

April 22, 2020

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**Via Email: [GeneralPlanStaff@sanjoseca.gov](mailto:GeneralPlanStaff@sanjoseca.gov)**

General Plan Task Force  
City of San Jose  
Planning Department  
200 E. Santa Clara Street  
Tower, 3<sup>rd</sup> Floor  
San Jose, CA 95113

**Re: GP 4-Year Review Task Force**

Dear General Plan Task Force:

Hopkins & Carley represents the Lester families, who have owned property and farmed in North Coyote Valley for generations. Their property, and that of the Denning, Benson and Foster families who also have owned property and farmed in Coyote Valley for generations, has been designated by the General Plan for decades to be developed for employment uses. Industrial development to create jobs on their property could be underway now, but for the uncertainty created by the issues before the Task Force.

The national crisis we face today makes employment uses more important than ever, and jobs in Coyote Valley should not be eliminated, but encouraged.

#### San Jose Residents Need Jobs to Provide for Their Families

The San Jose area faces a loss of over 200,000 jobs as a result of the Covid 19 crisis. (University of the Pacific Center for Business and Policy Research, April 2020, Initial Estimates of Employment Impacts of Covid-19 Pandemic) Most of those people live in San Jose and San Jose will need to find ways to help them provide for their families. The best way to do that is by creating jobs. Coyote Valley is an opportunity to provide jobs for blue collar to white collar workers, and we only need to use a fraction of its acreage to do so.

#### San Jose's Budget Needs New Revenues to Provide Services

San Jose is also facing large budget gaps this year and next, gaps that will only grow as the Covid 19 recession further slows the economy. The collective revenue shortfall is estimated at \$45 million in 2019-2020 and \$65 million in 2020-2021. (Memorandum from David Sykes April 3, 2020, Estimated Budget Impacts of Covid 19)

We learned in the depths of the Great Recession that the best way to help our residents and taxpayers was thorough job growth. Creating jobs in Coyote Valley is a vitally important to generate tax revenues.

Job development in Coyote Valley will generate tax revenues that would flow annually into the city budget. Jobs for 35,000 employees could generate over \$20 million per year for the City. (\$575 net revenue per

employee from Industrial Park lands, Update on Fiscal Analysis of Land Use - City of San Jose, by Applied Development Economics, Council Agenda April 14, 2015, Item 11.3)

We Can Protect Coyote Valley Without Destroying Its Jobs and Revenues Capacity.

It is completely unnecessary to wipe out job growth and tax revenues from Coyote Valley to protect the environment. There are many areas in the 7000 acres of Coyote Valley, including my clients' property, that are not in a flood zone or wildlife corridor. The attached map by the Open Space Authority makes that clear.

The Task Force Needs to Engage In Thoughtful Decision Making During This Crisis

As David Sykes said in his memo April 3<sup>rd</sup>, "The City will need to engage in thoughtful decision making to resolve these significant shortfalls during these unprecedented times." The Task Force needs to heed his words and engage in thoughtful decision making about Coyote Valley, and whether or not the City needs jobs and revenues from Coyote Valley.

The Task Force should ask staff for answers to the following questions before making a recommendation regarding Coyote Valley:

What parts of Coyote Valley need to be dedicated to flood protection?

What parts of Coyote Valley need to be dedicated for a wildlife corridor?

How many acres remain for other uses?

How many jobs could be accommodated on the remaining acres?

What kinds of jobs do the residents of San Jose need?

How much revenue could flow into the City from jobs in Coyote Valley?

Only when the Task Force has the answers to those questions will you be prepared to make thoughtful decisions about how many jobs the General Plan should assume for Coyote Valley.

When you get answers to those questions, you will realize that we can protect Coyote Valley without destroying its jobs capacity. You will also see that eliminating jobs in Coyote Valley would be a horrible fiscal decision in a time of fiscal crisis, and a retreat from our Major Strategy 8 Fiscally Strong City and our goals of fiscal sustainability and improving services, reflected in GP2040 Chapter 2, pages 15-21.

The future of Coyote Valley and the importance of development of jobs have been robustly debated for decades, in political campaigns, policy discussion, and formal planning processes (Mayor's Task Force on Economic Development 1983, Horizon 2000 General Plan 1984, General Plan 2020 1994), and most recently in the development of GP2040, in which more than 5000 people participated in 55 public meetings. The Envision San Jose GP2040 Task Force and members of the community strongly advocated for land use planning that promotes economic development, is fiscally responsible, is environmentally sustainable, and makes prudent use of existing and planned transit facilities and other infrastructure.

**Economic development and fiscal stability objectives, fueled by the City's current fiscal condition and a desire to advance San José's national stature, led to the selection of a**

**Preferred Land Use Scenario that gives clear priority to job growth and to improving the City's current Jobs to Employed Resident (J/ER) ratio. (GP2040, Appendix 3, page 23)**

The sum of all those debates about Coyote Valley has been reflected in the approval of multiple general plans, including GP 2040, as well as in the specific strategies and goals of the adopted plans.

Development of jobs in Coyote Valley plays a critical role in achieving the long held objective of a fiscally sustainable city. GP2040, as modified in the 4-Year Major Review approved in December 2016, assumes that there will be 35,000 jobs on 1722 acres in North Coyote Valley, which is nearly 10% of the total job growth for the entire city. Taking Coyote Valley and its 35,000 reverse-commute jobs out of consideration would undermine GP2040 by making it internally inconsistent and unachievable. Eliminating jobs in Coyote Valley would undermine the entire General Plan and open it up to litigation.

GP2040 also has goals to preserve the environment and provide for wildlife movement across Coyote Valley (Goal ER-7 Wildlife Movement) and protect against flooding hazards (Goal EC-5 – Flooding Hazards). Those goals are not incompatible with our economic development goals and or our fiscal sustainability goals. In fact, development in Coyote Valley can help facilitate these goals through compliance with modern flood control standards and revenue generation that can contribute to the protection and expansion of wildlife movement.

**Goal FS-4.2 Maintain, enhance, and develop the employment lands within identified key employment areas (North Coyote Valley, . . . Protect existing employment uses within these areas from potentially incompatible non-employment uses.**(GP2040 Chapter 2, page 19)

**Goal FS-4.1 Preserve and enhance employment land acreage and building floor area capacity for various employment activities because they provide revenue, near-term jobs, contribute to our City's long-term achievement of economic development and job growth goals . . .** (GP2040 Chapter 2, page 18- 9)

And our economic development and fiscal sustainability are not necessarily incompatible with the desire for Hydrological Enhancements and the Wildlife Crossings, described in the Open Space Authority Coyote Valley Landscape Linkage 2017, Figure 6, page 28. <https://www.openspaceauthority.org/public-information/document-library.html>

San Jose has long demonstrated the ability to have both economic development and environmental protection. We have already protected and preserved many thousands of acres with our environmental policies, the South Coyote Greenbelt, our Urban Growth Boundary and our Habitat Conservation Plan. Coyote Valley is but a small fraction of our City but it has a huge role to play in our fiscal future and the economic wellbeing of our residents.

Perhaps more corporate headquarters are not what we need in Coyote Valley. Perhaps we need more business services? Perhaps we need additional blue collar jobs? What kind of jobs do the people of San Jose need and where can they be feasibly located? Those are questions the Task Force should deal with before it makes recommendations to the City Council about the best use of the land in Coyote Valley.

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Sincerely,

HOPKINS & CARLEY  
A Law Corporation

A handwritten signature in cursive script that reads "Chuck Reed".

Chuck Reed

CRR/lc:

cc: City Manager David Sykes  
City Attorney Richard Doyle  
Planning Director Rosalynn Hughey  
Director of Economic Development Kim Walesh