

COASTAL CONSERVANCY

Staff Recommendation

September 17, 2026

COYOTE VALLEY LANDSCAPE LINKAGE ACQUISITION

Project No. 26-036-01

Project Manager: Vanessa Aczon

RECOMMENDED ACTION: Authorization to disburse up to \$14,500,000 to the Santa Clara Valley Open Space Authority to undertake the Coyote Valley Landscape Linkage Acquisition, consisting of acquiring approximately 417 acres of land located in Coyote Valley in Santa Clara County for protection, restoration, and enhancement of natural resources and wildlife habitat; protection of open space and natural floodplain; provision of public access; and enabling climate-resilient agricultural use.

LOCATION: Coyote Valley, San Jose, Santa Clara County

EXHIBITS

Exhibit 1: [Project Location Map](#)

Exhibit 2: [Parcels Map](#)

Exhibit 3: [Potential Agricultural Use Zones Map](#)

Exhibit 4: [Project Letters](#)

Exhibit 5: [Photos](#)

RESOLUTION AND FINDINGS

Staff recommends that the State Coastal Conservancy adopt the following resolution and findings.

Resolution:

The State Coastal Conservancy hereby authorizes a grant of an amount not to exceed fourteen million five hundred thousand dollars (\$14,500,000) to the Santa Clara Valley Open Space Authority (“the grantee”) to undertake the Coyote Valley Landscape Linkage Acquisition, consisting of acquiring approximately 417 acres of land (Santa Clara County Assessor Parcel Nos. 712-03-009, 712-04-098, 712-19-006, 712-19-007, 712-20-001, 712-20-004, 712-20-005, 712-21-004, 712-21006, and 712-28-021), located in Coyote Valley in Santa Clara County for protection, restoration, and enhancement of natural resources and wildlife habitat; protection of open space and natural floodplain; provision of public access; and enabling climate-resilient agricultural use, subject to the following conditions:

1. Prior to the disbursement of funds for the acquisition, the grantee shall submit for the review and approval of the Executive Officer of the Conservancy (Executive Officer):
 - a. All relevant acquisition documents for the acquisition including, without limitation, the appraisal, purchase and sale agreement, deed, escrow instructions, environmental or hazardous materials assessment, and title report;
 - b. A baseline conditions report; and
 - c. Evidence that sufficient funds are available to complete the acquisition.
2. The grantee shall pay no more than fair market value for the property, as established in an appraisal approved by the Executive Officer.
3. The property acquired under this authorization shall be managed and operated for protection, restoration, and enhancement of natural resources and wildlife habitat; protection of open space; natural floodplain; public access; and climate-resilient agricultural use. The property shall be permanently dedicated to those purposes by an appropriate instrument approved by the Executive Officer.
4. Conservancy funding shall be acknowledged by erecting and maintaining a sign on the property or in a nearby publicly-viewable area, the design and location of which are to be approved by the Executive Officer.

Findings:

Based on the accompanying staff recommendation and attached exhibits, the State Coastal Conservancy hereby finds that:

1. The proposed authorization is consistent with Chapter 4.5 of Division 21 of the Public Resources Code, regarding the protection, restoration, and enhancement of natural habitats.
2. The proposed project is consistent with the current Conservancy Project Selection Criteria.

STAFF RECOMMENDATION

PROJECT SUMMARY

Staff recommends the Conservancy authorize a \$14,500,000 grant to the Santa Clara Valley Open Space Authority (OSA) to undertake the Coyote Valley Landscape Linkage Acquisition, consisting of acquiring approximately 417 acres of land (Santa Clara County Assessor's Parcel Nos. (APNs) 712-03-009, 712-04-098, 712-19-006, 712-19-007, 712-20-001, 712-20-004, 712-20-005, 712-21-004, 712-21006, and 712-28-021), located in Coyote Valley in Santa Clara County for protection, restoration, and enhancement of natural resources and wildlife habitat; protection of open space and natural floodplain; provision of public access; and enabling climate-resilient agricultural use.

The Santa Clara Valley was once a flourishing ecosystem of oak woodlands, savannas, grasslands, streams lined with riparian forests, connecting the Santa Cruz Mountains to the west and the Diablo Range to the east. However, over the years, agricultural and urban

development has significantly transformed and fragmented the landscape. Coyote Valley, which is situated within the larger Santa Clara Valley, is often referred to as a “last chance landscape,” as it is one of the few remaining undeveloped valley floors, crucial for wildlife migration and adaptation to climate change. This area is not only rich in scenic beauty and biodiversity, but also home to endangered species like the California tiger salamander and the Bay checkerspot butterfly; it is a source of the region’s water resources, acting as a natural floodplain, and providing flood protection benefits to communities; and offers recreational opportunities including hiking, bird-watching, and educational programming. As such, Coyote Valley has become a top priority for open space conservation in Santa Clara County.

This acquisition will conserve four properties: Midway Fields (APN 712-03-009), Houret (APNs 712-19-006 and -007), Shapell (APNs 712-21-006, 712-28-021, 712-04-098, and 712-20-001, -004 & -005), and Kuzia (APN 712-21-004) - referred to as “Mid-Coyote Valley properties,” encompassing approximately 417 acres in Coyote Valley, the narrowest connection landscape linkage on the valley floor. The OSA will purchase these Mid-Coyote Valley properties from the Peninsula Open Space Trust (POST) for permanent protection. These properties have been under constant threat of development starting with plans in the early 2000’s to transform the area into a technology hub and housing development. To sever this landscape linkage could lead to genetic isolation and in-breeding among species in the Santa Cruz Mountains. POST had purchased these properties with the intention of transferring to the OSA for long-term ownership.

This acquisition will grow the network of conserved lands in Coyote Valley to over 1,600 acres, and will provide ecosystem connectivity, support wildlife, enhance flood protection and groundwater recharge, and support working lands. After this acquisition, most of the Mid-Coyote Valley properties will be placed under a conservation easement, with habitat restoration and potential conservation grazing guiding their use. The OSA, informed by community input, envisions supporting climate-resilient agriculture on portions of two of these properties. On portions of the Kuzia and Shapell properties (see Exhibit 3: Potential Agricultural Use Zone Maps), climate-resilient agricultural uses may include row-crop farming that incorporates regenerative practices such as hedgerows, cover cropping, and soil carbon analysis. These cultivated areas may be supported by farmer-serving infrastructure such as crop yards, barns, and greenhouses, along with agricultural-themed public amenities like farm stands, and sheltered educational spaces, that help connect the community to the working landscape. Alongside potential public amenities, public access may also include multi-use trails that connects visitors to public transportation, Coyote Valley open space, and other regional trails such as the Bay Area Ridge Trail. Agricultural activities will be a secondary and complementary use of some areas on the properties, designed to align with and reinforce habitat restoration and wildlife connectivity. Conservation grazing may play a role in managing vegetation within restoration areas, helping promote native species and limit the spread of invasive plants. Additionally, expanding the protection to the Mid-Coyote Valley properties will create a contiguous landscape linkage and connect parks and open areas across the valley to the Laguna Seca floodplain, which once was one of the largest freshwater wetlands in the bay area. Fisher Creek runs through portions of the properties and flows into the Laguna Seca

wetlands complex to provide habitat for migratory birds, amphibians, fish, and terrestrial animals.

This acquisition represents a once-in-a-generation opportunity to protect and restore a vital landscape. Coyote Valley is recognized as a “resource of statewide significance” (Assembly Bill 948) by the State Legislature in 2019.

The Mid-Coyote Valley properties are part of the Coyote Valley Conservation Areas Master Plan (CVCAMP), which will guide the restoration of the valley’s unique water resources and habitats, supporting climate-resilient agriculture, and ensuring equitable public access to protected lands. CVCAMP is being developed through a multi-year, science-driven public planning process that is actively engaging the community to shape the future of Coyote Valley. This acquisition is a foundational step that represents a unique opportunity for long-term restoration and protection of this critical landscape where nature and communities can thrive together.

Once acquired, these properties will be integrated into the OSA system of open space preserves, allowing for long-term management and stewardship that aligns with the vision established through CVCAMP. The OSA Field Operations team will oversee ongoing maintenance, operations, resource management, and future restoration activities, ensuring that the community-informed planning framework translates into on-the-ground conservation outcomes. Additionally, the OSA field staff will be responsible for daily patrol, site security, fuels management, ensuring appropriate access for environmental education and public use.

Site Description: Coyote Valley is located along the southern edge of San Jose in Santa Clara County, and has a long history of being a vibrant natural landscape shaped by seasonal wetlands, diverse habitats, and abundant wildlife. Over time, much of the landscape was converted to agricultural use and urban development, giving the valley its now predominantly rural and working-lands characteristics. Nestled between the Santa Cruz Mountains and the Diablo Range, it serves as a vital natural resource area with diverse ecosystems and abundant wildlife, including at least a dozen rare and endangered species such as the California red-legged frog and western burrowing owl. Positioned between the cities of San Jose and Morgan Hill, Coyote Valley is adjacent to major transportation corridors, including U.S. Highway 101 and State Route 85.

The Mid-Coyote Valley properties consist of ten parcels totaling 417.62 acres in the central area of the valley floor. These parcels are primarily agricultural lands used for livestock grazing and open space habitat. Fisher Creek runs through portions of the properties, supporting stretches of riparian habitat, some of which have already undergone restoration. Surrounding Fisher Creek are low-intensity agricultural operations, primarily producing forage crops. The four properties are owned by POST, which acquired Kuzia in September 2020, Shapell in March 2021, Houret in January 2022, and Midway Fields in January 2026.

The properties form two non-contiguous agricultural land groupings: a rectangular parcel north of Laguna Avenue, and a larger, L-shaped assemblage. These two areas are connected by a parcel owned in fee by the OSA. See Exhibit 1: Project Maps.

Grant Applicant Qualifications: The OSA is a public, independent special district created by the State Legislature in 1993 to conserve and protect open space lands, preserve agricultural lands,

and promote a healthy environment for all. Its jurisdiction includes the cities of Campbell, Milpitas, Morgan Hill, San Jose, Santa Clara, and the unincorporated areas of Santa Clara County. Since its formation, the OSA has protected approximately 30,000 acres of land through fee acquisition, conservation easements, contributions to partner projects, and management agreements. It actively collaborates with various stakeholders, including government entities, tribes, landowners, community organizations, and residents to seek input from diverse perspectives, ensuring that projects align with community needs and values. The OSA has been awarded numerous grants from various agencies, including California Natural Resources Agency, US Fish and Wildlife Service, Department of Conservation, and Metropolitan Transportation Commission. The OSA has also successfully completed several projects in cooperation with the Conservancy, such as the Sobrato South Acquisition, Coyote Ridge Acquisition, and the Coyote Valley Open Space Preserve Use and Management Plan and Public Access Improvement projects.

With the OSA's combination of diverse expertise, collaborative approach, financial management, and commitment to conservation, they are well qualified to move forward with this proposed project.

CONSISTENCY WITH CONSERVANCY'S PROJECT SELECTION CRITERIA

The proposed project is consistent with the Conservancy's Project Selection Criteria, last updated on September 23, 2021, in the following respects:

Selection Criteria

1. Extent to which the project helps the Conservancy accomplish the objectives in the Strategic Plan.

See the "Consistency with Conservancy's Strategic Plan" section below.

2. Project is a good investment of state resources.

The proposed project is a good investment of state resources because it will secure the permanent protection and stewardship of a critical landscape linkage in Santa Clara County that connects the Santa Cruz Mountains and the Diablo Range. Conserving this corridor is essential for maintaining habitat connectivity, supporting biodiversity, and enhancing landscape resilience. The acquisition of these properties builds on years of close collaboration and coordination with community partners, and local and state governments to protect and preserve the Coyote Valley area. The project advances statewide conservation goals and is consistent with regional and local planning efforts. In particular, the project aligns with California's "Pathways to 30x30" commitment to protect 30% of lands and waters by 2030, helping to achieve conservation outcomes with broad ecological and community benefits.

3. Project includes a serious effort to engage tribes. Examples of tribal engagement include good faith, documented efforts to work with tribes traditionally and culturally affiliated to the project area.

As described above, the Mid Coyote Valley properties are part of CVCAMP, which includes engagement with tribes to identify opportunities for land access, and the integration of cultural practices, site development, stewardship, interpretation, and educational programming. Additionally, the OSA has collaborated and is continuing to partner with the tribes on various efforts elsewhere on Coyote Valley, laying a solid foundation ahead of this proposed project. These ongoing collaborations demonstrate the OSA's commitment to building meaningful partnerships with the tribes.

4. Project benefits will be sustainable or resilient over the project lifespan.

The acquisition of these strategic Mid Coyote Valley properties will address critical gaps in land holdings that are essential for fulfilling the vision of a restored and functional landscape, enhancing resilience and supporting regional conservation planning efforts. By dedicating the land to conservation purposes, it will ensure ongoing protection, strategic planning, restoration, and management in perpetuity, maximizing public benefits over the long term.

5. Project delivers multiple benefits and significant positive impact.

The project will deliver lasting benefits by permanently protecting these Mid Coyote Valley properties, which will contribute to a contiguous landscape in Coyote Valley, to be managed by the OSA. Securing these properties establishes essential groundwork for future restoration, habitat protection, and tribal and community access efforts.

Building on this foundation, the OSA will advance enhancement and restoration of Coyote Valley through CVCAMP. These efforts include improvements in surface and groundwater quality through onsite capture, filtration, and retention; and hydrologic restoration that will serve as a buffer for the City of San Jose during severe storm events, mitigating flood impacts on infrastructure and allowing more time for emergency responses services.

6. Project planned with meaningful community engagement and broad community support.

These key parcels are part of the robust CVCAMP community engagement planning process. Since CVCAMP's launch in 2021, the OSA has actively engaged communities through various outreach efforts, including listening sessions, public meetings, workshops, community events, and both in-person and online surveys. The OSA has prioritized inclusive engagement, ensuring a diverse range of organizations participate, particularly focusing on outreach to groups and communities that historically have not had access or have been excluded from planning processes. Community support for the CVCAMP and broader conservation efforts in the Santa Clara Valley region is reflected in several local and state policies, such as:

- San Jose's Measure Q (2014) that allocates funding for acquisition and preservation of open space, farmland, and natural habitats. This resulted in the allocation of financial resources to protect and conserve land in Coyote Valley from development pressures;

- San Jose’s General Plan, whereby City Councilmembers amended the policy document to be consistent with prior public and private investment in conservation and agriculture for climate resilience for Coyote Valley (2021); and
- California Assembly Bill 948 authored by Assemblymember Ash Kalra, which recognizes Coyote Valley for its crucial importance to the state (2019).

Much of the support of these policies can be attributed to decades long grassroots efforts, showcasing that extensive community engagement is a top priority for the OSA in the master planning of this land. Please see Exhibit 3: Project Letters.

PROJECT FINANCING

Coastal Conservancy	\$14,500,000
Santa Clara Valley Open Space Authority	\$50,000
Project Total	\$14,550,000

The anticipated sources of Conservancy funds for this authorization are fiscal years 2025-2026 (\$3,000,000) and 2026-2027 (\$11,500,000) appropriations to the Conservancy from the Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024 (“2024 Climate Bond” or “Proposition 4”), codified at Public Resource Code Sections 90000-95015). Pursuant to Section 91032, these funds are available “to protect and restore rivers, wetlands, streams, lakes, and watersheds, and improve the resilience of fish and wildlife.” Specifically, funds allocated to the Conservancy within this section are available “to protect and restore watersheds through the Coyote Valley Conservation Program in the County of Santa Clara.” (Section 91032(h)).

The proposed project is consistent with this funding source because acquisition and dedication of the property for conservation purposes will protect watersheds and wildlife habitats as part of the Coyote Valley Conservation Program.

Unless specifically identified as “Required Match,” the other sources of funding and in-kind contributions described above are estimates. The Conservancy does not typically require matching funds or in-kind services, nor does it require documentation of expenditures from other funders or of in-kind services. Typical grant conditions require grantees to provide any funds needed to complete a project.

All pre-acquisition and closing costs are being funded by the OSA.

CONSISTENCY WITH CONSERVANCY’S ENABLING LEGISLATION

The project is being undertaken pursuant to Chapter 4.5 (regarding the San Francisco Bay Conservancy Program) of Division 21 of the Public Resources Code. Public Resources Code section 31162(b) authorizes the Conservancy to award grants in the nine-county San Francisco Bay Area “to protect, restore, and enhance natural habitats and connecting corridors, watersheds, scenic areas, and other open-space resources of regional importance.”

Consistent with this section, the project site is in Santa Clara County, one of the nine counties, and it will protect and restore natural habitat, critical wildlife connectivity, and open space that the legislature has declared a “resource of statewide significance” (Public Resources Code section 35182). The project will conserve land for agricultural purposes, which is an open-space resource of regional importance, because agricultural lands in the region are diminishing and the character of the region is changing as they become developed. Additionally, agriculture in Coyote Valley supports regenerative and climate-smart practices that improve soil health, increase carbon sequestration, and reduce flood risks across the broader watershed. The maintenance of active farmland also strengthens regional food security and supports the local economy by sustaining local farmers, and community-serving agricultural operations. These agricultural areas may also create meaningful opportunities for education, community engagement, and collaborative stewardship with tribes.

CONSISTENCY WITH CONSERVANCY’S [2023-2027 STRATEGIC PLAN](#)

Consistent with **Goal 3.1 Conserved Lands**, the proposed project will acquire approximately 417 acres of key properties located in Coyote Valley in Santa Clara County for protection, restoration, and enhancement of natural resources and wildlife habitat; protection of open space and natural floodplain; provision of public access; and enabling climate-resilient agricultural use.

CEQA COMPLIANCE:

The project is categorically exempt from review under the California Environmental Quality Act (CEQA) pursuant to Title 14 of the California Code of Regulations, Section 15325 (Transfers of Ownership of Interest in Land to Preserve Existing Natural Conditions and Historical Resources), which exempts transfers of ownership of interests in land to preserve open space and habitat, examples of which include acquisitions to allow preservation or restoration of natural conditions and to allow continued agricultural use. (Section 15325(a) - 15325(c)). The project is consistent with this section because the project consists of acquisition of lands in their natural condition to allow for the continuation of agriculture, preservation of critical landscape linkages, and future restoration of the Fisher Creek floodplain and riparian corridor to enhance wildlife habitat.

Upon approval of the project, Conservancy staff will file a Notice of Exemption.