Warnick-DeRito, LLC

March 29, 2018

Regarding:Lease # B-191-1 – Resort Development
Submittal for a Conditional Use Permit (CUP), Dimensional Variance for Increased
Building Height and Dimensional Variance for Increased Floor Area Ratio (FAR)

Dear Landowner:

The Salt River Community Golf Enterprises is in the process of amending Lease B-191-1 to permit Warnick-De Rito, LLC to develop a luxury resort on the undeveloped 46 acre parcel located in the center of the Talking Stick Golf Course (the "Hotel Project"). Concurrent with the lease amendment process we are beginning the development process for the Hotel Project. As a necessary part of the development process, we are submitting to the SRP-MIC Community Development/Planning Services Division for review and approval of the following:

- **Conditional Use Permit (CUP)**. The subject property is currently zoned Commercial C-3. This zoning classification allows a number of uses by right including such wide ranging categories as farming, single family, governmental facilities, senior center, community park, neighborhood shopping center, bank, office complex, laboratory, health facilities, grocery stores, restaurants, etc. Hotels are permitted under C-3 zoning classification upon obtaining a CUP approved by the Community Council.
- **Dimensional Variance Maximum Building Height**. The current zoning classification on the property allows for a maximum building height of 40'. We are requesting a Dimensional Variance that would increase the permitted maximum building height to 78', excluding architectural appurtenances such as elevator penthouses, stairwells, etc.
- **Dimensional Variance Maximum Floor Area Ratio (FAR)**. The current zoning classification allows for a maximum Floor Area Ratio of 28%. The Floor Area Ratio is a percentage factor that is used to calculate the maximum allowed building square footage on a given parcel. It is calculated by multiplying the total square footage of the subject parcel, in case, by 28%. We are requesting a 2% increase to a 30% FAR.

With these three approvals in hand, we will be able to move forward with the design of the resort. If you have any comments, questions or concerns, please feel free to contact me by email at doug.himmelberger@derito.com by telephone at (602) 553-2936.

Sincerely,

RITO LLC Doughas Himmelberger Authorized Representative

CC: Salt River Community Golf Enterprises 9120 East Talking Stick Way, Suite E1 | Scottsdale, AZ 85250 | (480) 834-8500 | Fax: (602) 553-2936 www.derito.com