing needs for Coyote Valley, the City will need to aggressively pursue the policies and programs described in Chapter VI of the Vision, including a robust inclusionary zoning policy.

Appendices

F. Land Use Program Matrix

COYOTE VALLEY VISION — *WRT / SOLOMON E.T.C*

LAND USE & DEVELOPMENT PROGRAM

Land Use	*Development Program (North and Mid Valley Only)*
Residential	**25,000 dwelling units**[2] (20,000 Market Rate du's/5,000 Below Market Rate du's required)
Employment-Oriented Commercial Office, R&D, & Industrial	16.7 million square feet[1]
Retail & Service Commercial	1.5 million square feet[2]
Population	**80,000 residents** (@ 3.2 persons/household[3])
Schools	6 elementary schools (40.2 acres[4]) 1 middle school (14.5 acres[4]) 1 high school (21.5 acres[5])
Parks	560 acres of new regional parkland 120 acres of neighborhood parks 180 acres of community parks
Employment	50,000 primary/office jobs (@ 3 jobs/1,000 s.f.)[1] 3,000 retail/service jobs (@ 2 jobs/1,000 s.f.)[2]
Employed Residents	40,000 (@ 1.6 employed residents/household[7])
Proposed Development Intensity	
Employment-Oriented Commercial Office, R&D, & Industrial	1.00 average Floor Area Ratio (FAR)[10]
Retail & Community Services	1.00 average Floor Area Ratio (FAR)[10]
Residential	**28.5 dwelling units per acre**[9]
Parks	7 acres of Regional Parkland per 1,000 population[6] 2.0 acres of Community Parkland per 1,000 population[6] 1.5 acres of Neighborhood Parkland per 1,000 population[6]
Schools	6.7 acres[8] per Elementary School 14.5 acres per Middle School 21.5 acres per High School
Land Use Allocations (Acreage)	
Residential	881 acres
Commercial Office	463 acres (includes 383 ac. new development plus 80 ac. IBM campus)
Retail & Service Commercial	35 acres
Schools	76 acres
Parks	860 acres
Agriculture	435 acres (plus 175 acres that is also designated for flood management)
Flood Management Facilities	505 acres (all of which is designated as Regional Park)
Miscellaneous (e.g., habitat areas, fringe open space, rail corridor, etc.)	160 acres
Circulation (assumes 25% of developed area)	580 acres
Total Gross Acreage in Mid & North Valleys	**3,490 acres**

NOTES:

[1] Minimum City of San Jose projections for Coyote Valley

[2] Coyote Valley Vision project's projection

[3] Average household size in City of San Jose is 3.2 residents per unit, and 3.16 for renter occupied units, according to 2000 US Census

[4] The number of schools is based on Morgan Hill School District guidelines that recommend 550 students per elementary school, 750 students per middle school, and 1,250 students per high school. Student generation rates were derived from sampling of recently developed attached housing in the Evergreen district of the East Side Union High School District of San Jose. Given the projected densities in Coyote Valley, the generation factors that have been used specifically relate to the Evergreen data for Attached Market Rate units and Attached Below Market Rate units.

[5] The Vision project's projections show Coyote Valley generating approximately 1,250 high school students at buildout. Based on this, the Vision assumes that an additional urban style high school will be needed within the planning area

[6] Ratios represent minimum City of San Jose standards as set forth in the General Plan

[7] Per the 2000 US Census the City of San Jose has 1.6 employed residents per household

[8] School acreage standards assume a more urban setting, and are less than State standards

[9] The following table illustrates the distribution of residential densities that is envisioned for Coyote Valley and will achieve this overall density.

Number of Units	*% of Total Units*	*Development Intensity*	*Required Acreage*	*% of Total Acres*
1,000 du's	4%	10 du/ac	100 acres	14%
2,500 du's	10%	15 du/ac	167 acres	28%
6,250 du's	25%	25 du/ac	250 acres	22%
3,500 du's	14%	30 du/ac	117 acres	9%
3,250 du's	13%	35 du/ac	93 acres	8%
5,000 du's	20%	45 du/ac	111 acres	12%
2,500 du's	10%	75 du/ac	33 acres	6%
1,000 du's	4%	100 du/ac	10 acres	1%
25,000 du's	**100%**	**28.5 du/ac**	**881 acres**	**100%**

[10] The following table illustrates the distribution of commercial development intensities that is envisioned for Coyote Valley and will achieve this overall density.

Commercial Floor Area *(million square feet)*	*% of Total Floor Area*	Development Intensity *(Floor Area Ratio)*	*Required Acreage*	*% of Total Acres*
0.338 msf	2%	0.25	31 acres	7%
0.958 msf	5%	0.50	44 acres	10%
2.091 msf	12%	0.75	64 acres	15%
10.890 msf	60%	1.00	250 acres	58%
2.614 msf	14%	2.00	30 acres	7%
1.307 msf	7%	3.00	10 acres	2%
18.198 msf	**100%**	**1.00 FAR**	**429 acres**	**100%**