ORDINANCE NUMBER 694

AN ORDINANCE OF THE TOWN OF PARADISE VALLEY, ARIZONA, AMENDING THE ZONING ORDINANCE AND AMENDING THE ZONING MAP TO PROVIDE FOR THE ISSUANCE OF AN AMENDED SPECIAL USE PERMIT FOR PROPERTY ZONED SUP DISTRICT (RESORT) AND THE REZONING FROM SUP DISTRICT (RESORT) TO SUP DISTRICT (RESORT) TO ALLOW FOR A LUXURY RESORT HOTEL WITH INTEGRATED DWELLING UNITS AND RESORT-RELATED RETAIL (THE RITZ-CARLTON, PARADISE VALLEY) FOR THE PROPERTY LOCATED AT 7000 E. LINCOLN DRIVE, GENERALLY BORDERED BY LINCOLN DRIVE TO THE SOUTH, MOCKINGBIRD LANE TO THE WEST, INDIAN BEND ROAD TO THE NORTH, AND THE CITY OF SCOTTSDALE TO THE EAST, WITH THE PROPOSED SUP DISTRICT (RESORT) TO INCLUDE A RESORT COMMUNITY, INCLUDING: A RESORT HOTEL WITH 200 HOTEL KEYS AND SPA, RESTAURANTS, RESORT-RELATED RETAIL, AND MEETING SPACE; 94 RESORT VILLAS; 66 RESORT RELATED LUXURY DETACHED SINGLE FAMILY HOMES; 45 RESORT BRAND DETACHED SINGLE FAMILY HOMES; 62 RESORT RELATED ATTACHED RESIDENCES; ADDITIONAL RESORT RELATED RESTAURANTS AND RETAIL USES SEPARATE FROM THE HOTEL; AND SITE IMPROVEMENTS INCLUDING PARKING, LANDSCAPING, LIGHTING, AND IMPROVEMENTS TO SITE INFRASTRUCTURE; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Town of Paradise Valley Planning Commission held public hearings on October 6, 2015 and October 20, 2015, in the manner prescribed by law, for the purpose of considering a rezoning of the property described in Exhibit A attached hereto (“Property”) from SUP District (Resort) to a new SUP District (Resort) and for the purpose of making a recommendation on a proposed SUP District (Resort) amendment for the Property (to be known as the Special Use Permit for The Ritz-Carlton, Paradise Valley), and recommended approval of the new SUP District (Resort) to the Town Council; and

WHEREAS, the Town Council at its meetings on December 3, 2015, and December 17, 2015, held public hearings, as prescribed by law, to hear the request for the rezoning of the Property to a new SUP District (Resort) based upon the recommendation made by the Planning Commission as noted above, and to amend the Town Official Zoning Map to reflect the issuance of a new SUP District (Resort) for the Property; and
WHEREAS, pursuant to Article III of the Town Zoning Ordinance, the Town Council finds that the proposed rezoning is consistent with and conforms to the Land Use Map of the Town’s adopted General Plan; and

WHEREAS, the Town Council now desires to approve a rezoning of the Property from SUP District (Resort) to SUP District (Resort), subject to the terms and conditions of the Special Use Permit and Related Stipulations for The Ritz-Carlton, Paradise Valley (Exhibit B attached hereto, incorporated herein by reference, and hereinafter referred to as the “SUP” and the “Stipulations,” respectively) and to amend the Zoning Map to reflect such rezoning.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND TOWN COUNCIL OF THE TOWN OF PARADISE VALLEY, ARIZONA THAT:

SECTION 1. Findings. The proposed SUP District (Resort) rezoning is in accordance with Articles III and XI of the Town Zoning Ordinance. Specifically:

a. It is authorized by and is in conformity with the Town’s adopted General Plan, as amended;

b. It will not be detrimental to, interfere with, or adversely affect existing uses or character of adjacent properties, persons residing or working in the vicinity, the neighborhood, the public health, safety, peace, comfort and general welfare; and

c. It will be in full conformity with any conditions, requirements, or standards prescribed in the Stipulations, in the Zoning Ordinance, and in the other ordinances of the Town.

SECTION 2. Rezoning. A parcel of land, as described in Exhibit A attached hereto, is hereby rezoned from SUP District (Resort) to a new SUP District (Resort; SUP-15-01) designation, with such changes to be made on the Town’s Official Zoning Map, such new SUP District (Resort) to allow for use of the Property as a resort and for those other related uses permitted by the SUP and the Stipulations and as limited in the SUP and the Stipulations.

SECTION 3. Severability. If any section, subsection, sentence, clause, phrase, or portion of this ordinance is for any reason held invalid or unconstitutional by a court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions thereof.

SECTION 4. Effective Date. This ordinance shall become effective as of the Effective Date (as such term is defined in the Stipulations).

PASSED AND ADOPTED by the Mayor and Council of the Town of Paradise Valley, Arizona, this _____ day of ________________ 2015.

__________________________________
Michael Collins, Mayor

ATTEST:
Duncan Miller, Town Clerk

APPROVED AS TO FORM:

_________________________________
Andrew M. Miller, Town Attorney

CERTIFICATION

I, Duncan Miller, Town Clerk, certify that the foregoing is a true copy of Ordinance Number 694 duly passed and adopted by affirmative vote of the Town Council of Paradise Valley at a meeting held on the _____ of _____ 20__. Passage of this Ordinance appears in the minutes of the meeting. The Ordinance has not been rescinded or modified and is now in effect. I further certify that the municipal corporation is duly organized and existing, and has the power to take the action called for by the Ordinance.

_________________________________
Duncan Miller, Town Clerk
EXHIBIT A
TO
ORDINANCE NUMBER 694
LEGAL DESCRIPTION OF THE PROPERTY
(TOWN OF PARADISE VALLEY NET AREA)

PARCEL NO. 2:
LOTS 1 THROUGH 149 AND TRACTS A THROUGH I, 7000 EAST LINCOLN,
ACCORDING TO BOOK 1022 OF MAPS, PAGE 23, RECORDS OF MARICOPA COUNTY,
ARIZONA;

EXCEPT THAT PORTION OF TRACT C AND G DESCRIBED IN PARCEL NO. 3.

PARCEL NO. 3:
THOSE PORTIONS OF TRACT C AND G, ACCORDING TO BOOK 1022 OF MAPS, PAGE
23, WHICH LIE WITHIN THE FOLLOWING DESCRIBED PROPERTY:

THE SOUTH 15.00 FEET OF THE NORTH 55.00 FEET OF THE NORTHWEST QUARTER
OF THE NORTHEAST QUARTER;

EXCEPT FOR THE WEST 40.00 FEET THEREOF.

TOGETHER WITH THE SOUTH 15.00 FEET OF THE NORTH 55.00 FEET OF THE WEST
HALF OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER, ALL IN
SECTION 10, TOWNSHIP 2 NORTH, RANGE 4 EAST, OF THE GILA AND SALT RIVER
BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL NO. 2 CONTAINING 104.649 ACRES, MORE OR LESS
PARCEL NO. 3 CONTAINING 0.620 ACRES, MORE OR LESS
EXHIBIT B  
TO  
ORDINANCE NUMBER 694  
TOWN OF PARADISE VALLEY  
SPECIAL USE PERMIT FOR THE RITZ-CARLTON, PARADISE VALLEY  
SUP-15-01  

I. PROJECT DESCRIPTION  

Pursuant to Article XI of the Zoning Ordinance of the Town of Paradise Valley, Arizona (the “Town”), the Town hereby grants to Five Star Development Resort Communities, LLC, an Arizona limited liability company, its successors and assigns (collectively, the “Owner”), this Special Use Permit No. 15-01 (with these Stipulations, the “SUP”) governing the use the Property. All capitalized terms contained herein shall have the definitions set forth in this SUP.

The Property subject to this Special Use Permit is currently owned by the Owner and is comprised of approximately one hundred and five (105) acres located at the northeast corner of Mockingbird Lane and Lincoln Drive in the Town of Paradise Valley, Arizona, as more particularly described on Exhibit A to Ordinance No. 694.

This SUP is referred to throughout as “this SUP” to distinguish it from the prior Special Use Permit governing the use of the Property. The Town enacted Ordinance No. 603 relating to the prior Special Use Permit for the Property in April 2008. This Special Use Permit supersedes and replaces the prior Special Use Permit effective as of the Effective Date. This Special Use Permit is being granted by the Town to permit the development, construction, use and operation of the Property as a resort subject to and in accordance with these Stipulations and the 2015 Development Agreement.

Subject to these Stipulations, the improvements, facilities, and uses authorized to be developed, constructed, used, operated, and maintained on the Property include the following, which are further described below: Principal Resort Hotel with Hotel Keys and Resort Ancillary Facilities and Uses, Resort Villas, Resort Related Luxury Homes, Resort-Branded Homes, Resort Related Attached Residences, Area E Retail/Restaurant Uses on Area E1 (with the remainder (Area E2) to be further defined by an intermediate amendment to this SUP).

II. DEFINITIONS  

“2015 Development Agreement” means the development agreement between the Town and the Owner entered into pursuant to A.R.S. § 9-500.05, which is to be executed concurrently with the approval of this SUP, as amended and restated or supplemented in writing from time to time, and all exhibits and schedules thereto.

“Acceptable Brand” means as defined in the 2015 Development Agreement.

“Affiliate,” as applied to any person, means any person directly or indirectly controlling, controlled by, or under common control with, that person (or spouse or children of such person,
if such person is a natural person). For the purposes of this definition, (i) “control” (including with correlative meaning, the terms “controlling,” “controlled by” and “under common control”), as applied to any person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of that person, whether through the beneficial ownership of voting securities, by contract or otherwise, and (ii) “person” means and includes natural persons, corporations, limited partnerships, general partnerships, joint stock companies, joint ventures, associations, limited liability companies, limited liability partnerships, limited liability limited partnerships, trusts, land trusts, business trusts or other organizations, whether or not legal entities.

“Applicable Laws” means all federal, state, county, and local laws (statutory and common law), and ordinances, rules, regulations, permit requirements, and other requirements and official policies of the Town that apply to the development of the Property.

“Approval Date” means the date on which all of the following have occurred: Ordinance 694 is (i) approved (i.e., voted on) by the Town Council of the Town of Paradise Valley, Arizona, and (ii) signed by the Mayor.

“Approved Plans” means those certain plans and other documents certified by the Town Clerk that are listed in Schedule 1 attached hereto and incorporated herein by this reference.

“Area A,” “Area A1,” “Area B,” “Area C,” “Area D,” “Area E1,” and “Area E2” means those portions of the Property as shown on Page D-1 of the Approved Plans. Whenever in these Stipulations a reference is made to an “Area,” such reference is to one or more particular Areas on Page D-1 of the Approved Plans.

“Area E1 Retail/Restaurant Uses” means: one or more full service, sit down restaurants (not a fast food restaurant) and/or a gourmet food shop (such as are operated by Dean & DeLuca or Le Grande Orange) and retail facilities, which are open to the general public, offering for sale goods and merchandise or certain services, such as, a café (such as Starbucks or Coffee Bean); full service salon; jewelry store; art gallery; gift items and apparel, sundries, cosmetics, over the counter pharmaceuticals, housewares and related kitchen wares, furniture; fresh or artificial flower sales; art; jewelry; fashion eyewear, fashion clothing, footwear and apparel; cigar or tobacco products; or newspapers, books and periodicals. Area E1 Retail/Restaurant Uses specifically excludes the sale of medical marijuana and stores commonly referred to as convenience store, gas station, or minimart (such as Circle K, 7 Eleven, AM/PM Minimart, Quick Trip, or similar brands of retail establishments that sell as the principal part of their business convenience goods, such as prepackaged food items, tobacco, periodicals, and other household goods, collectively “convenience store”); provided that a convenience store does not include a restaurant or gourmet food shop described above selling the foregoing. Except as provided above, Area E1 Retail/Restaurant Uses does not include establishments that are principally engaged in the provision of services (as opposed to restaurant and retail facilities) that are not subject to the Town’s transaction privilege tax or the gross receipts derived from retail sales activities.

“CC&Rs” means one or more sets of conditions, covenants and restrictions applicable to discrete portions of the Property that, among other things, implement provisions of these Stipulations.
“Courtyard Areas” means any residential courtyard areas as defined in Article XXIV of the Town Zoning Ordinance in effect as of the Approval Date of this SUP.

“Effective Date” means the date on which all of the following have occurred: (i) this SUP and the 2015 Development Agreement have been adopted and approved by the Town Council, executed by duly authorized representatives of the Town and Five Star, and recorded (if applicable) in the office of the Recorder of Maricopa County, Arizona, (ii) the Owner has executed and recorded a “Proposition 207” waiver acceptable to the Town that waives certain rights and remedies pursuant to A.R.S. § 12-1134; and (iii) any applicable referendum period has expired without referral, or any proposed referendum has been declared invalid in a final non-appealable judgment by a court of competent jurisdiction, or this SUP (or the 2015 Development Agreement, as applicable) has been approved by the voters at a referendum election conducted in accordance with Applicable Laws.

“Finished Grade” means that the grade that is no more than two (2) feet above existing grade or as depicted on Page E-7 of the Approved Plans.

“Floor Area” means the area under roof added to the floor area of any second and third story; provided, however that “Floor Area” also includes the horizontal solid portion(s) of trellises and/or open weave roofs, and all the horizontal solid portion of area under roof in accessory buildings such as gazebos, ramadas, and other accessory buildings, and the Courtyard Areas in Area B, Area C, and Area D. Floor Area excludes the floor area of any fully subterranean portions of a building, Courtyard Areas for all structures other than in Area B, Area C and Area D. The definition of “Floor Area” shall be subject to the Town Code and Town Zoning Ordinance as of the Approval Date of this SUP.

“Hotel Key” means a hotel room located in Area A, served by a single key, designed, constructed, and maintained with all furnishings, fixtures, and equipment necessary to operate as a single unit for transient occupancy use and used for transient occupancy as part of a Resort Hotel. Each Hotel Key shall have at least one five (5) fixture bathroom and a direct lockable connection from the exterior or a corridor.

“Hotel Quality Standards” means as defined in the 2015 Development Agreement.

“Minimum Hotel Keys” means the two hundred (200) Hotel Keys included as part of the Principal Resort Hotel and owned by a single legal Owner which also owns the Minimum Resort Hotel Improvements.

“Minimum Resort Hotel Improvements” means the minimum improvements included in the initial design and construction of the Principal Resort Hotel and including not less than all of the following elements:

(a) The Minimum Hotel Keys, provided that Hotel Keys in excess of the Minimum Hotel Keys may be owned by an Owner(s) other than the Owner of the Principal Resort Hotel; and providing that one hundred percent (100%) of the Hotel Keys will be a minimum of four hundred and fifty (450) square feet and at least twenty percent (20%) of Hotel Keys
will be at least six hundred (600) square feet. All Hotel Keys will have minimum ceiling heights of eight feet six inches (8'6") and a five (5) fixture bathroom.

(b) Two (2) full service restaurants which, together with other restaurants and food service areas, are collectively capable of serving three (3) daily meals and providing room service to the Minimum Hotel Keys.

c) At least one (1) swimming pool along with facilities (which may be remote from the pool) intended to provide food and beverage service to Resort Hotel guests at the pool.

d) At least one (1) fitness area to accommodate professional-grade exercise machines and related equipment.

e) An area or areas for at least one (1) spa, which will provide spa services such as massage services.

(f) A dedicated reception area to accommodate guest check-in, concierge, and cashier; along with an associated lounge with available food and beverage.

(g) A dedicated, covered area to accommodate vehicle or passenger drop off (such as valet parking services) for Resort Hotel guests, including a separate ingress and egress route for vehicles.

(h) A dedicated three (3) division ballroom, a pre-function area, a board room, and an outdoor event space to accommodate meetings and banquets.

“Open Space-Wash Corridor” means an area designated on Page _H-6_ of the Approved Plans as a wash and greenbelt area that is to be improved and used only for open space and shall not be otherwise developed, except for drainage, landscaping and hardscaping.

“Owner” means Five Star Development Resort Communities, LLC, an Arizona limited liability company and its respective successors and assigns, as well as any subsequent owner of any portion or portions of the Property, including but not limited to, an owner of a Resort Hotel, a Resort Villa, a Resort Related Luxury Home, a Resort-Branded Home, a Resort Related Attached Residence, any part of Area E1 or Area E2, or one or more combinations thereof. An Owner may be an individual, corporation, partnership, limited liability company, trust, land trust, business trust or other organization, or similar entity, which in turn may be owned by individuals, shareholders, partners, members, or benefitted parties under trust agreements, all of which may take any legal form, and may allocate interests in profits, loss, control or use.

“Principal Resort Hotel” means the Resort Hotel in Area A which is designated as the Principal Resort Hotel, is affiliated with one of the Acceptable Brands, meets the Hotel Quality Standards, and includes the Minimum Resort Hotel Improvements. The Principal Resort Hotel shall be owned by a single legal Owner.

“Property” means the real property described in Exhibit A to Ordinance No. 694. The Property is comprised of approximately one hundred five (105) acres of land.
“Resort” means the entire Property and all facilities and other improvements existing, developed or redeveloped and used or useful on the Property in substantial conformance with this SUP.

“Resort Ancillary Facilities and Uses” means: all facilities and uses related or incidental to the operation of a resort or resort hotel, including specifically, but without limitation: restaurants, bars and lounges; spas and salons; fitness facilities; barbershops; indoor and outdoor meeting, convention, display, exhibit, wedding and social function facilities; sale of food and alcohol (for on or off site consumption); catering facilities; outdoor cooking facilities; outdoor dining facilities; gourmet food shops (offering any combination of cooked, frozen, fresh, prepared or pre-packaged foods, beer, wines, liquors, gifts, fresh fruits and vegetables, groceries, sundries, cosmetics, over the counter pharmaceuticals, housewares, and related kitchen, indoor and/or outdoor dining items); deli, coffee, tea, ice cream, yogurt and similar shops or sales; snack bars; central plant, maintenance shop, engineering facilities, housekeeping facilities, laundry, storage and support facilities; valet and other parking facilities, parking decks, garages and areas; automobile rentals; gift and sundries shops; flower sales; art and art galleries; jewelry and jewelry shops; fashion eyewear, footwear and apparel sales; sale of hotel items such as furniture, bedding, art, toiletries; other resort retail; other resort sales and marketing; travel agency offices; tour and other off-site activity offices; administrative, support and other resort offices including temporary offices and facilities for construction, sales, marketing, and design; indoor and outdoor entertainment facilities; ramadas; pools; cabanas; tents; tennis and other recreational or sport uses and services, amenities, recreational facilities and fitness facilities. Any such use or facility may be within any Resort Hotel or separate building(s) located in Area A or A-1, individually or grouped in one or more buildings or facilities.

“Resort-Branded Homes” means the forty-five (45) residential units in Area C further described in this SUP.

“Resort Hotel” means the hotel to be designed and constructed within Area A. Resort Hotels provide accommodations for transient occupants (as defined in §4A-477 of the Town Code) and related facilities and services and any Resort Ancillary Facilities and Uses. The Resort Hotel in Area A shall be the Principal Resort Hotel that at all times contains the Minimum Resort Hotel Improvements (subject to force majeure, remodeling, alteration, reconstruction, redevelopment, and similar events).

“Resort Hotel Manager” means the Owner of any Resort Hotel, including any Affiliate thereof or a third party hotel management company which manages any Resort Hotel. A Resort Hotel Manager may also manage any other portions of the Resort, including but not limited to Resort Villas, Resort Related Luxury Homes, Resort-Branded Homes, Resort Related Attached Residences, and Hotel Keys. If any Resort Hotel Manager is not the Owner of a Resort Hotel (or an affiliate of such Owner), it shall initially be a hotel management company which has not less than five (5) years’ experience managing full service luxury hotels or resorts or which currently manages not fewer than five (5) full service luxury hotels or resorts.

“Resort Hotel Owner” means the single legal owner of each Resort Hotel.

“Resort Hotel Rental Program” means a rental management program offered and managed by the Owner of the Principal Resort Hotel (or Affiliate thereof) or a Resort Hotel Manager (or Affiliate thereof), which provides rental management service for a Resort Villa or Resort-Branded Home.
where the Owner of such Resort Villa or Resort-Branded Home elects to include its residence in the Resort Hotel Rental Program.

“Resort Related Attached Residences” means the sixty-two (62) residential units in Area D further described in this SUP.

“Resort Related Luxury Homes” means the sixty-six (66) residential units in Area B further described in this SUP.

“Resort Sign Guidelines” and “Resort Sign Program” means plans and/or a narrative describing signage for the Resort as described in Stipulation 35.

“Resort Villas” means the ninety-four (94) residential units in Area A1 further described in this SUP.

“Special Use Permit” or “SUP” means this Special Use Permit No. 15-01, which includes Schedule 1 and other exhibits thereto and these Stipulations.

“Special Use Permit Guidelines” means special use permit guidelines adopted by the Town and in effect as of the Approval Date.

“Town” means the Town of Paradise Valley, Arizona.

“Town Code” means the Code of the Town of Paradise Valley, Arizona, as amended from time to time, except when this SUP specifically references ordinances or requirements in effect as of the Approval Date, as attached as Schedule 3.

“Town Manager” means the Town Manager or his designee.

“Zoning Ordinance” means the Town’s zoning ordinance, as amended from time to time, except when this SUP specifically references ordinances or requirements in effect as of the Approval Date, as attached as Schedule 3.

III. STIPULATIONS

A. GENERAL

1. As of the Effective Date, this Special Use Permit shall supersede and replace any and all prior Special Use Permits related to the Property. Unless and until the Effective Date, the prior Special Use Permit shall remain in effect.

2. This Special Use Permit touches and concerns the land and shall run with the land. Any person having or subsequently acquiring title to any portion of the Property shall be subject to this Special Use Permit, as it applies to the portion of the Property owned thereby and as it may be amended or superseded from time to time. Once an Owner no longer owns a portion of the Property, such prior Owner shall no longer be subject to this Special Use Permit (with respect to such portion of the Property no longer owned) and shall have no further obligations or liabilities hereunder, except that such prior Owner
shall remain responsible for its own acts or omissions that resulted in a violation of this SUP during its period of ownership.

3. Development of the Resort shall be in substantial conformance with the Approved Plans and these Stipulations.

4. Lot coverage for the Property as a whole shall not exceed that noted in the Land Density Table in Page _D-3_ of the Approved Plans.

5. The use of the Property shall at all times conform to this Special Use Permit and all Applicable Laws, except that if there is a conflict between this Special Use Permit and any provision of the Town Code or Zoning Ordinance or other Town requirement, this Special Use Permit shall prevail, except when otherwise required for health, safety, or welfare reasons.

6. If any section, subsection, sentence, clause, or phrase of this Special Use Permit is for any reason held illegal, invalid, or unconstitutional by the final, non-appealable decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Special Use Permit. The Town and the Owner believe and intend that the provisions of this Special Use Permit are valid and enforceable. In the unlikely event that this Special Use Permit is declared by a court of competent jurisdiction to be invalid or unenforceable, the Principal Resort Hotel (if constructed and as then constructed) may continue to be used and operated as a legal non-conforming use in accordance with these Stipulations until such time as a special use permit or other applicable zoning for the Resort is reissued by the Town for the Property.

7. In the case of inconsistencies or conflicts between or among these Stipulations and the Approved Plans, these Stipulations shall govern. In the event of a conflict between the text and the diagrams, drawings or other graphic representations contained in the Approved Plans, the text will prevail and control over the diagrams, drawings, and other graphic representations.

8. Mylar versions and electronic versions of all Approved Plans shall be submitted to the Town within thirty (30) days after the Approval Date.

9. No part of the Resort shall be operated as a Time-Share Project as such term is defined by the Town Zoning Ordinance. No part of the Principal Resort Hotel in Area A may be subdivided for purposes of sale or resale.

10. When applicable, all approvals and determinations by the Town Manager referenced herein shall be governed by the Town Code in effect at the date of that determination, except when this SUP specifically references ordinances or requirements in effect as of a specific date (e.g., see definition of Special Use Permit Guidelines).

11. The Town Manager’s approval or determination is provided for in several instances in these Stipulations. The Town Manager shall base his approval on standards and criteria set forth in this SUP, the 2015 Development Agreement, the Town Code, and the Zoning Ordinance, as reasonably applicable, with the intent to implement the viable development
of the Resort as provided in this SUP and the 2015 Development Agreement. Recognizing that the final design and building permit process for which any particular approval of the Town Manager is sought involves multiple stages, including conceptual, schematic, design development and construction documents, an Owner may seek the approval of the Town Manager at one or more stages of such design. Notwithstanding the foregoing, no construction may occur with respect to any particular element or structure until necessary permits for that element or structure are issued. An Owner may rely upon an approval in proceeding from one stage of design to the next. Although the parties intend that this Special Use Permit, the 2015 Development Agreement, the Zoning Ordinance, and the Town Code state a consistent relationship between them, the parties agree that in the event of a conflict between these documents that the order of priority shall be the (1) Special Use Permit, (2) 2015 Development Agreement, (3) Zoning Ordinance, and (4) Town Code; the parties agree that the higher priority document shall control.

12. If any portion of the property is used in violation of the terms of this Special Use Permit, the Town may, after: (1) fair notice; (2) a hearing; and (3) a reasonable opportunity to correct, impose a monetary sanction on the then Owner of such portion, in an amount not to exceed the maximum amount allowed for violations of the Town Zoning Ordinance for each day such violation exists, in addition to all other remedies, orders, or sanctions permitted by Applicable Laws, including, at the Town’s election, injunctive relief. No such remedy shall be sought from any other Owner or portion of the Property that is not in violation of this Special Use Permit.

13. Unless otherwise stipulated in this Special Use Permit, amendments to this Special Use Permit shall follow the appropriate process outlined in Article XI, Special Uses and Additional Use Regulations, of the Town Zoning Ordinance, as amended.

B. CONSTRUCTION AND DEVELOPMENT STANDARDS

14. All utilities within the Resort shall be underground (excluding certain equipment typically installed above ground, such as transformers, meters, etc., which shall be appropriately screened) and located within appropriate easements. All water and sewage facilities shall be constructed in accordance with plans approved by the Town Manager.

15. No construction permit shall be issued for any construction on the Property until appropriate engineering or architectural plans are submitted to the Town and the issuance of such construction permit for that particular activity is approved by the Town Manager. Submitted plans shall be required to meet the building code most recently adopted by the Town. However, the Town may issue approvals and/or permits to salvage native plants and stage or prepare the job-site for work with fences, trailers, dumpsters, sanitation, water tanks, material storage, erosion control and dust control measures, and the like, without engineering or architectural plans.

16. During the period of demolition or construction of new improvements, signs shall be posted on the Property (or at the entrance to a particular phase) indicating the name and phone number of a person the public may contact with construction-related concerns.
Sign details such as the sign size, height, and location shall be reviewed and approved by the Town Manager.

17. All new construction shall satisfy all fire department requirements for each component of work (which may include temporary fire protection facilities) prior to the issuance of any building permit for such work.

18. Prior to the issuance of a certificate of occupancy for any individual structure, adequate fire, emergency, and other vehicle access and adequate fire service shall be provided for such structure and the particular phase of development in which such structure is located, as determined by the Town Manager.

19. Interiors of the Principal Resort Hotel structure may be remodeled at any time without an amendment to this Special Use Permit or other approvals by the Town (except for appropriate building permits when required by the Town Code so long as such remodeling does not increase or decrease the number of Hotel Keys, the remodeled Principal Resort Hotel continues to comply with the Hotel Quality Standards, and the Principal Resort Hotel continues to include the Minimum Resort Hotel Improvements.

20. One or more locations within the Resort as approved by the Town Manager may be improved and used as a marketing center, inclusive of the construction and occupancy of model homes, for the sales and marketing of the Resort until such time as all construction has been substantially completed and all Resort Villas, Resort Related Luxury Homes, Resort-Branded Homes, and Resort Related Attached Residences have been initially sold.

21. Temporary construction driveway locations are subject to the approval by the Town Manager and are limited to locations on Lincoln Drive and/or Indian Bend Road east of the existing traffic circle.

22. If vertical construction has not commenced within an Area that has been otherwise disturbed by grading or other construction work by a date that is three (3) years after the Approval Date, any such disturbed portion within such Area shall be stabilized and/or landscaped to minimize dust.

23. The Resort Hotel Owner shall submit a construction schedule prior to the issuance of any building permits for a structure to ensure compliance with all Town ordinances and in order to minimize construction nuisances. This construction schedule shall include the following:

   a. Dust and noise control measures
   b. Vehicle/equipment storage/parking
   c. Construction days/hours
   d. Location of staging area for construction supplies/equipment
   e. Location of any construction trailers and sanitary facilities
f. Location of on-site construction-materials/debris storage

g. Location of fire lanes during the construction period

h. The approximate beginning and ending dates for construction of structures

i. All construction related parking and storage must be contained within the boundaries of the Property and on the adjacent property within the City of Scottsdale owned by Owner.

24. Consistent with the phasing requirements and limitations contained within the 2015 Development Agreement, the Owner shall arrange for construction phasing within an Area (or Areas combined) on the Property in the following sequence:

a. Commence native plant salvage, dust and erosion control measures, job-site mobilization and set-up, and the like.

b. Begin storm water pollution prevention plan and measures.

c. Upon completion of the salvage, erosion and dust control, job-site mobilization, and set-up, commence utility civil improvements and site work.

d. Upon substantial completion of, or in conjunction with, the utility and civil improvements, commence perimeter walls, and perimeter landscaping (outside the perimeter walls) of the Property along Lincoln Drive, Mockingbird Lane, and Indian Bend Road.

e. Upon substantial completion of above, vertical building improvements for Areas A1, B, C, D, and E1 may commence in accordance with the provisions and limitations contained within the 2015 Development Agreement.

f. Vertical building improvements for Area A may commence at any time after completion of subsections a, b, and c as listed above.

25. Subject to requirements for construction of the horizontal or vertical improvements, construction access, emergency vehicle access, erosion control, storm water pollution prevention control, dust control and other measures, portions of the perimeter wall and landscaping may be postponed or re-opened for construction or access, subject to approval by the Town Manager.

26. During construction and development of the Resort, temporary sales and marketing signs may be posted on the Property consistent with a temporary sign program to be submitted by the Owner and approved by the Town Manager.
27. During grading and construction, the Owner shall sweep the streets adjacent to the Property and any other public streets in the Town directly affected by development on the Property using a PM-10 or equivalent capable street sweeper at least three (3) times a week or more, as required by the Town Manager.

28. Screening of any backflow preventer, transformer, or other similar equipment visible from Lincoln Drive, Mockingbird Lane, or Indian Bend Road shall be required and the precise location of such equipment and screening shall be approved by the Town Manager and the utility provider.

29. Stand-alone accessory and service structures over six (6) feet in height (as defined in the Special Use Permit Guidelines) in Areas A and A1, and guard houses (each limited to eight-hundred (800) square feet of Floor Area in Areas B and C, may be added to the Approved Plans, provided that the total square footage of all the accessory and service structures added together does not exceed fifteen thousand (15,000) square feet of Floor Area, such additions to be provided to the Town Manager as a revised conceptual site plan. Stand-alone accessory and service structures cannot exceed sixteen (16) feet in height and must be set back a minimum of forty (40) feet for any accessory structure and sixty (60) feet for any service structure from any rights-of-way or residential property lines outside of the SUP boundaries and ten (10) feet from any non-residentially zoned property outside of the SUP boundaries.

30. Accessory structures that do not exceed six (6) feet in height above finished grade (raising the finished grade by placing fill solely for the purpose of adding additional height is prohibited) in Areas A and A1, including, but not limited to, pools, barbecues, fire pits, fireplaces, water features, and other accessory structures, shall be allowed within the boundaries of Areas A and A1, subject to approval by the Town Manager. These accessory structures shall not count towards the fifteen thousand (15,000) square feet of additional Floor Area for stand-alone accessory structures and service structures over six (6) feet in height provided for in Stipulation 29 above.

31. All outdoor lighting not visible off site shall meet the Special Use Permit Guidelines. All outdoor lighting (including fixtures, light source, etc.) visible off site shall be processed through a minor amendment to this Special Use Permit. If the Town receives a complaint from an offsite owner that a lamp or lighting or illumination device within an outdoor light fixture is visible from outside the Property, the Town Manager may inspect the Property and require the Owner of such lighting fixture to shield such light source if the light emitting element is visible from outside the Property.

32. Except as otherwise allowed by Federal or State requirements, antenna and satellite dishes are permitted, as follows:

   a. Satellite dishes must not be located above the roof line. Satellite dishes and antennas greater than twenty-four (24) inches in diameter are permitted, provided that they are not mounted on the roof and meet all Town Code requirements, including full screening of equipment from view from the public right-of-way or properties not part of this Special Use Permit.
b. All wiring shall be contained within a structure, conduit, or underground.

33. Cellular and other wireless transmission antennas are permitted, provided that they comply with this Special Use Permit and all applicable Town ordinances, specifically including the requirement to obtain a conditional use permit pursuant to Article XI of the Zoning Ordinance, as amended; but further provided that no conditional use permit is required for cellular antennas located in the primary structures of the Principal Resort Hotel. Any cellular antennas shall be designed as integrated architectural features within the structures on the Property and any screening shall be in the same finish and color as the structure on which it is located. There shall be no unscreened projections of cellular antennas on any building above the roofline. Any lease agreement with a wireless operator will specifically allow entry by the Town and its agent for the purpose of inspection and compliance with Town ordinances and will require compliance with Article XII, Personal Wireless Service Facilities, of the Town Zoning Ordinance or any successor ordinance.

34. The final design for Indian Bend Road, Mockingbird Lane, and the Visually Significant Corridor of Lincoln Drive shall be in accordance with the terms of the 2015 Development Agreement.

35. Subsequent to the Approval Date, Owner shall submit comprehensive Resort Sign Guidelines for the overall Resort for review and approval by the Town Manager. Any additional signage which is not shown on the Approved Plans and is visible offsite, beyond the boundaries of this SUP, shall be processed as a minor amendment to this SUP.

36. Perimeter landscaping plans shall be in accordance with the terms of the 2015 Development Agreement and this SUP.

C. DEVELOPMENT AREAS

AREA A – RESORT HOTEL AND RESORT ANCILLARY FACILITIES AND USES

37. Area A may only be improved with a Resort Hotel, which shall be the Principal Resort Hotel, and Resort Ancillary Facilities and Uses. No part of Area A may be subdivided with plats or maps for the purpose of sale or resale. The Principal Resort Hotel shall: include the Minimum Resort Hotel Improvements; comply with the Hotel Quality Standards; and comply with the height, setback, and Floor Area limitations as shown on Page D-3 of the Approved Plans.

38. All mechanical equipment, including pool and fountain equipment, shall be screened so that it is not visible from Paradise Valley properties not a part of this Special Use Permit and from Paradise Valley public rights-of-way. All pool heaters are to be low-profile in configuration. Mechanical equipment and mechanical equipment screens shall be included in the total height of any structure they are attached to. If applicable, mechanical screening may provide the necessary noise attenuation for any mechanical equipment. All mechanical equipment, along with any screens used for attenuation of
noise, shall comply with the allowable noise levels as defined in the Town Code provisions relating to noise, as it is amended from time to time. Noise measurement shall include any installed screening or other attenuation devices.

39. The hours of public operation for the Resort Hotel shall be twenty-four (24) hours per day, seven (7) days a week, except for the hours and operational standards set forth below:

a. Indoor bars/lounges: 6:00 a.m. to close per state statute.

b. Outdoor banquets, receptions, weddings, and socials: 6:00 a.m. to 2:00 a.m.

c. Spa & fitness facilities: Outside members limited to 5:00 a.m. to midnight; and resort guests up to twenty-four (24) hours a day.

d. Trash pickup: 7:00 a.m. to 7:00 p.m.

AREA A1 – RESORT VILLAS

40. Area A1 may only be improved with up to ninety-four (94) attached residential Resort Villas and uses incidental or accessory thereto (specifically including the Area E1 Retail/Restaurant Uses up to the maximum Floor Area for food and beverage uses shown in Page D-3 of the Approved Plans), as well as common areas and common use facilities and/or amenities, provided that the Resort Villa plans comply with the height, setback, and Floor Area limitations shown on Page D-3 of the Approved Plans. Each Owner of a Resort Villa may occupy it, or permit its family and guest(s) to occupy it, or make it available for residential uses. In addition, each Owner of a Resort Villa may voluntarily participate in the Resort Hotel Rental Program and make its Resort Villa available for transient occupancy uses or hospitality uses, at its sole option, under the terms and conditions of the Resort Hotel Rental Program, provided, however, that any rental of any Resort Villa shall only be done through the Resort Hotel Rental Program. The principal guest of a Resort Villa in the Resort Hotel Rental Program shall register with the Principal Resort Hotel. Nothing shall prohibit a Resort Villa from being sold (and thereafter resold) to a third party, or parties, and used as provided herein.

41. Resort Villas are subject to the following requirements:

a. Resort Villas shall be constructed in conformance with the development standards set forth in this Special Use Permit.

b. Resort Villas in the Resort Hotel Rental Program must always meet the Hotel Quality Standards for the Principal Resort Hotel.

c. Rental of Resort Villas will be processed through the Resort Hotel Rental Program or other similar mechanism where the Principal Resort Hotel can track all rental activity.

d. Each floor of a building containing Resort Villas must contain a room or rooms providing housekeeping closet and room service pantry services.
e. Each Resort Villa must have locking entrance doors tied to a remote master key system located at the guest reception area of the Principal Resort Hotel, which system is capable of issuing new key cards for each Resort Villa as it is rented and cancelling key cards upon expiration of the rental term.

f. Each Resort Villas must be connected to a master television system as would typically be found in a full service luxury resort hotel.

g. Each Resort Villas must be connected to a master communication system that allows intra-system calls to the front desk, concierge, housekeeping, room service, and other hotel services, as typically found in a luxury resort hotel.

h. Any part or individual unit of the Resort Villas may be subdivided (if previously combined) or combined for the purposes of sale or resale provided that the total number of units shall not exceed ninety-four (94).

**AREA B – RESORT RELATED LUXURY HOMES**

42. Area B may only be improved with up to sixty-six (66) detached single-family residential Resort Related Luxury Homes and uses incidental or accessory thereto, as well as common areas and common use facilities and/or amenities, provided that all such improvements comply with the height, setback, and Floor Area limitations shown on Page D-3 of the Approved Plans. Each Owner of a Resort Related Luxury Home may occupy it or permit its family and guest(s) to occupy it, or make it available for residential uses. Nothing shall prohibit a Resort Related Luxury Home from being sold (and thereafter resold) to a third party, or parties, and used as provided herein.

43. Resort Related Luxury Homes are subject to the following requirements:

a. Resort Related Luxury Homes shall be constructed in conformance with the development standards set forth in this Special Use Permit.

b. Additional walls not shown on the Approved Plans may be constructed on the lot within enclosed private yards, provided they do not exceed six (6) feet in height.

c. Air conditioners may be installed on roofs, provided they shall be screened and noise attenuated so as to comply with the allowable noise levels as defined in the Town Code provisions relating to noise, as it is amended from time to time. Noise measurement shall include any installed screening or other attenuation devices. Such screening shall be included in the overall height of the structure.

d. All outdoor lighting shall comply with Town ordinances.

e. A minimum of thirty-three (33) percent of each lot shall be open and pervious, provided that swimming pools (excluding surrounding deck surfaces) shall be deemed to be open and pervious.
f. Accessory structures that do not exceed six (6) feet in height above finished grade, including, but not limited to, pools, barbeques, fire pits, fireplaces, water features and other accessory structures, shall be allowed within the boundaries of each lot, provided they are located in a rear yard screened from public streets. The requirements of the preceding sentence shall not apply to accessory structures adjacent to or visible only from private streets. Accessory structures over six (6) feet above finished grade (or under six (6) feet in height but not in an enclosed yard), which may include casitas, gazebos, trellises, and patio covers, shall be allowed on each lot, provided that they comply with the Floor Area limitations shown on Page D-3 of the Approved Plans, are limited to sixteen (16) feet above finished grade, and comply with the setbacks on Page F2 of the Approved Plans.

g. Accessory structures containing livable square footage shall meet the setbacks for the main home and may not exceed sixteen (16) feet in height as measured from finished grade.

h. House-mounted basketball backboards and pre-fabricated storage sheds shall not be permitted.

AREA C – RESORT-BRANDED HOMES

44. Area C may only be improved with up to forty-five (45) detached single-family residential Resort-Branded Homes and uses incidental or accessory thereto, as well as common areas and common use facilities and/or amenities, provided that all such improvements comply with the height, setback, and Floor Area limitations shown on Page D-3 of the Approved Plans. Each Owner of a Resort-Branded Home may occupy it, or permit its family and guest(s) to occupy it, or make it available for residential uses. In addition, each Owner of a Resort-Branded Home may voluntarily participate in the Resort Hotel Rental Program and make its Resort-Branded Home available for transient occupancy uses or hospitality uses, at its sole option, under the terms and conditions of the Resort Hotel Rental Program, provided, however, that any rental of any Resort-Branded Home shall only be done through the Resort Hotel Rental Program. The principal guest of a Resort-Branded Home in the Resort Hotel Rental Program shall register with the Principal Resort Hotel. Nothing shall prohibit a Resort-Branded Home from being sold (and thereafter resold) to a third party, or parties, and used as provided herein.

45. Resort-Branded Homes are subject to the following requirements:

a. Resort-Branded Homes shall be constructed in conformance with the development standards set forth in this Special Use Permit.

b. Resort-Branded Homes in the Resort Hotel Rental Program must always meet the requirements of the Acceptable Brand for the Principal Resort Hotel.

c. Additional walls not shown on the Approved Plans may be constructed on a lot within enclosed private yards, provided they do not exceed six (6) feet in height.
d. Air conditioners may be installed on roofs, provided they shall be screened and noise attenuated so as to comply with the allowable noise levels as defined in the Town Code provisions relating to noise, as it is amended from time to time. Noise measurement shall include any installed screening or other attenuation devices. Such screening shall be included in the overall height of the structure.

e. All outdoor lighting shall comply with Town ordinances.

f. A minimum of thirty-three (33) percent of each lot shall be open and pervious, provided that swimming pools (excluding surrounding deck surfaces) shall be deemed to be open and pervious.

g. Accessory structures that do not exceed six (6) feet in height above finished grade, including, but not limited to, pools, barbecues, fire pits, fireplaces, water features and other accessory structures, shall be allowed within the boundaries of each lot, provided they are located in a rear yard screened from public streets. The requirements of the preceding sentence shall not apply to accessory structures adjacent to or visible only from private streets. Accessory structures over six (6) feet above finished grade (or under six (6) feet in height but not in an enclosed yard), which may include casitas, gazebos, trellises, and patio covers, shall be allowed on each lot, provided they comply with the Floor Area limitations shown on Page D-3 of the Approved Plans, are limited to sixteen (16) feet above finished grade, and comply with the setbacks on Page F3 of the Approved Plans.

h. Accessory structures containing livable square footage shall meet the setbacks for the main home and may not exceed sixteen (16) feet in height as measured from finished grade.

i. House mounted basketball backboards, and pre-fabricated storage sheds shall not be permitted.

**AREA D – RESORT RELATED ATTACHED RESIDENCES**

46. Area D may only be improved with up to sixty-two (62) attached single-family residential Resort Related Attached Residences and uses incidental or accessory thereto, as well as common areas and common use facilities and/or amenities, provided that all such improvements comply with the height, setback, and Floor Area limitations shown on Page D-3 of the Approved Plans. Each Owner of a Resort Related Attached Residence may occupy it or permit its family and guest(s) to occupy it, or make it available for residential uses. Nothing shall prohibit a Resort Related Attached Residence from being sold (and thereafter resold) to a third party, or parties, and used as provided herein.

47. Resort Related Attached Residences are subject to the following requirements:

a. The Resort Related Attached Residences shall be constructed in conformance with the development standards set forth in this Special Use Permit.
b. Accessory structures that do not exceed six (6) feet in height above finished grade, including, but not limited to, barbecues, fire pits, fireplaces, water features and other accessory structures, that are not over one hundred and fifty (150) square feet in size, not shown on the Approved Plans may be constructed on a lot when otherwise in compliance with this Special Use Permit.

OPEN SPACE-WASH CORRIDOR

48. The Open Space-Wash Corridor shown on Page H-6 of the Approved Plans shall be constructed in substantial conformance with the Approved Plans and with landscaping and hardscaping as approved by the Town Manager. Thereafter the Open Space-Wash Corridor shall be maintained by a master association and used only for stormwater conveyance and detention, public trails, benches, and permanent open space and shall not be otherwise developed, except for landscaping and hardscaping, including but not limited to: pathways, seat walls, benches, sculptures, entry monument signage, water features and storm water detention systems. Public access to the Open Space-Wash Corridor may only be restricted when flooding or other conditions exist so as to require such restrictions in order to protect the health, safety, and welfare of the public. No roadways or other motorized vehicular access shall be permitted on or across the Open Space-Wash Corridor, except as provided on the Approved Plans and for temporary access in order to perform landscape maintenance and other related maintenance. No parking of vehicles shall be permitted on any portion of the Open Space-Wash Corridor.

AREA E1 – RETAIL APPROVAL AND FUTURE AREA E2 APPROVAL AREA

49. Current Approvals for Area E1 and Future Uses and Approval Process for Area E2

a. Area E1 may only be improved at this time with Area E1 Retail/Restaurant Uses. All improvements to Area E1 shall comply with the height, setback, parking requirements, and Floor Area limitations shown on Page D-3 of the Approved Plans. Building exteriors in Area E1 shall be maintained in good working condition and absent any visible signs of disrepair.

b. Future improvements to Area E2 shall only be allowed as permitted by an intermediate amendment to this SUP (as provided in Article XI of the Zoning Ordinance). The Town and Owner anticipate Area E2 may include the following uses: resort hotel, resort-related retail, resort-related above-ground parking structure or structures, and resort-related health services. No use for Area E2 shall be deemed approved unless and until the intermediate amendment referenced above is obtained. The intermediate amendment to the SUP shall first be required before the square footage approvals for each of these uses is determined, as well as the heights, setbacks, and locations of each such use. Processing of any plat approval or building permits for Area E2 shall not be permitted until after the intermediate amendment has been processed by the Town.
c. Stand-alone accessory and service structures over six (6) feet in height (as defined in the Special Use Permit Guidelines) in Area E1 may be added to the Approved Plans, provided that the total square footage of all the accessory and service structures added together does not exceed three thousand (3000) square feet of Floor Area within Area E1, such additions to be provided to the Town Manager as a revised conceptual site plan. Stand-alone accessory and service structures cannot exceed sixteen (16) feet in height and must be set back a minimum of forty (40) feet for any accessory structure and sixty (60) feet for any service structure from any rights-of-way or residential property lines outside of the SUP boundaries and ten (10) feet from any non-residentially zoned property outside of the SUP boundaries.

d. Accessory structures that do not exceed six (6) feet in height above finished grade (raising the finished grade by placing fill solely for the purpose of adding additional height is prohibited) in Area E1 shall be allowed within the boundaries of Area E1, subject to approval by the Town Manager. These accessory structures shall not count towards the three thousand (3000) square feet of additional Floor Area for stand-alone accessory structures and service structures over six (6) feet in height provided for in Stipulation 49.c above.

D. TEMPORARY USES/EASEMENT/MAINTENANCE

50. Temporary tents or pavilions may be erected in the locations shown on Page E-4 of the Approved Plans, provided that such temporary tents or pavilions shall not remain erected for more than sixteen (16) consecutive days per event. No tent shall be higher than twenty-four (24) feet above finished grade.

51. Special events shall be permissible, with or without temporary tents or pavilions, provided these events are in accordance with the Article 8-8, Special Events on Private Property and Public Rights-of-Way, of the Town Code, with the following conditions:

a. As allowable in said Article 8-8, Special Use Permit properties are exempt from the Special Event permit review process provided that such exempted events are limited to the type of activities that are customary and incidental to the primary uses of this Special Use Permit and any temporary tents or pavilions comply with Stipulation 50.

b. Exemption from the Special Event permit review process does not exempt the Owner from any applicable required permit inspections related to public health, safety, and welfare by the Town, the State of Arizona, or other applicable jurisdiction. Town permit inspections are determined as follows:

i. A permit from the Town Fire Marshal, or designee, shall be required for any structure or tent having an area in excess of two hundred (200) square feet or a canopy in excess of four hundred (400) square feet.

ii. Review by the Town Community Development Department shall be required for the provision for and location of any portable restroom facilities.
c. Any temporary tents or pavilions not in the locations shown on Page E-4 of the Approved Plans may be approved in accordance with Article 8-8-10, Procedure for Review of Application and Appeal of Decision, of the Town Code.

d. Temporary tents or pavilions must meet a minimum setback of forty (40) feet to the exterior property line of the Property.

e. Placement of any temporary tent or pavilion shall have no adverse impact on parking or circulation.

52. The following provisions in this Stipulation 52 shall be set forth in easements and/or CC&Rs or other recorded instruments (which may include recorded plats or maps), to be recorded on (or otherwise encumber title to) the Resort or such part thereof for which such provision is germane. Such recordation shall occur concurrently with or prior to recordation of any applicable final plats or final maps as the case may be for a particular phase of development. As a condition to approval of a final plat(s) or final map(s), if such final plat or final map does not itself address the provisions in this Stipulation 52, then any necessary recorded instruments (other than the plat or map itself) shall be approved by the Town Manager; provided that, (i) the Town’s review shall be limited to whether such recorded instrument satisfies the provisions in this Stipulation 52, and (ii) if the recording satisfies the provisions in this Stipulation 52, the Town’s approval shall not be unreasonably withheld. Easements within any lot or parcel boundary will not affect setback measurements or determination of lot areas. Any lot within an Area can provide (by easement or otherwise) parking, drives, utilities, and signs for another lot within an Area, including lots owned by different Owners.

a. Easements

   i. Vehicular and pedestrian access easements providing access to public rights-of-way as reasonably determined by the Owner and benefiting all Owners within the Resort shall be dedicated and maintained. The adequacy of such easements shall be reasonably approved by the Town Manager.

   ii. Utility and drainage easements shall be dedicated to the utility provider, the Town, and/or the Owner as the case may be, as reasonably determined by the Town Manager. Any such easement shall be maintained in accordance with applicable requirements of the utility or the Town, as applicable. Where required by law, such easements shall be shown on the final plats or final maps.

b. General Maintenance Rights and Responsibilities

   i. The Resort may be developed in one or more phases as provided in the 2015 Development Agreement. A general infrastructure plan for each phase shall be formulated by each Owner which shall set forth common elements for roadways, utilities (including fire service), lighting, gates, landscape, walls and other elements for the use, benefit, enjoyment and safety of all of Owner’s guests, employees and other invitees of the Resort. Some of such common elements
may benefit all phases of the Resort, while others may serve only one or more phases of the Resort.

ii. A maintenance, repair, and replacement regime shall be formulated by Owner(s) and incorporated into one or more CC&Rs, which shall be a first priority lien (junior only to existing matters of record other than monetary liens and the 2015 Development Agreement) on the Resort or each particular phase, as the case may be. Said regime shall provide for governance through a master developer of the Resort or of a phase, or through an authorized or duly formulated association of certain, some, or all Owners of the Resort or phased parts thereof. Said regime shall set forth and contain the minimum following elements:

(a) All exterior portions of all structures and all roadways, parking areas, landscaping, walls, pools and lighting shall be kept and maintained in a first class condition, commensurate with a mixed use resort project serving multiple uses and Owners so that each part is benefited by the first class condition of each other part.

(b) Adequate and reasonable assessments shall be made of each Owner to reasonably fund estimated budgets for the maintenance, repair, replacement, and care of the completed Resort and/or each phase thereof.

(c) A governance mechanism to protect all Owners and insure the reasonable and adequate maintenance of all components of all phases of the Resort, including the power to access and enter upon the property of another for the purpose of enforcing the regime.

(d) Architectural guidelines to insure that the requirements of this Special Use Permit are adhered to in the initial and any redevelopment of the Resort. Such architectural guidelines may be administered through an Owner as master developer of the Resort or phase therein, a master association for the Resort, or an association for a particular phase as the case may be, it being the intention of the Town that the Resort be developed in a cohesive, cooperative and harmonious manner which adheres to the requirements of this Special Use Permit and such other requirements Owner may formulate from time to time.

c. 2015 Development Agreement Provisions

i. A mechanism for the master association to perform obligations under the 2015 Development Agreement that are to be performed by an “Owners Association,” as defined in the 2015 Development Agreement.

ii. An acknowledgement applicable to the master association and all of the Owners of property governed by the master association that (i) they are bound by this SUP and the 2015 Development Agreement and (ii) an acknowledgement that this SUP and the 2015 Development Agreement constitute valid, binding and enforceable obligations, enforceable according to their terms.
iii. A release in favor of the Town as a third party beneficiary substantially in conformance with the “Five Star Release,” as defined in the 2015 Development Agreement, applicable to the master association and all of the Owners of property governed by the master association.

53. The streets, drives, surface parking lots and common landscaping areas within the Property shall be constructed and maintained by the Owner. A covenant will be recorded on the Property and shall run with the land and shall be binding thereon (which may be set forth in CC&Rs) providing the Town with a right (but not the obligation) to perform repair of streets, drives, surface parking lots and common landscaping areas within the Property. In the event that the Town Manager finds, in his or her reasonable discretion, that the streets, drives, surface parking lots and common landscaping areas within the Property are not reasonably maintained, the Town may give the Owner of the affected area and the Owner(s) of all lot(s) or unit(s) within the Area a written notice to undertake appropriate maintenance to cure such condition. Notice pursuant to this Stipulation 53 shall be given by certified mail to an Owner to the address as shown on the records of the Maricopa County Assessor. If the condition remains un cured for sixty (60) days after notice thereof in writing is given by the Town, or if the condition is such that it cannot be reasonably corrected within sixty (60) days, the correction thereof not having been commenced and thereafter diligently prosecuted within sixty (60) days from receipt of such written notice, the Town may enter the Property and perform such work necessary to cure the condition. In connection with the foregoing work, the Town may assess the actual, reasonable costs and expenses related to such work against the Owner(s) of the lots/units within such Area on a pro rata, per lot/unit basis (based on gross square footage of all lots/units) and such Owner(s) shall remit payment to the Town within thirty (30) days after receipt of an invoice together with the reasonable supporting materials from the Town. If an Owner fails to remit its prorated payment within the thirty (30)-day period, the Town may file a lien against such Owner’s lot/unit for any such unpaid amount due to the Town and enforce such lien as provided by and pursuant to Arizona law; provided that the Town shall, under any circumstances, be required to provide no less than thirty (30) additional days written notice to such Owner(s) prior to filing any lien pursuant to this Stipulation 53.

E. PARKING AND CIRCULATION

54. Parking shall meet or exceed the parking requirements set forth on in the parking study incorporated into the Approved Plans. Any change in use of the Resort that increases the parking demand over the parking requirements set forth in the parking study incorporated into the Approved Plans must be approved as a minor amendment to this Special Use Permit. The Owner shall submit a revised parking study which reflects the parking demands of the final Approved Plans within thirty (30) days of the Effective Date.

55. All contracts between the Resort Hotel Owner and any valet company or other parking company shall include an acknowledgment and agreement that such company shall not park any vehicles on public streets in the Town. Buses and other vehicles may be used to shuttle guests or employees to or from parking areas not located on the Resort, and between the Resort and other destinations (e.g., airport, shopping facilities, golf courses,
attractions, etc.). Any catering agreement between Resort Hotel Owner and any resident or guest booking events at the Resort shall include an acknowledgement and agreement that catering vehicles may not park on public streets in the Town.

56. Unlicensed support vehicles (i.e., golf carts, utility vehicles, etc.) may be used to transport guests and residents and provide services to any Area of the Resort, but shall not be used or parked on any public street.

57. All designated fire lanes shall maintain a vertical clearance of fourteen (14) feet above finished grade and a horizontal clearance of twenty (20) feet to allow passage of emergency vehicles, and must meet all current Arizona Department of Transportation standards. Emergency access points are only to be utilized for emergency vehicles; no deliveries or other use of emergency access points is allowed.

58. At any time when the parking demand within the Resort is expected to exceed onsite capacity, the Owners of the affected areas shall initiate a parking management plan, which may include valet parking or offsite parking arrangements (but not the use of parking on any public street within the Town).

59. All streets, drives, sidewalks, and paved areas constructed shall remain private; provided, however, that all new streets constructed shall be in compliance with Page D-12 of the Approved Plans and shall be of adequate width and design, as determined by the Town, to permit the provision of fire and police protection to the Property.

60. The eight (8) feet wide public trail located in the Open Space Corridor shall remain un gated and unobstructed at all times except as necessary for storm events and maintenance. The trail must meet Americans with Disabilities Act requirements.

61. Proposed guard gates and guardhouses shall be in the general locations shown on the Resort Wall Master Plan to be approved by the Town Manager and must meet the standards of the Special Use Permit Guidelines and the Zoning Ordinance in effect as of the Approval Date.

62. All proposed cul-de-sacs in Areas B and C shall have a right-of-way radius of not less than forty-five (45) feet with an improved traffic circle having a radius of not less than forty (40) feet.

63. No loading, truck parking, trash containers, or outdoor storage area shall be located within one hundred (100) feet of residentially zoned property outside of the Property’s boundaries. All such areas shall provide visual and noise screening to minimize impacts on adjacent residential property.

F. MANAGEMENT

64. There shall be at least one person at the Resort at all times who has been thoroughly briefed on the provisions of this Special Use Permit and who has the authority to resolve all problems related to compliance with this Special Use Permit and compliance with the Town Code. All calls from Town residents to the Town or Resort regarding noise or
disturbances shall be referred to and addressed by such person(s). Maintenance of the Resort in general, and all common areas specifically, shall be coordinated through a single unified management entity, which may be the Owner of the Principal Resort Hotel or a master association of Owners.

65. At all times, the Property shall remain under unified management through a master association and shall be operated as an integrated resort facility. There may be sub-associations relating to specific Area(s) within the overall Property. Area E1 may be under a separate management company on behalf of the owners/landlord(s).

G. COMMUNITY OUTREACH

66. Subsequent to the approval of this Ordinance, the Owner shall implement the Community Outreach Plan set forth on Schedule 2.

H. PLAT AND MAP APPROVAL

67. Plat and map approval shall be processed in accordance with the terms of the 2015 Development Agreement.
SCHEDULE 1
TO
THE RITZ-CARLTON STIPULATIONS

Approved Plans

The Approved Plans consist of Book 1 to SUP-15-01, that book entitled as “Ritz-Carlton Resort Approved Plans” and dated December 17, 2015 along with the following as approved by the Town:

  Wastewater Master Plan
  Drainage Report
  Parking Analysis
  Master Traffic Impact Analysis

These documents are on file at the Town of Paradise Valley Clerk’s Office and may be viewed during normal business hours.

Town Hall
6401 E. Lincoln Drive
Paradise Valley, AZ 85253
SCHEDULE 2
TO
THE RITZ-CARLTON STIPULATIONS

Post-Approval Community Outreach Plan

Subsequent to approval of SUP 15-01, the Owner will keep neighbors apprised of the status of the project at follows:

1. The Owner will send a quarterly report to Paradise Valley property owners within one thousand (1,000) feet of the Property, advising them of current status, any changes, and anticipated construction commencement dates if known.

2. These quarterly reports will continue during construction of the Property and include anticipated construction schedules and progress.

3. There will be two annual reports upon completion of construction of the Property. The first of these will announce that construction is complete and the second, approximately one year later, will indicate that the post-approval communication process has been completed.

Each communication will contain a name and contact information for the Owner (which may vary depending on the project status at the time) so that any neighbors with a question or concern will be able to contact a Resort representative with their question or concern.
SCHEDULE 3
TO
THE RITZ-CARLTON STIPULATIONS

Town Code and Zoning Ordinance as of the Approval Date

These documents are on file at the Town of Paradise Valley Clerk’s Office
and may be viewed during normal business hours

Town Hall
6401 E. Lincoln Drive
Paradise Valley, AZ 85253