December 22, 2014

Ron Hilgart, PE Hilgart Wilson, LLC 2141 E Highland Ave, Suite 250 Phoenix, AZ 85016-4736

Via email: rhilgart@hilgartwilson.com

RE: Stone Canyon Play and Stay Casitas Zoning Interpretation

Located east of the new Stone Canyon golf clubhouse located at 14320 N. Hohokam Village Place, in Neighborhood 11 of the Rancho Vistoso Planned Area Development (PAD)

Dear Mr. Hilgart,

Thank you for submitting a request for a zoning interpretation for the proposed Stone Canyon Play and Stay Casitas, located east of the new golf clubhouse in Stone Canyon. The purpose of the interpretation is to provide guidance relative to the proposed play and stay short term rental casitas.

The subject property, located between the new Stone Canyon golf clubhouse and the fitness center, is currently vacant and is zoned Rancho Vistoso Golf/Recreation, which was established through a rezoning in 1998 (OV998-02A; Ordinance 98-14). The Rancho Vistoso PAD does not contain specific permitted uses or development standards for the Golf/Recreation district.

It is hereby interpreted that the proposed Play and Stay Casitas are considered a permitted short term lodging use, accessory to the clubhouse use, in the Rancho Vistoso Golf/Recreation district, based on the following findings:

- Casitas offered solely as short term rental properties, defined in the Oro Valley Zoning Code as, "offering temporary lodging for less than one (1) month (30 days)", may be considered a normal and customary accessory use to the golf course clubhouse.
- The determination is supported by the finding that short-term rental properties are a customary accessory use in other country club-oriented golf courses in the region, including Forest Highlands (Flagstaff, AZ); Torreon Golf Club (Show Low, AZ); and Seven Canyons (Sedona, AZ).

Further, the casitas shall be subject to the following standards:

- The casitas shall only be considered accessory to the clubhouse, and not the golf course
- This interpretation does not apply to any areas developed as or intended for development as golf course
- The casitas shall be offered only as short-term rental properties, as defined in the Zoning Code and as described in the attached 11/24/14 Stone Canyon Play & Stay Casitas letter
- The casitas shall not include any property held by a person who is not deemed to be in the rental business per Section 8 of the Town of Oro Valley Tax Code

- The casitas shall be part of a rental pool managed by the golf club management as described in the attached 11/24/14 Stone Canyon Play & Stay Casitas letter. Evidence of rental pool participation for each unit shall be furnished to the Planning and Zoning Administrator.
- In no case shall the casitas be occupied as full time residences or removed from the rental pool

Please contact me if you have any questions.

Sincerely,

Bayer Vella

Planning and Zoning Administrator

Encl: 11/24/14 Stone Canyon Play & Stay Casitas letter



November 24, 2014

Bayer Vella, AICP, Leed AP
Interim Planning Manager and Conservation and Sustainability Administrator
Town of Oro Valley
11000 North La Cañada Drive
Oro Valley, Arizona 85737

RE: Stone Canyon Play & Stay Casitas -Zoning Interpretation

Dear Mr. Vella:

Our client, Stone Canyon Buffalo Golf, LLC, recently purchased the Stone Canyon Golf Course and is currently making a significant investment in the facilities to improve upon the golf and overall recreational experience. This includes recently completing design for a new clubhouse, which will include a pro-shop, locker rooms and indoor and outdoor dining areas. Space below the clubhouse is designed to allow for golf cart storage. As a result, the prefabricated metal golf cart storage building located between the clubhouse and the fitness center can be removed.

Currently 72% of the Stone Canyon Golf Club members are not full time residents. Over half of the Stone Canyon Golf Club Sports Club Members are also not full time residents. For many of these, visiting Stone Canyon Golf Club is an opportunity to break away for a short vacation to relax, enjoy some golf, and enjoy other amenities and recreational facilities. Having short term lodging onsite, without having to travel each day to and from offsite lodging, is extremely important to many of the Stone Canyon Golf Club members. Considering this, our client desires to develop 29 "Play & Stay Casitas". The Casitas will be located on the remnant parcel of land located between the clubhouse and the fitness center, where the existing cart barn is located. A site plan is attached which depicts the proposed Casitas. The Casitas' private drive and several of the Casitas are strategically located on areas that are already scarred. Upon completion of construction, all remaining scarred areas will be re-vegetated.

The proposed Play & Stay Casitas were discussed in a meeting on Tuesday, November 18th with Matt Michels, Oro Valley Senior Planner and Chad Daines, Oro Valley Principal Planner. In the meeting, it was confirmed that the subject parcel of land is currently designated on Oro Valley's general plan as Resort/Golf Course. It was further confirmed that the Stay and Play Casitas are an allowed use under the general plan land use designation. It was also confirmed that in 1998 most of the subject parcel was rezoned from Resort Hotel to Golf/Recreation, with a small portion of the property lying within the Medium Density Residential zoning classification. Based on the discussion in the meeting, we understand that the Casitas could be an allowed use under the Golf/Recreation zoning if they are related to golf and other recreational facilities and if they are intended to enhance the overall golf and recreational experience.

Based on the above, we are requesting an interpretation to confirm that the Play & Stay Casitas are an allowed use under the Golf/Recreation zoning designation.

In evaluating this request, we would appreciate it if you would consider the following:

 The Play & Stay Casitas are directly related to the golf course as they can only be owned or rented by Stone Canyon Golf Club members or their guests. They are intended for short term use and are required to be part of a rental pool managed by Club management.

- The existing site is already 26% scarred and the new development would revegetate the site. It is expected that over 50% of the site will be left as open space.
- The Casitas are strategically located between the clubhouse and the fitness center. A walking path will
  be included to the new clubhouse. The fitness center, where visitors can exercise, get a massage or
  play tennis, among other activities, will also be within walking distance. Considering visitors must be
  members or member guests to access these facilities, there is no doubt that the Casitas are directly
  related to and will enhance the overall golf and recreational experience at Stone Canyon Golf Club.
- The Casitas will also add recreational amenities. In particular, a new amenity (likely to be a putting green watered with reclaimed water) will be centrally located within the site. This will become a gathering place for those visitors who are staying at the Casitas. In addition, nature trails will be provided which will allow visitors to walk to the golf clubhouse or fitness center facilities, or otherwise just exercise and enjoy the natural outdoor environment.
- The Casitas are intended for short term use. As previously mentioned, 72% of the Stone Canyon Golf Members are not full time residents. It is expected that this trend will continue for new members. These members desire a place to be able to stay when visiting Stone Canyon Golf Club. Their experience will be significantly enhanced when they don't have to travel to and from lodging but can enjoy the facilities during the day, relax in the evening and stay the night. It is expected that most stays at the units will be for long weekends or for one to two weeks of vacation. Considering visits to the Play & Stay Casitas are anticipated to be short term in nature, they will be small, most likely less than 2000 square feet, as compared to a typical member's full time residence. Although smaller, the Casitas will be of high quality, fully furnished and with outdoor patio areas to enjoy the surrounding environment.
- Most golf tournaments held at Stone Canyon each year have out of State guests who need short term lodging while visiting the property. In addition, other events such as weddings and birthday and anniversary parties will be allowed for golf club members. The Casitas will provide a place to stay for those attending such events.
- Finally, it should be noted that the proposed Play & Stay Casitas are similar to facilities that have been
  developed at other high-end golf clubs in Arizona and around the country. These golf clubs have found
  that the overnight stay units in close proximity to the clubhouse have greatly enhanced the overall
  experience for members and their guests. Examples include:
  - o The Cottages at Forest Highlands in Flagstaff, Arizona. Seventy-five 1995 square foot units.
  - The Golf Villas at Torreon Golf Club in Show Low, Arizona. Over one hundred 1636 square foot units.
  - o Elk Pass Townhomes at Pine Canyon in Flagstaff, Arizona. Thirty-two 2730 square foot units.
  - The Villas at Seven Canyons in Sedona, Arizona. Twenty five hundred square foot 3 bedroom units.
  - The Ranch Cottages at Talking Rock in Prescott, Arizona. Seventy 1960 to 2555 square foot units.

Please see the attached project sheets for more information on these examples.

We appreciate you taking the time to provide an interpretation to confirm whether the Casitas are allowed in the Golf/Recreation zoning designation. Assuming a favorable finding, our client is excited to move forward with this development as quickly as possible to further enhance the members overall golf and recreational experience at Stone Canyon Club. Please do not hesitate to call if you have any questions or need additional information.

Respectfully,

Ron Hilgart

CC: Matt Michels, AICP

Roger Nelson

Chad Daines, AICP

