



## Office of the City Manager

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VIA EMAIL AND USPS

Optima, Inc. and  
McDowell Mountain Village Declarant LLC  
7157 E. Rancho Vista Drive  
Suite 109  
Scottsdale, AZ 85251  
[hoveydjr@optima.inc](mailto:hoveydjr@optima.inc)

Re: Ordinance No. 4571 {"Ordinance"} passed and adopted on November 21, 2022, by the Council of the City of Scottsdale ("City"), Maricopa County, Arizona with respect to Zoning Case No. 20-2N-2002#4 - Optima McDowell Mountain Village

Ladies and Gentlemen:

We are writing in connection with the Ordinance and, in particular, Section 2 thereof that conditions the rezoning approval upon compliance with all stipulations attached thereto as Exhibit 3. Stipulation 29 contained therein contains in relevant part the following:

29. WASTEWATER IMPROVEMENTS. Prior to issuance of any permit for the development project, the property owner shall submit and obtain approval of construction documents to construct the following improvements:

d. NORTH PUMPBACK STATION (16136 N PIMA ROAD)

Construct public gravity sewer system, from E Princess Blvd. approximately fifteen hundred (1500) lineal feet (hereinafter identified as the "Cottage Segment"), south to TPC and, approximately ten thousand (10000) lineal feet, through TPC golf courses to the City of Scottsdale's North Pumpback station (hereinafter described as "the TPC Segment"), located at 16136 N Pima Rd, unless determined otherwise through city approval of a system capacity analysis within a project development wastewater masterplan created in accordance with project development stipulations.

The City has recently obtained a study for projected sewer flows for the region through 2055 and determined new facilities will be required to accommodate these projected sewer flows in both the Cottage Segment and the TPC Segment. The City also understands that the property owner intends to construct its anticipated six buildings in three phases with each phase including two buildings. Because new information that was not available at the time of submission of the

stipulations is still being evaluated, the City has determined as provided in Stipulation 29.d. that the "property owner" should be allowed to obtain any and all permits for its phase one consisting of two buildings solely based on its commitment to complete stipulations 29a-c and not stipulation 29d. Property owner shall prepare and construct the Cottage Segment, provided, that property owner shall not be able to obtain a certificate of occupancy for any phase one building until either (i) the City verifies that existing sewer capacity in the TPC Segment is sufficient to handle anticipated flows from the phase one buildings or (ii) the property owner completes construction of the Cottage Segment; provided, however, that property owner shall be entitled to the receipt of certificates of occupancy if construction is not completed and the property owner has exercised commercially reasonable efforts and the City has not timely provided property owner with property rights sufficient to enable property owner to construct the Cottage Segment. Thereafter, property owner shall not be able to obtain building permits for any additional phases or buildings until construction documents for the anticipated increased capacity for the TPC Segment are completed by the property owner. Further, property owner will not receive any further certificates of occupancy until such time as the TPC Segment is actually constructed with such anticipated increased capacity; provided, however, that property owner shall be entitled to the receipt of certificates of occupancy if construction is not completed and the property owner has exercised commercially reasonable efforts and the City has not timely provided property owner with property rights sufficient to enable property owner to construct the TPC Segment.. City shall act in good faith to facilitate property owner's performance of the foregoing obligations. Other than as stated herein, this letter is not intended to modify or otherwise alter any of the stipulations or commitments of property owner found in the zoning stipulations, the development plan, or the associated development agreement.

Very truly yours,

CITY OF SCOTTSDALE

By: 

Jim Thompson  
City Manager