

Artesia Condominiums Homeowners Association
N. Scottsdale Rd & E. Indian Bend Rd.
Scottsdale, Arizona 85253

March 10, 2023

City of Scottsdale
Development Review Board
3939 N. Drinkwater Blvd.
Scottsdale, Arizona 85251

Re: Revised Development Plans for Artesia

Ladies and Gentlemen:

On behalf of the Artesia Condominiums Homeowners Association (the "Association"), this letter is provided in support of the proposed development of the remaining undeveloped portion of the Artesia property as shown and described in the plans and other materials submitted by SLAR Artesia Development, LLC, the developer/applicant, as the 4th submittal for review and approval by the City of Scottsdale's Development Review Board under Case No. 15-DR-2022 (the "Proposed Artesia Buildout Plan").

Like countless other real estate projects under development when the Great Recession hit in 2008, Artesia eventually succumbed to foreclosure in 2011 after only 93 units of the 472 total planned units had been constructed and sold to residents. Year after year following the foreclosure, the residents of the 93 completed units waited for the remaining units and amenities to be completed as originally envisioned; however, it became clear through the boom years following the Great Recession that rising construction costs, land value, and other factors had combined to make it impractical to complete the buildout of the Artesia condominium project. For more than a decade, Artesia remained an unfinished project in full display on prime ground along Scottsdale Road, waiting for a developer to acquire the property, pick-up where the initial developer left-off, and complete the buildout of the 472-unit condominium. Yet time and time again, interested developers were unable to get comfortable that the project would pencil under the new market conditions. Several modified buildout plans were proposed, but they were unacceptable because they sacrificed defining characteristics of our vision for Artesia.

The Association's Board of Directors has carefully reviewed and deliberated on the Proposed Artesia Buildout Plan and has presented the plan to the residents and gathered their opinions, and I am now pleased to convey the Board's support for the Proposed Artesia Buildout Plan and the Board's desire for the DRB to approve the proposed plan. Although it increases the overall density of Artesia, the Board is satisfied that the many great features of the Proposed Artesia Buildout Plan, such as product type and design, layout, and amenities available for the shared use of our residents, will be worth it.

As described and depicted in the Proposed Artesia Buildout Plan, development remains to be completed on approximately 33.9 acres of the Artesia property. This property would be

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subdivided into four separate parcels. One parcel, adjacent to the McCormick Ranch Golf Course, would remain open space and improved as a park. The other three parcels (referred to as Planning Areas 1, 2, and 3) would be developed with multifamily residential buildings parcels, with density allocated as follows:

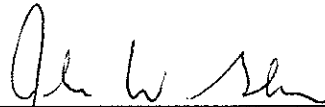
Planning Area 1:	419 Units / 9.824 acres = 42.65 DU/AC
Planning Area 2:	70 Units / 6.239 acres = 11.22 DU/AC
Planning Area 3:	57 Units / 6.644 acres = 8.58 DU/AC
TOTAL:	546 Units / 22.707 acres = 24.04 DU/AC

Planning Areas 1, 2, and 3 would not be part of the existing Artesia condominium, but the entire Artesia residential project, comprised of the existing condominium property, the open space/park parcel, and Planning Areas 1, 2 and 3 would all be subject to recorded operating, maintenance and access rights and obligations, to provide for the upkeep and shared use of amenities and common areas, and the sharing of maintenance and repair costs.

This letter is intended only for the DRB's consideration in its evaluation of the Proposed Artesia Buildout Plan. In addition to DRB approval, implementation of the Proposed Artesia Buildout Plan would require other approvals from public and private stakeholders. The endorsement in this letter is not intended as an assurance or opinion that any other necessary approvals have been or will be obtained, or that the Proposed Artesia Buildout Plan complies with applicable legal requirements. Nevertheless, the Proposed Artesia Buildout Plan is a sensible path forward for Artesia – finally – that will mutually benefit all residents (condo and non-condo) in Artesia, as well as the greater Scottsdale community.

Respectfully,

ARTESIA CONDOMINIUMS
HOMEOWNERS ASSOCIATION,
an Arizona nonprofit corporation



John Graham, Director and President