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CITY OF TEMPE  
CITY CLERK'S OFFICE

Tod Decker  
President and CEO  
Valhalla Development Group, LLC and  
Valhalla Companies, LLC

Development Review Commission  
31 East Fifth Street  
City of Tempe  
Tempe, AZ 85281

**Re: Development of Southbank Lot 6**

Dear Development Review Commission,

For the last eight years, I have attempted to place an elegant four-star hotel experience at Tempe Town Lake. As you can imagine, the hotel industry has gone through a tumultuous time, but there is a renewed and strong interest in hotel and capital partners to make a hotel development at Southbank a reality. Our interest was peaked last year, when JLB Partners secured three lots within the Southbank development. Unfortunately, we could not close on Lot 5 before year-end 2014, which was a condition of the Seller, and has been sold to another buyer.

At this point, we are preparing to submit a Letter of Intent to the City of Tempe for the purchase of either Lot 9 or Lot 2, which work best of our hotel configuration and site plan, and ask the City of Tempe to prepare an RFP for the sale of the site. We have particular interest in Lot 9, as it will be located at the primary entrance of the Southbank Master plan and it is located behind Lot 6. Our hotel will be comprised of a 22-story tower with 18 levels of hotel and 4 levels of condominium. In order for us to attract a clientele and provide the best experience, it is important for us to have a lake view experience. We have met with the representatives from JLB Partners, and have seen their project and design. We are excited about their project and design and believe it will fit in harmony with the hotel experience we are trying to provide. It has been brought to our attention, that there is a desire to see massive height on Lot 6. To the contrary, we urge you to provide a building in an appropriate height and scale that will provide views from Lot 9. The current design and scale of building that JLB Partners is proposing does just that. Exceeding the current height will take away from our experience.

We are excited about the future of Southbank. I have worked on other locations at the lake, principally Hayden Ferry. However, I have not looked at Southbank until recently, as nothing seems to get built. If we are to be successful, it is important that quality development surround the hotel and it start now. We need a population of residents, employees and visitors in the Southbank development to make it a reality. We hope the time is now.

Sincerely,



Tod Decker  
President  
Valhalla Companies