

**Persimmon II, LLC
44292 South El Macero Drive
El Macero, CA 95618-1032**

September 27, 2010

Ms. Angie Brosius
Project Manager
City of Boise
150 N. Capitol Blvd.
Boise, ID 83701-0500

Dear Ms. Brosius,

This letter is submitted as an explanation of our Conditional Use Permit application for the development of Block 116 in Downtown Boise. Persimmon II, LLC a project specific limited liability corporation is proposing a master plan that includes approximately 26,800 square feet of retail which has a 25,000 SF specialty grocery store, a complimentary free-standing 1800 SF building for specialty retail and approximately 30 residential units to be developed in two or three phases.

The Grocery store is an allowed use in the MU zone with a Conditional Use Permit. In addition, we are requesting a special exception for the smaller retail building. This building forms the edge of an outdoor room which creates an inviting pedestrian entrance from the Linen District to the South and from the Downtown Business District to the East. The grocery store will abut the ROW on Idaho and the specialty retail building will front the sidewalk on 15th St, the resulting plaza will be a useable space for outdoor dining, neighborhood gatherings and public art. (See site plan.)

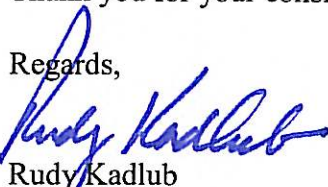
The number of parking spaces proposed exceeds the maximum allowed by zoning but is necessary to support the current needs of Henry's Farmers Market. Henry's will be an anchor to CCDC's Westside Downtown District. It will spawn new development and is a great amenity for the future urban residential planned for the District. However, until a substantial number of residential dwelling units are built and occupied in the District, Henry's must rely on customer traffic arriving by automobile. Therefore, we are requesting a variance to the maximum parking requirement.

Likewise, the residential phase planned for the site will only be feasible when a critical mass of additional residential units are built within walking distance (1/4 mile) of the site. At that time Henry's can rely more on foot traffic and reduce the number of onsite parking stalls, thereby freeing up land for adding the residential phase with its structured parking.

Though the lease has yet to be signed by our tenant, we remain confident that the signing will occur in the weeks ahead. Funding is committed for the project and we are projecting a schedule that would allow for construction to begin in January of 2011.

Thank you for your consideration of our application.

Regards,



Rudy Kadlub

Member

Persimmon II, LLC