

Tuffs gets more Devco duty

By HELEN ALLEN
Staff Writer

Don Tuffs, Sundome manager, has taken on additional duties of coordinating public relations and advertising for Del E. Webb Development Co.

Tuffs assumed the additional tasks as a result of the recent dismissals of two Devco vice presidents, Jerry Svendsen and Jim Handley.

The public relations and adver-

tising departments at Devco still are in the process of reorganization, Tuffs said, and there is no certainty on the final outcome of how matters will be handled.

"WE HAVEN'T even given the department a name as yet," he added. "We will work into it slowly and see how much the agencies will handle."

Meantime, Tuffs will be coordinating the two functions with Cra-

mer Krasselt-Southwest, a national advertising firm based in Milwaukee, and Joanne Ralston and Associates Inc., a Phoenix public relations company.

Some changes which have taken effect at Devco, according to the new coordinator, include:

—KEN PLONSKI, who has been doing publicity for the Sundome, will now coordinate news releases for the Sundome and Devco.

—Steve Welch, who has been acting as an assistant manager of the Sundome, will be taking on more administrative functions.

—Ronn Broadway will serve as art director for both public relations and advertising for Devco and the Sundome.

—Barbara Jackson, a media buyer, also will be in charge of production control.

R.H. Johnson dies at 92

STAFF REPORT

R.H. Johnson, who along with Del E. Webb and John Meeker, were the visionaries and executors of the active retirement dream that led to the development of the Sun Cities, died Tuesday. He was 92.

In a Daily News-Sun article marking the 15th anniversary of Del E. Webb Hospital, Johnson, who spent more than four decades in the Webb construction company, said, "Sure, I'm as proud as a person can be about what Sun City West and the hospital have become. But I haven't lost my memories of how it all began, either."

Johnson credited Meeker with the original vision for the retirement communities. An idea whose time had come, all involved were surprised by the public's response. "When we started opening up the original Sun City homes for sale, we had such a phenomenal response that we had an outright traffic jam of people wanting to

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SUBMITTED PHOTOS

Robert H. "Bob" Johnson, right, poses with Del E. Webb, above. Below left, he is pictured with his wife, Marjorie. At right, Johnson, center, receives a doctorate of humane letters from former Arizona State University President Lattie Coor.



JOHNSON: Praise goes to former Del Webb Corp. chairman

FROM A1

buy them," Johnson said.

The veteran of a number of major Del Webb construction projects over more than four decades said he started his rise within the organization when he was barely beyond his teen years.

"I started driving a Model A Ford truck in 1935 as pretty much of a delivery boy of parts and materials," said Johnson laughing, "and I then went on to work with Mr. Webb in Flagstaff, California, Phoenix and other locales on just about every kind of job we could get our hands on. When I later became a timekeeper on jobs for him, our crews worked on the old Bayless Grocery Stores - and we even did odd jobs for individual households around town."

But when it came to the original vision to create retirement meccas on the lands that now constitute Sun City and Sun City West, Johnson gives much additional credit to developer John Meeker.

"John - and then investor and cotton magnate J.G. Boswell - came into the picture when they came up with the idea of building really affordable homes in develop-

ments that had enough infrastructure to expand them properly," Johnson said, "with the added idea that you had to have all the supporting facilities - like recreation centers - up first so they could serve the people who'd be coming in."

Their vision proved to be an idea whose time had come.

"They all thought we should build model homes so people could see what they'd be getting, and that was still a pretty new idea at the time," Johnson recalled. "As it turns out, it proved to be a great idea, at that - maybe too great in the beginning - we had to really hustle to accommodate people."

Johnson served Del Webb Corp. as president for three years and served as CEO after Del Webb himself left the post in 1973 (remaining as board chairman). Johnson had succeeded Webb as chairman of the board as well as president when the health-conscious Webb -

his desk sported a "No Smoking" sign - died on July 4, 1974, due to complications related to cancer treatment.

Johnson also headed the Del E. Webb Foundation, a charitable organization founded in 1961.

Johnson and his wife, Marjorie Kline-

felter Johnson, were instrumental in the growth and involvement of the Del E. Webb Foundation, which has contributed primarily to health-care oriented organizations. DEWF has given more than \$65 million for medical research, medical facilities and education.

The foundation has given \$5.5 million to Sun Health Del E. Webb Memorial Hospital since its opening.

It also has contributed millions of dollars to the Sun Health Foundation for expansion of both Del Webb and Boswell hospitals.

The foundation also provided the \$1.6 million needed to fund the Sun Health Del E. Webb Health Center of Wickenburg.

The Johnsons also were involved in the development and continuing support of the Del Webb Center for the Performing Arts in Wickenburg.

In retirement, Johnson became a "gardener extraordinaire" and his friends and neighbors eagerly awaited his freshly grown asparagus, radishes, sweet potatoes, sweet corn, tomatoes, strawberries, garlic, onions and zucchini. Golf and photography also ranked high among his interests.

Pamela Meyerhoffer, CEO of the Sun Health Foundation said in ad-

dition to the grants and contributions from the Webb Foundation - the current grant is for \$3 million to benefit Del E. Webb Hospital - Johnson also was personally generous in his support of the Sun Health Foundation.

"He was a most gracious gentleman. He had a mischievous sense of humor and a ready smile that will be missed greatly," she said.

Long-term resident Amos Childers, 90, said he respected Johnson for his dedication to the communities he helped build.

"He and Del Webb did a great job building Sun City West. It's a very fine community," he said. "It's interesting how each time they built something they made it better."

Childers moved into the community in 1983 and has only accolades for his long time.

"I've got high marks for Sun City West," he said.

A memorial service and celebration of Johnson's life will be at 10 a.m. Wednesday in the Del E. Webb Center for the Performing Arts. In lieu of flowers, the family asks that donations be made to the Wickenburg Community Hospital and Hospice of the Valley. Former ASU President Lattie Coor will deliver the eulogy.

JOHNSON, R.H.

R.H. Johnson passed away Tuesday, July 22, 2008 at the age of 92 at his home in Wickenburg, Arizona with wife Marjorie at his side.

Robert Howard Johnson, an Arizona native, was born February 26, 1916 at the family home located at 1904 E. Tempe Road (now Van Buren Road) to his mother, Bessie Hornbeck Johnson and father, Alfred Johnson. His father was employed by Phoenix Trunk Factory on West Washington where he manufactured trunks that were strapped on the rear of automobiles of the period. His mother worked at the Boston Store in Tempe.



Johnson attended Monroe and Longfellow schools and graduated from Phoenix Union High School in 1933. He couldn't afford college, but he put himself through business school, the Great Western Business College in the Heard Building, and he swept the floors each night for tuition. He learned short hand and mastered typing at 120 words per minute. While attending business school, Johnson worked for the Association of General Contractors in a secretarial job, commuting to work on foot each morning at 5 a.m. In 1935, Del Webb came by the AGC offices looking for a timekeeper for his six-man office. At the age of 19 Johnson got the nod and began his career with the Del E. Webb Construction Co. at \$75 per month on a dormitory construction project at Northern Arizona University.

Johnson believed in hard work and Webb was quickly aware of R.H.'s attention to detail and work ethic. Webb became his friend and mentor. By 1967 Webb had selected Johnson to be the President of the company. Then the Webb firm had grown to be active in 34 states from Hawaii to New York. The corporation's lifelines were leisure, real estate and construction, including properties like La Posada, Mountain Shadows, the Sahara Hotel in Nevada, veteran's hospitals across the United States and the Sun City development. Prior to Webb's death in 1974 he named Johnson Chairman and Chief Executive Officer of the Del Webb Corporation at the age of 56.

After a long successful career with the Webb Corporation, in 1981 Johnson retired from the corporate world and immediately took on the role as President of the Del E. Webb Foundation, a non-profit private foundation organized to promote charitable work, with emphasis, but not limited to the field of health and medical research. The Foundation was a result of Webb's personal generosity. Johnson championed sizable grants with naming opportunities honoring Webb and benefiting residents of Arizona, California and Nevada. Respectful of the work done by the Foundation in the health care field and other areas, Johnson was personally proud with the Foundations' support of the Del E. Webb School of Construction at Arizona State University and the Del E. Webb Center for the Performing Arts in Wickenburg. R.H. retired from the Foundation in November of 2007.

Over his lifetime Johnson received many awards and accolades but was most humbled by the two Honorary Doctorate Degrees bestowed upon him by Arizona State University in Tempe and Loma Linda University and Medical Center in California. Because he was so involved in the development, health care and economic vitality of the West Valley, he was also moved when honored by WESTMARC/SRP with a Best of the West Leadership Award and when named Man of the Year with the Henry Award from the Town of Wickenburg.

R.H. Johnson enjoyed golf (12 handicap) and played for 26 years in the Bob Hope Desert Classic. In 1973 Johnson won the Classic with partner Arnold Palmer. He was an outstanding gardener and spent every spare moment working outside; everything he planted - grew.

Mr. Johnson was a quiet generous man and he leaves behind his own legacy; The R. H. Johnson Foundation, a non-profit organization formed to support specific projects in the Wickenburg area; the place he came to call home.

He was preceded in death by his parents; brother, Lawrence; first wife, Ellamae "Mazie" Douglas; and daughter, Susan Hauck. He is survived by wife, Marjorie and son, Lawrence.

A memorial service celebrating his life will be held 10 A.M., Wednesday, July 30, 2008 at the Del E. Webb Center for the Performing Arts (1090 S. Vulture Mine Road) in Wickenburg, Arizona.

In lieu of flowers; the family requests that donation be made to Hospice of the Valley, the Wickenburg Community Hospital or the Del E. Webb Center for the Performing Arts.

Arrangements entrusted to David's Desert Chapel 928-684-0710.

Visit this person's Guest Book at
www.yourwestvalley.com.

— SUN CITIES INDEPENDENT—MAY 11-17, 1994

Future of commercial core debated

Webb wants to build homes on land reserved for businesses

By **BRET McKEAND**
Sun Cities Independent

Residents of Sun City West last week received their first look at Del Webb's plans to build up to 300 homes on land originally earmarked for commercial development.

If the company is successful in its bid to have the property rezoned from commercial to residential, res-

idents may see development of small homes and some sort of life-care facility in downtown Sun City West rather than a long hoped-for supermarket.

Del Webb announced last month that it had agreed to repurchase the property if the zoning change is approved.

The announcement has been met with strong objections from some

residents who feel construction of homes in an area initially reserved for businesses will be detrimental to the community.

Speaking last week before an overflow crowd at the R.H. Johnson Social Hall, Sun City West General Manager Chuck Roach outlined the company's plans and asked for the support of residents.

"If we don't feel we have the

support of the community, we won't go forward with (the development)," said Mr. Roach, who is also a senior vice president with Del Webb.

Mr. Roach addressed a number of issues, including the impact 300 hundred new homes would have on the recreation facilities, the need for a second grocery store in Sun City West and the need for some sort of

life-care facility.

The company had initially proposed to build 300 small, casita-type homes on the property. Mr. Roach announced during the meeting, however, that the company would be willing to cut that number back to 235 homes in order to leave room for some sort of life-care facility.

"We are very amenable to look-

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ing at various other plans," he said.

The 55-acre commercial core, originally owned by Del Webb, has, for the most part, sat empty since the community first opened in 1978. Despite requests from residents for additional retail outlets and a second grocery store, subsequent owners of the property have been unsuccessful in luring new businesses to the community.

The new post office will be constructed on five acres within the area. Webb's proposal will not affect plans for the post office.

Mr. Roach says there are still plenty of vacant parcels in and around Sun City West that could be used for a life-care facility. Commercial establishments, on the other hand, appear to prefer locations outside of Sun City West and along Grand Avenue.

"Some people would say that it's not bad to have a grocery store located on the fringes (of the community) because it would prevent non-residents from coming into the community," he said.

Del Webb plans on building a large retail center along Grand Avenue in Surprise. The new center will serve both Sun City West and Del Webb's soon-to-be-constructed community in Surprise.

Mr. Roach says a number of businesses, including grocery stores, have expressed interest in the Grand Avenue site.

Besides, said Mr. Roach, if the commercial core were to be reserved for businesses, it's difficult to tell what types of business would eventually locate there.

"Will the casitas be less invasive than a large shopping complex? The answer should be obvious," he said.

A number of residents have expressed concern over Webb's plans to build small homes in the downtown area. Although casitas are the company's smallest home, Mr. Roach says their quality and attractiveness is equal to anything else built by the company.

"They're an attractive, well-landscaped product," he said, pointing out that casitas have tile roofs, garages and landscaped areas maintained by an association. The main difference between a casita and other Webb-built homes is the size of the lot.

Mr. Roach says the company feels casitas are necessary as people age — smaller homes are often "the next step" between a home and a care facility.

"Casitas serve a vital need for people who want smaller homes, less upkeep and who still want to be close to retail centers," he said.

Concern has also been raised over the increase in population created by the additional homes. Mr. Roach said current recreation facilities as well as those scheduled to be built will easily accommodate the 600 or so additional residents.

The community's master agreement allows Webb to build a maximum of 17,340 homes without having to provide additional recreational amenities. Even with the addition of 235-300 casitas, the number of homes in Sun City West will remain under 17,000.

Webb has no plans to build additional recreational facilities.

Report details SCW issues

Daily News-Sun, Sun City, Ariz. Thursday, May 12, 1994

By TRACY CHARUHAS
Daily News-Sun staff

SUN CITY WEST — The first fuzzy images of what community leaders hope will become clear visions for the future are taking shape.

"The purpose of this report is to identify issues which will impact our community in the future and to seek directions we would be willing to take to deal with these issues," said Sandy Goldstein, president of Sun City West Foundation and organizer of Sun City West 2000.

The 70-page report, released Wednesday, outlines 20 issues raised by community organizations at a meeting April 20 of Sun City West 2000.

The Sun City West 2000 committee, comprised of representatives from community organizations, is attempting to detail future issues and needs likely to face the community

after the departure of Del Webb, the community's developer.

Webb has indicated it could be out of the community by 1996.

The report addresses the following issues:

- Life care facilities and services including in-home, retirement, assisted care, nursing home and hospice.
- Public transportation.
- Community maintenance and funding.
- Volunteer/charitable funding.
- Traffic safety.
- Community marketing and education.
- Citizens' involvement and awareness.
- Who speaks for the community?
- Senior overlay.
- Lobbying.
- Senior center.

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Panel moves to establish priorities

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- Water.
- Security.
- Form of government.
- Disaster planning/communication.
- Historical documentation.
- Effluent ownership.
- Public health.
- Covenants, Conditions and Restrictions.
- Del Webb's annual contributions in dollars and services.

"We've made some big advances," Goldstein said Wednesday. "I think each organization came away with a different feeling on the meeting ... one thing we all had in common was a real desire to meet again." The group is expected to meet again by the end of May.

Several of the 20 issues outlined in the report concern services to the community now performed by Del Webb. Those services will have to be undertaken by the community after Webb's departure.

Sun City West General Manager Chuck Roach, who

was the main speaker at the April 20 meeting, urged community organizations to begin planning now for the future.

"We have provided the recreation association with a map of all the things in this community that require some monitoring and attention with respect to the community look, feel and maintenance issues," Roach said. "These include the perimeter walls and arterial walls running through the community, vacant lot deweeding activities and enforcement of the Covenants, Conditions and Restrictions."

Roach addressed the issue of marketing and urged community organizations to begin planning for the future.

Arve Dahl, PORA president, said his organization is working on many of the issues raised in the report.

"We are handling a number of these things right now," Dahl said. "This is not something new to us. We are working on them and we will continue to work on them. Can we handle them? Well, we will

find out."

"More than one agency should be working on these issues," Goldstein said. "We may decide to coordinate our efforts, and if we do that, we will need to figure out how to coordinate them," he said.

Just how the issues will be prioritized will be addressed by the Sun City West 2000 committee at a meeting later this month.

"At that meeting we will identify the most important issues to the community and list them accordingly," Goldstein said. "At that meeting we will also recommend lead organizations to take on certain issues. The issue will be given to a particular organization where it can best be handled."

"At the next meeting we will give these 20 critical issues more meaning," Goldstein said. "We will clarify them and give them more meaning. This may result in the need for another meeting."

Customer satisfaction

Del Webb pledges to honor warranties even after it leaves

By KATHLEEN WINSTEAD
Sun Cities Independent

Although Del Webb Corp. will be leaving Sun City West behind within the next few years, new home buyers will still have access to the firm's customer service department.

Martha Moyer, public and community relations manager for Del Webb's Sun City West, says the company has received numerous calls from concerned homeowners who fear Del Webb will not honor warranties once the company shifts its focus to a new development in Surprise.

The company will begin building in Surprise later this year on what Del Webb officials are now calling the "Grand Avenue property," south of Grand Avenue and north of Bell Road. The company's administration offices in Sun City West, however, will remain open.

"We make sure the customers are happy," Ms. Moyer says.

Officials expect to begin selling homes in Surprise in 1996. Home building could continue in Sun City West until late 1996 or early 1997, Ms. Moyer says.

The Grand Avenue property will be a 3,200-acre as-yet-unnamed development. Like Sun City West, which is home to 24,000 residents, the new development will have 55 and over age restrictions. It will be a separate community from Sun City West with its own recreational facilities.

Despite the fact homes in Sun City West are selling quickly and may help give Del Webb its best year yet, company officials are reluctant to predict the future of home sales.

"We're having (our) best sales year since 1978 or 1979. It's a very healthy business climate right now. We're not sure (about the future). We're very cautious about making predictions because of the real estate market."

Del Webb Corp. sold 385 new homes in Sun City West during the January through March quarter, marking the most sales in that

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time period since 1979.

The company recorded 284 new home closings during the same time period, also a record.

Ken Plonski, Del Webb Corp. director of public and community relations, says the company has been "delivering new homes faster" than ever before.

"If we were to look back, certainly this has gone much quicker than we anticipated. We've had a high volume of sales," says Mr. Plonski.

New home orders also increased, with 897 new home orders in Sun City West during a nine-month period ending March 31, compared to 684 in the same period last year.

In the same nine-month period, there were 855 home closings in Sun City West compared to 607 for the same period last year — the highest number of home closings for the period when compared with other Del Webb communities.

The number of homes under contract also increased, with 707 homes under contract in Sun City West this year compared to 561 last year.

"We have enjoyed a combination of all the right elements: a growing economy, a beautiful winter, great home designs and an unsurpassed lifestyle in Sun City West," says Rich Vandermeer, Del Webb's Sun City West associate general manager.

FUTURE

SCW faces a painful transition

Losing Del Webb will cost big bucks

By Lori Baker
Staff writer

SUN CITY WEST — When the Del Webb Corp. leaves Sun City West, the community will lose more than a home builder.

The community also will lose many services it receives free or at a reduced fee, plus a generous contributor to local causes and a powerful lobbyist.

Webb provides many community services, including maintaining landscaping and walls lining the streets.

Company officials lobby on behalf of Sun City West residents against federal and state laws that they consider unfair.

Webb also provides financial support to nonprofit Sun City West groups and spends millions of dollars in advertising to promote the community.

Who will take over these duties when Webb is gone?

Thirty-six Sun City West community leaders now are studying that situation. The leaders, representing 12 Sun City West organizations, met with Chuck Roach, Sun City West's general manager, during the Sun City West 2000 workshop recently. A verbatim transcript of the workshop recently was released.

Although Webb will keep its administration center in Sun City West while it builds its newest community in Surprise, the developer will cease most contributions to Sun City West once it finishes building houses there.

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■ ROACH

Roach said he has been talking to Recreation Centers of Sun City West board members about taking over maintenance of the community. Issues include painting the walls that run through the community, removing weeds from vacant lots and enforcing deed restrictions.

The rec centers already pay for watering most landscaping in common areas but Webb pays for watering landscaping along Bell Road and at the R.H. Johnson Boulevard entrance to the community. The Sun City West Prides help maintain the plants in the medians.

The rec centers organization is the only taxing authority in Sun City West. All homeowners must be members, and the rec centers board could raise membership dues to pay for the cost of maintaining the community, Roach said.

One of the greatest challenges for Sun City West leaders is to establish long-term relationships with government officials, Roach said.

The problem, Roach said, is that leaders of community organizations change frequently and that confuses government officials.

"Our corporation is consistent in the terms of the faces these government regulators see," Roach said. "It is usually on an annual basis if you elect officers, committees and the like, and all of a sudden the regulators have a new set of people to deal with."

Community marketing is another issue that Sun City West residents must address, Roach said.

The Del Webb Corp. spends millions of dollars every year for the Vacation Getaway Program and national and local advertising to promote Sun City West. About

120,000 visitors are drawn to the community each year, Roach said.

"As we start focusing our marketing dollars and our attention on our new community, there will be less and less focus on this community," Roach said.

However, Roach said that promotion of Webb's new retirement community across Grand Avenue in Surprise likely will draw many visitors to Sun City West.

Nevertheless, he suggested that Sun City West start an Ambassadors program like Sun City's.

Roach put community leaders on notice that Webb's financial support to Sun City West organizations will decline.

"As we start our new Grand Avenue project (in Surprise), frankly, the focus of our attention will be to move in that direction with charitable support and there will be less forthcoming as it relates to the community here," Roach said.

The construction of the Webb community in Surprise will benefit Sun City West residents, Roach said.

For example, a commercial center is planned at Grand Avenue and Meeker Boulevard.

Also, the residents of the new Webb community likely will support the Sundome Center for the Performing Arts and the Del E. Webb Memorial Hospital in Sun City West, Roach said.

"As you all know, the Sundome has come through a bit of a tough period financially, and is now moving into a rather great period and more people to attend shows at the Sundome will only enhance its ability to go on long into the future on a very financially stable basis," Roach said.

Looking to 2000, Roach said Sun City West leaders need to be aware of the changing recreational demands of the community.

There also is a need, Roach said, for life-care facilities such as a retirement hotel or catered living facilities.

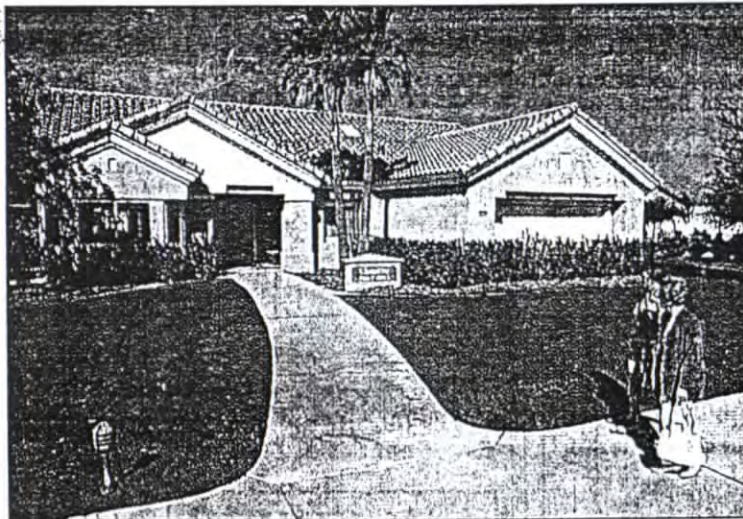
Roach suggested that Sun City West residents do something similar to Royal Oaks where Sun City residents got together and raised \$36.5 million and built their own life-care facility.

Real bargains



David McIntyre / Staff photographer

Auctioneer Larry Messler seeks bids on five model homes auctioned by Del Webb Corp. as part of the 15th anniversary of Sun City West. At right is the Ventana model, valued at almost \$200,000, which sold for \$177,100 to Ken and Marge Tenbrink of Sun City West.



Community

Auction bidders get good deals on Webb homes

By Lori Baker
Staff writer

Sun City West

Bob Haggerty loves to hunt for bargains.

But he never expected to get that good a deal.

Haggerty saved \$20,000 on a new house.

Haggerty and his wife, Addie, bought one of five homes Del Webb Corp. auctioned Saturday, as part of the retirement community's 15th anniversary.

There was no minimum bid on the houses, so starting bids were about half of the homes' market values, Webb officials said.

The Haggertys, who have lived in Sun City West for 12 years, bought a house valued at \$120,096 for \$100,650. They plan to move in before Christmas.

Addie Haggerty was not present at the auction — she was busy selling her hand-painted vases at a crafts fair. She was thrilled when she heard the news.

"I called him during my break to see how his day was going, and when he told me about the house, I almost fainted," she said. "We're still on cloud nine."

Other successful bidders were Ken and Margie Tenbrink of Sun City West, who bought a \$199,944 home on a golf course lot for \$177,100; Richard and Nancy Warnement of Ohio, who purchased a \$164,735 home for \$146,300; Leo and Dixie Jugler of Phoenix, who got a \$129,982 home for \$115,500; and Kathleen Dolniak of Chicago, who got an \$85,486 home for \$74,250.

"I'm just euphoric," said Dolniak, who was visiting a friend. "I've never done anything so fast in my life."

About 350 people attended the auction, but only a fraction of those submitted

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AUCTION

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bids. Successful bidders were required to present a 10 percent down payment, prearrange financing and pay the balance in 30 days.

Not only did the auction provide bargains to home buyers, it also raised money for charity.

Webb donated \$50,000 from the home sales to Maricopa Habitat for Humanity, a nonprofit organization that uses volunteer labor to build homes for low-income families.

"This gift will well enable us to build two more homes in Surprise," said Hank Warren, presi-

dent of Maricopa Habitat for Humanity.

Each Habitat home costs about \$26,000 and takes three months to build. A standard home is 1,100 square feet.

Habitat has about 200 volunteers locally who help with construction.

The recipients of the homes must also contribute labor.

"Having a new home in which to live can change despair into hope," Warren said.

Habitat has built 21 homes in El Mirage and Surprise in recent years.

THE WESTER

Feb. 3-9, 1994

Webb's Home Exchange Program Offers Opportunity

Most people are familiar with the concept of trading in their old car for the latest model, but trade in a home for a new one? Sun Cities residents now have the opportunity through Del Webb's Home Exchange Program.

Under the program, an independent company, acting as a commissioned real estate sales agency for Del Webb, does a market evaluation of the resident's home. The agency guarantees 88 percent of the value when sold at auction if the seller buys a new home from Del Webb. For example, if the market evaluation states a home is worth \$100,000, the seller is guaranteed \$88,000. If the home sells for \$75,000 at auction, the seller still receives \$88,000. If the home sells for \$101,000, the seller receives \$101,000.

The auction takes place 30 days before the close of escrow of the new home purchased from Del Webb. Residents are able to

stay in their current house until their new home is finished. The real estate agency also will auction any personal belongings

Exchange
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Exchange Program Offers Opportunity

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residents want to sell rather than move and will arrange for a moving company.

"It is really great. It eliminated all the hassle. We stayed in the house until we could move into our new house," said Home Exchange Program participant Robert Snyder. "The freedom from worry and frustration appealed to us," he added, "we would never quibble about the price we got for our home considering the savings in frustration," he added.

Robert and Christine Snyder were, in fact, the first couple to join the Home Exchange Program. When the couple recently married, both owned homes, Robert in Sun City and Christine in Sun City West. They sold Robert's home and moved into Christine's, but when they heard about the Home Exchange Program, they decided they wanted a home of their own.

Through market research, Del Webb discovered a percentage of people were like the Snyders, who wanted to purchase a new home, but didn't want the inconveniences of selling their current home. The Home Ex-

change Program was born as a solution for those people.

"It is an excellent program," said Rich Vandermeer, vice president of sales and marketing for Del Webb's Sun City West community. "It has a covered downside with the guaranteed price and unlimited upside."

"It is a program that serves the needs of many people in the community and it's easy," added Vandermeer. "There are no commissions to pay, no charge for inquiring or researching the value of a home and you have a guaranteed price. With the exception of one or two showings prior to the auction, there is no inconvenience."

Elaine and Bill McCraith are nearly experts in moving, having done it more than 14 times in the past 50 years. The McCraiths saw the Home Exchange Program advertised in the newspaper and "jumped on it," because they dreaded the possibility of owning two homes if their current home did not sell right away.

"This takes a lot of the 'what-ifs' out of it," said Elaine McCraith.

As part-time residents, Elea-



Happy Home Exchange participants Elaine and Bill McCraith.

nor and Roy Alexander didn't have time to spare waiting for one house to close while buying a new one, so the Home Exchange Program appealed to them. The Alexanders are from Canada, but have lived in Sun City West for six months of the year on and off for the past 10 years. The couple had tired of gardening and wanted a Casita with front yard landscaping included.

"It was a fast flip," said Eleanor Alexander.

"Some people can sit and wait for their house to sell, but we couldn't. The time factor appealed to us," Roy added. "We have to go back to Canada. We can't go through open houses

months on end."

Even new residents have taken advantage of the opportunity. Larry and Marge Skye moved to Sun City West in June of 1993 and discovered they wanted a larger house. When they saw the Exchange Program in the newspaper, they couldn't resist. They joined the program in October and moved in November.

"We enjoyed not having the hassle of showing the house, listing it and having people calling," said Larry Skye.

As of January 21, 202 evaluations have been completed, 41 evaluations have been accepted and new home sales contracts signed providing a 20% success ratio.

IS SUN CITY'S LUSTER FADING?

Extensive marketing campaign may be answer

(Editor's note: This is the third in a three-part series on Sun Cities' property values and potential challenges facing the community.)

By MIKE RUSSO
Independent Newspapers

In the fall of 1959, as the Del Webb Development Co. planned to launch its trend-setting retirement community — Sun City — advertisements were placed in local and national magazines and newspapers proclaiming the arrival of a new concept in retirement living.

The advertising blitz helped attract 100,000 curious visitors to Sun City for its debut on Jan. 1, 1960.

The massive marketing campaign continued through Sun City's formative years and eventually landed Mr. Webb on the cover of *Time* magazine.

However, in intervening years, marketing efforts have diminished significantly.

Joanna Condé, a Sun City real estate appraiser, feels the decline in the marketing of Sun City is a major contributing factor to the community's stagnating property values.

She believes it is crucial to Sun City's survival to return to the days of greater marketing efforts.

"There has been no active marketing of Sun City since Del Webb started Sun City West in the mid-1970s," Ms. Condé says. "A comprehensive, professional marketing plan needs to be developed and implemented."

"In order to attract quality residents, the marketing plan should include a public relations campaign to change the image of Sun Citians ...," she adds.

Dave Rolph, president of the board of directors of the Sun Cities Area Association of



The massive marketing effort that piqued the curiosity of *Time* magazine and landed Del Webb on the cover of the Aug. 3, 1962, issue is again needed to spur Sun City's housing market, according to appraiser Joanna Condé.

Realtors, concurs with Ms. Condé.

"Nobody knows we are here unless someone here tells them," Mr. Rolph says.

"Getting the word out that Sun City is alive and well is just not happening," he continues. "The same is probably true of Sun City West."

Mr. Rolph believes a regional and national marketing effort needs to be launched.

Lila Stephens, manager of the

Sun City Visitors Center on Bell Road, believes an extensive marketing program would be extremely beneficial for Sun City.

"We definitely need to get the word out about Sun City," she says.

However, she quickly notes that apparently many people are aware of Sun City already.

"We have sent out over 5,000

See ■ MARKETING, Page 3

OVER

SCW

packets this year (to prospective new residents)," she notes. "Our 800 number is still out and about. We still get calls from all over the country and internationally. They know about Sun City."

One helpful tool at the disposal of the Visitors Center for extolling the virtues of Sun City's lifestyle is a video produced about two years ago.

The video, which was funded by the Recreation Centers of Sun City, Inc. and local businesses, was produced at a cost of about \$14,000, according to Ms. Stephens.

"A lot of residents come and in and pick up a copy of the video and send them to friends interested in relocating to Sun City," Ms. Stephens says.

"When we send out a packet, we notify them that videos are available for purchase. The price is \$7, plus postage," she adds.

Ms. Stephens says the Visitors Center's 69 volunteers work very hard for the community.

"We need the people in Sun City to know how hard we work to keep the houses filled," Ms. Stephens says.

A stumbling block in the path of

the Visitors Center's effort to promote the community is lack of funding.

"All our funds come from a business and residential fund drive," Ms. Stephens notes.

Unfortunately for the Visitors Center, fund-raising efforts have suffered in recent years, according to Ms. Stephens.

"We are not doing any marketing now because we cannot afford it," she says.

Funding an extensive marketing effort may prove a major sticking point. There are differences over where responsibility lies for funding such an undertaking.

Ms. Condé believes funding should be the responsibility of the entire community, spearheaded by the Recreation Centers. "They do a lot of marketing," she says.

"It is something the whole community has to get behind," she continues.

Mr. Rolph thinks the responsibility lies with the Recreation Centers.

"I do feel it is the responsibility of the Rec Centers to coordinate," he says. "The Rec Centers are the core of Sun City, whether directly or through the (Sun City)

Ambassadors. It will not happen without them," Mr. Rolph continues. "I doubt the Sun Cities Area Association of Realtors would take that responsibility.

"The homeowners and Realtors, in second place, would benefit by any marketing program for Sun City," Mr. Rolph remarks.

RCSC officials do not share Mr. Rolph's view on funding a marketing program

"Why should we spend our members' money to promote the sales of houses when our housing sales are up 8.8 percent?" asks Jerry Swintek, president of the Recreation Centers board of directors. "There is a responsibility on the part of the Realtors Association to support it, whether it be financial or otherwise."

"We are increasing homes sales, why do we have to spur homes sales?" Mr. Swintek queries. "We are not in the home sales business. RCSC does not receive a dime from the Realtors."

Mr. Swintek says Sun City home sales last year were 2,160 not 1,693, as Ms. Condé has reported. The discrepancy in home sales can be accounted for by the fact that

Ms. Condé's report was based on sales reported to the Association of Realtors, while the RCSC is notified of all Sun City homes sales, even if closed by a real estate firm outside the community.

"Through July of this year, sales have been 1,470, up from 1,355 in the corresponding period last year," Mr. Swintek adds. "This year we are about 980 housing units ahead of the five-year average."

Mr. Swintek observes that Sun City property values have risen 40 percent during the 1990s. "That is about the national average for resales," he points out. "That's not bad."

While the controversy continues on whether there is problem with Sun Cities' property values, and, if there is, what should be done to remedy the situation, Fran Park, chairman of the Sun City 40th Anniversary Committee, strongly suggests: "Sun City has become a model for other communities ... even if they are not an age-restricted community." And he believes the sun is not yet about to set on the Sun Cities.

"I am sold on Sun City," he concludes.

Lumber firm chops chunk of Webb parcel

By BRUCE ELLISON
Staff writer

SUN CITY WEST — Del Webb Corp. has sold 36 acres near the northwest corner of Grand Avenue and Bell Road to a lumber company that will use part of the land for a roof truss manufacturing plant.

The area is part of a 100-acre tract which still sports a for-sale sign. It has been zoned industrial for years, and once was used by Webb for assembling parts and storing materials for houses in Sun City West. The land is served by a side track of the Santa Fe Railway.

Foxworth-Galbraith Lumber Co., with local offices in Peoria, Mesa and Gilbert, initially plans to use the steel buildings already on the site for its truss plant, said district manager Ken Humphreys.

"We bought a total of about 36 acres from Webb," Humphreys said Friday. "We are now improving about 7 acres of that parcel for a truss plant, which would be our second in the Phoenix metro area."

Foxworth-Galbraith's other truss plant is in Gilbert, Humphreys said.

"When the new one is up and running in full production, we likely would have 70 or 80 people on the payroll out there."

The Gilbert plant, he said, employs about a hundred persons.

The lumber company official said increasing demand for construction components in the now-booming west side was behind its decision to expand to Sun City West.

Foxworth, in business since 1901, operates 33 branch yards, plants and has offices in Arizona, Texas and New Mexico. Headquarters is in Dallas.

Trusses are components of a roof. At one time, they were constructed by hand on the site where a home or office was being built, but in recent years, they have been constructed in a specialized plant off-site, then trucked to the home site and put up with a crane.

A truss looks like an low-sloped triangle. It generally is made from wooden beams, such as 2-by-6s and is held together with metal plates called gussets that are forced into the wood like giant staples.

A truss often includes an eaves overhang. Perhaps three dozen are needed for a typical house.

Humphreys said the truss manufacturing operation "isn't noisy and shouldn't disturb anybody" even if it runs 24 hours a day, which some other Foxworth truss plants do.

"Even those we have in 24-hour operation don't disturb the neighbors," Humphreys said.

"We anticipate being good neighbors. We've always been good neighbors."

Access to the site is from Bell Road, just east of the railroad. A second access road to land Webb still owns is at Dysart Road. East of Dysart Road is another vacant 60-acre parcel, for sale by a Phoenix real estate firm.

The rest of Webb's 100-acre site is

► See Webb, splits, A5

Webb splits parcel

■ From A1

being developed by Webb into a small industrial park. The developer has upgraded roads in the area, and installed utilities and is seeking buyers for other parcels, said Kiffie Spangler, a Webb spokeswoman.

Foxworth's tract is away from the walls that separate the overall tract from its residential Sun City West neighbors.

Those neighbors live primarily on Gemstone and Wildwood drives. Some may be surprised to find that they live next to a potential industrial park, said Bob Riley, planning and zoning chairman at the Property Owners and Residents Association in Sun City West.

"I won't want to bet about complaints," Riley said Friday afternoon. "I'm sure they'll be some people who won't be pleased."

Riley said that "looking around the community, there are a lot of people living in homes next to walls who probably haven't paid enough attention to what might happen on the other side of the fence."

A number of commercially zoned lots in Sun City West directly abut commercial zones, Riley pointed out. PORA has been involved in one dispute in recent months about a planned convenience store at Grand Avenue and R. H. Johnson Boulevard.

Webb recently optioned that site — which has been zoned commercial for eight years — for a gas station/convenience store/car wash/propane sales outlet, precipitating complaints from neighbors and others about the proposed but legal use.

SCW

Webb weaves map of names

By DEBBIE L. SKLAR
Staff writer

SUN CITY WEST — What's in a name?

In this community, names are king and queen, especially when it comes to streets and buildings.

Many of the major streets and thoroughfares were named by the Del Webb Corp. for people of distinction.

Take the Kuentz Recreation Center at 14401 R.H. Johnson Blvd. for example. The large center which houses a variety of activities for residents — including a theater — was named after Fred Kuentz.

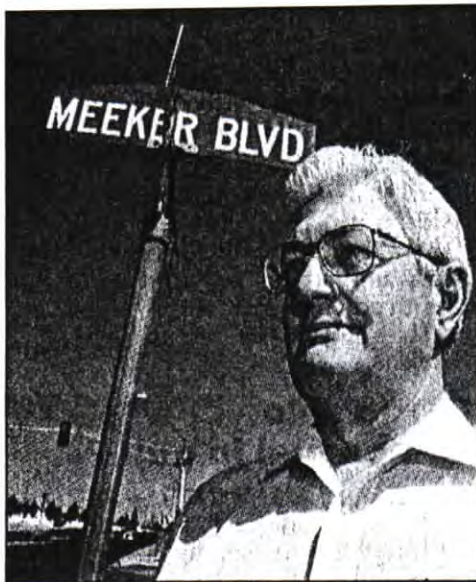
"It's really not the fact that the building is named after me that makes me feel good," said Kuentz, a retired executive vice president of the Del E. Webb Development Corp., a subsidiary of the company that was responsible for building the Sun Cities. "It's the way that it happened."

How did Kuentz, 74, get a building in Sun City West named after him?

After management had some trouble getting along with residents, a new president was brought in. The man, Bob Swanson, decided he didn't want any more streets or buildings named after Webb employees. Kuentz said.

"Well, there were some residents who found that out, got a committee going and called me to ask if I would mind if they named the new recreation center after me," Kuentz said. "I told them no. When Swanson found out, he said he thought it would be a good idea, too."

Kuentz said he still has trouble



Rick D'Elia/Daily News-Sun

John Meeker, a former Del Webb Corp. executive vice president, has a street named after him in Sun City West.

believing there's a building bearing his name.

"It's kind of unreal," he said. "You look at the sign and say, 'Is that me? It's a really funny feeling.'"

Kuentz said he worked for Webb from 1949 to 1986 and now lives in Phoenix. He was hired as a consultant until 1992 and helped edit the book "Del Webb: A man. A company," Kuentz said.

"He was a terrific guy," Kuentz said remembering Del E. Webb. "He was a real character. He acted like a farm boy even though he was from Fresno, Calif. He got a lot of atten-

► See SCW honor, A5

SCW

SCW honor thrills former Webb executives

■ From A1

tion that way; he was a fabulous guy."

Kuentz said his own father died when he was a young boy, but through the years, considered Webb a father figure.

"I considered him not only my boss, but my really good friend," he said. "He was like an altered father to me. He really loved the people in Sun City community; it wasn't just a publicity stunt."

The Kuentz Recreation Center opened in 1986, but was not completed before its namesake retired.

"It went up about six months after I retired," he recalled. "I've been through the place a bunch of times



Steve Cherek/Daily News-Sun

Fred Kuentz, for whom Kuentz Recreation Center is named, poses in his home office in Phoenix.

and I went to the ribbon cutting. It's a nice center and they have a lot of things for the residents there."

While Kuentz has a recreation center named after him, as does R.H. Johnson.

Johnson, who is now retired and living on a sprawling ranch in Wickenburg after years of service with Webb, has a street and a recreation

center bearing his name. The former chief executive officer of Webb is considered by many to be a driving force in the development of the world-renowned community.

John Meeker, which also has a boulevard named after him, is another popular name in

the community.

Along this boulevard, which winds its way through the commercial core, cars, joggers and golf cars abound.

Meeker, 69, now lives in Phoenix and worked for Webb from 1946 to 1981.

"I worked for Webb for 35 years and he was a wonderful man," said Meeker, a semi-retired consultant. "He was a very nice, big tall man, kinda country, soft spoken and a very likeable person."

Meeker was president of the Del E. Webb Development Co., the subsidiary responsible for building the Sun Cities during that time frame.

Meeker said he was never

really sure how his name wound up on a large sign above the boulevard.

"I guess it was the engineering department," he said. "They asked me if it was all right. I said, 'Oh, yeah.' They named it, but it really didn't mean much until after I saw it done."

"I feel kinda proud," he said. "I'm also really proud to have been associated with Webb, the development and all the entitites that went along with it."

Another street in Sun City West named after a 'real person' is long time resident Howard Wilson.

A short street, called Wilson Way, adjacent to the Sun City West Post Office between

Meeker and 139th Avenues, is named after Wilson. He was honored with the street in February because of his efforts in helping to land the post office after years of debate.

Other streets in this community named after people include:

Robertson Drive in the expansion area, which is named for Orville Robertson, the original homestead owner of the land.

Williams Drive is named for former state senator for District 15, Bob Williams.

Tom Ryan, is the man behind Ryan Street, also in the expansion area. Ryan was a former vice president of land development at Webb.

Webb picks Phoenician for SCW post

By TOM EVANS
Daily News-Sun staff

SUN CITY WEST — Del Webb Corp. has hired a public and community relations manager for Sun City West and the planned development in Surprise.

John Waldron, a 31-year-old Phoenix resident, takes over the position formerly held by Martha Moyer, who was promoted to man-



Waldron

ager of public and community relations for Webb's corporate office in July.

Waldron was last employed in Los Angeles as vice president of a communication consulting firm. A native of Phoenix, Waldron said one reason why he took the position was that he wanted to return to the Valley.

"I was interested in coming back to Phoenix, and this job was in the forefront here," he said.

Waldron's family lives in Phoenix.

He said the move will give him an opportunity to settle down and work one-on-one with the community.

"My other job required a great

deal of traveling, and I wanted to get some hands-on work experience here," he said.

Waldron said he looks forward to meeting the variety of interesting people who live in Sun City West.

"Already, the work I've done and have slated to do is incredibly diverse across the board."

Waldron wants to follow in the footsteps of Moyer, who he said had a very open policy with the community.

"Martha did a great job of being accessible to the community, and I

want to continue that," he said.

One thing he has already noticed about the community is that despite some people's perception of retirement communities, Sun City West residents stay remarkably active.

Waldron previously was a communication instructor at Loyola Marymount University in Los Angeles and California State University-Northridge.

He also volunteered with the Hispanic community of Los Angeles. He earned bachelor's and master's degrees in organizational communication from CSU-Northridge.

Touting Sun Cities lifestyle comes easy for Webb exec

"What amazes me is that she (Moyer) could find the time to be pretty deeply involved with all of these organizations and has very good suggestions."

Al Spanjer
President
Sun Cities Area
Children's Fund
board

By Lori Baker
Staff writer

When Martha Moyer's parents moved to Sun City, her outlook on life changed.

Her television news career was going well. She was the first female anchor at a CBS affiliate in Duluth, Minn.

But she was tired of ice and snow.

"I fell in love with the Phoenix area when I visited my parents," said Moyer, who lives in Glendale.

Not only did Moyer move to the Valley, she ended up making a career out of promoting the Sun City lifestyle of which her parents are a part.

In 1986, she landed a job in the public relations department of Del Webb Corp., Sun City's developer. Four years later, Moyer became the public relations manager for Sun City West.

This month, Moyer is leaving

BUSINESS

Sun City West to work in Webb's corporate office in Phoenix. She has been promoted to public relations manager for all the Sun City communities under development across the country. In her job, she will work with the national media.

Webb has developments in Tucson, Las Vegas, Roseville and Palm Springs, Calif., and Hilton Head, S.C.

Sun City West community leaders say Moyer, 35, will be missed.

"I wish her well, but I feel her leaving is a severe loss to the community," said Fred Dunikoski, who has served with Moyer on the Sundome Performing Arts Association board.

"Martha is a delightful person to work with," said Sandy Gold-

stein, president of the Sun Cities Historical Society board, on which Moyer served. "She will be missed without question."

Al Spanjer, president of the Sun Cities Area Children's Fund board on which Moyer also served, described her as a consummate perfectionist.

"What amazes me is that she could find the time to be pretty deeply involved with all of these organizations and has very good suggestions," Spanjer said.

With her frequent talks at civic group meetings, Moyer has been visible in the community.

She discovered how well-known she'd become when her engagement was announced last year. She married Gary Steeves, Del Webb's corporate director of management services.

"People I didn't know well were calling, sending cards and coming See PROMOTION, Page 9



Russell Gates / Staff photographer
"The folks out here are very much like an extended family for me," says Martha Moyer of Sun City West residents. She will handle public relations for Del Webb's Sun City communities nationwide.

PROMOTION

From Page 1

up to me at meetings and congratulating me," Moyer said. "The folks out here are very much like an extended family for me."

Moyer said she admires Sun City West residents for working hard to improve their community.

"The volunteerism is unparalleled anywhere," Moyer said. "I have a sense of pride about that because that's what Del Webb tries to instill."

She also has enjoyed watching

residents overcome personal challenges, she said.

She cites the Posse member who never dreamed of riding around in a patrol car with a gun strapped to her hip, or a dancer who performed on stage after having hip replacement surgery.

Moyer has shared her enthusiasm about Sun City West with journalists from Japan, Spain, Italy, France and Germany.

"They just can't believe it,"

Moyer said. "They don't have a comparable development in their country. They are very impressed with how much fun the residents are having."

Moyer will select her own replacement for the Sun City West job.

She has interviewed 21 of the 150 people who applied for the job. She expects to name a successor in August.

Webb exec heading downtown

By TRACY CHARUHAS
Daily News-Sun staff

SUN CITY WEST — While some may not have always agreed with Martha Moyer's answers, few can fault her ability to field tough questions and provide thoughtful responses.

After eight years as Del Webb's manager of public relations in Sun City West, there are few questions that Moyer can't answer from her own knowledge and experience.

But know she is leaving.

Moyer, who has worked in the community since 1986, will leave Sun City West to take a position at Webb corporate headquarters in Phoenix.

"I'm looking forward to the new position," Moyer said. "I'll be working with the national media and Sun City communities all over the country."

Moyer, who has been promoted to the job of corporate public relations manager, has been interviewing candidates for the Sun City West position since last week.

"We've received about 130 applicants, and I've whittled it down to 16," she said. "I should be naming my replacement in the next couple of weeks."

Next week, Moyer said she will spend half her working day in the Sun City West office and the remainder of the day in the corporate office.

"Next week I'll start straddling two jobs," Moyer said.

Since 1986 Moyer said she's seen plenty of changes in Sun City West.

There were only about 13,000 people in Sun City West when Moyer first came to the community, she said.

"At that time, Trail Ridge golf course had not been built and the Echo Mesa golf course had just opened," Moyer said. "Beardsley Recreation Center had just opened at the time."

"I've seen 10,000 to 12,000 people funnel into the community," Moyer said, adding that she does not think

the community has changed all that much.

"The type of person that lives in Sun City West hasn't changed," Moyer said. "These are wonderful people who as long as they have their health, are living in a Utopia."

"In a sense, I've been living vicariously through the residents. It's reenergizing when I give reporters from other parts of the country a tour of Sun City West. They are usually amazed by the community and by the fact that American retirement is not what they thought it would be."

Even though Moyer will be working in Phoenix, she said she will continue to keep her eye on Sun City West.

"I'll be excited to see the completion of the community," Moyer said. "I'm also glad to see that residents are preparing to take full control of the community."

Moyer said one of the fondest moments in Sun City West happened

See Community embraces, A5



Steve Chernek/Daily News-Sun

Martha Moyer, Del Webb's manager of public relations in Sun City West, has been reassigned to the company's Phoenix office.

Community embraces Webb's PR manager

—From A1
in May last year after she announced her engagement.

"What really touched me was the outpouring of cards I received when I got engaged," Moyer said. "It was like having a thousand mothers and fathers. It was touching."

Celebrity status has come easy for Moyer.

Moyer majored in communications at the College of St. Scolastica in Duluth, Minn. In her senior year, she was offered a part-time job as a newscaster at the No. 1 television station in the college town.

"Two months after I started working there, they offered me a job as the weekend anchor," she said.

Moyer worked as weekend anchor for 1½ years until she was offered the position of co-anchor

weekdays.

"I was the first regular female anchor at the station," Moyer said.

Moyer worked as co-anchor for five years, then grew tired of the cold Minnesota weather and wanted to move someplace warmer.

"I always wanted to move to Phoenix, so I did it. Shortly after moving here, I got a job with Del Webb as an assistant public relations manager," she said.

Moyer's replacement will have a lot of Sun City West history to catch up on, but Moyer said she plans to prepare the replacement well.

"I think I'm the person at Del Webb who is the most qualified to choose a replacement," Moyer said. "After all, I know exactly what the job entails."

SCW

Del Webb Announces Executive Promotions

The Del Webb Board of Directors has announced a series of promotions including the elevation of Chuck Roach from the position of vice president to senior vice president for the Del Webb Corporation. Roach is also the general manager of Del Webb's Sun City West development.

Roach has worked for the Del Webb Corporation for more than eleven years in various positions. He holds a B.S. degree in accounting from Arizona State University and is a Certified Public Accountant.

Rich Vandermeer, vice president of sales and marketing for Del Webb's Sun City West development, has been promoted to associate general manager of Sun City West.

Vandermeer joined Del Webb in 1989, first as vice president of sales and marketing at Sun City Tucson. Prior to joining Webb, he held the position of president for sales at Sun City Center in Florida. A licensed real estate broker in Arizona and North Carolina, Vandermeer also holds a real estate salesman license in Florida.

In addition, Webb announced the following promotions at its Sun City West development.

Mike Jesberger has been promoted to manager of land development operation. Jesberger



Chuck Roach

will be performing the administrative and supervisory work required for the construction of land development.

Thomas Hennessy has been promoted to the position of manager of planning engineering for Del Webb Corporation's Sun City West Land Development Department. Hennessy joined Del Webb headquarters in June as manager of land development. Prior to this he served as vice president of Wood, Patel, and Associates, Inc., a consulting engineering firm in Phoenix. He holds a B.S. degree in civil engineering from Arizona State

Webb
Continued on Page 2

Webb Announces Executive Promotions

Continued from Page 1

University as well as a B.S. in mechanical engineering from General Motors Institute. Additionally, Hennessy is a registered professional civil engineer for the state of Arizona.

Nathan Jacobus has been promoted to senior sales manager for Del Webb's Sun City West sales office. Jacobus previously held the position of sales manager. He transferred to Sun City West from Del Webb's Sun City Tucson community two years ago and has been a Webb employee for four and a half years.



Rich Vandermeer

SCW

Del Webb holds community meeting

Urges residents to vote in Dec. 7 Governing Board election

By ANNE RYMAN
Sun Cities Independent

Del Webb Corp. sponsored a community meeting last week to update residents about the past, present and future of the company's involvement in Sun City West.

Chuck Roach, Del Webb's vice president and general manager for Sun City West, spoke to about 3,000 residents Nov. 10 at the Sundome Center for the Performing Arts.

His discussion included:

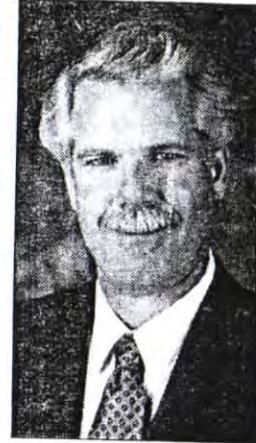
- An overview of the recreational amenities Del Webb has provided in the

community, \$2.6 million in subsidies to the Recreation Centers of Sun City West, Inc., and \$22 million in new facilities (the Palm Ridge Recreation Center, the Deer Valley Golf Course, an unnamed 18-hole executive golf course in the expansion area and expansions and renovations to the sports pavilion, Silvercraft, Stardust Theatre, lecture hall, library and bocce courts).

Also, an estimated \$600,000 in payment of Rec Center membership dues for unsold lots in the expansion area in 1994.

- Del Webb's support to charitable organizations, service clubs and the Del E. Webb Hospital, and donations to the

Chuck Roach, Del Webb Corp. vice president and Sun City West general manager, calls the upcoming Governing Board vote "one of the most important in Sun City West."



Sheriff's Posse of Sun City West, the Sun City West Foundation, the Maricopa County Sheriff's Office substation and the Sun Cities Art Museum.

- Recent changes in golf course design and drainage mandated by the state Department of Water Resources for water conservation. The change limits turf to 90 acres, about half of what was formerly used on Sun Cities courses.

- Del Webb's plans to develop a separate community on 3,200 acres south of Grand Avenue. Company officials expect to finalize purchase negotiations

See ■ MEETING, Page 22

MEETING

From Page 1

within two weeks and close on the property in late 1993 or early 1994. The property now is in the receivership of the Resolution Trust Corp. Del Webb officials expect to break ground in late summer of 1994 with sales beginning in late 1995.

Throughout his discussion, Mr. Roach reiterated one theme: The importance of voting in the Dec. 7 Governing Board election. The resident-elected board decides policy and procedure for the 22,900-member recreation association. Interviewed after the meeting, Mr. Roach called the upcoming election "one of the most important in Sun City West."

"It's important because we're coming to the final phase of transition. We (Del Webb) will no longer be in the position to advise the board. The board will be totally on its own."

That could happen as early as July 1, 1994 or as late as July 1, 1995, Mr. Roach says. According to association bylaws, when 80 percent of Del Webb's planned lots are sold in the community, the developer will relinquish a position on the board the following July 1.

"At that time our veto (power) on the board goes away. We no longer serve on the board. We will have no official connection with the board beyond that point, other than if they ask us to join them or make a presentation."

The new Governing Board, he

We (Del Webb) will no longer be in the position to advise the board. The board will be totally on its own."

— Chuck Roach, Del Webb Corp. vice president and SCW general manager.

says, will be responsible for managing millions of dollars in annual dues and \$4 million in reserve funds.

"The new board must exercise leadership, seek consensus and make decisions that preserve and protect your lifestyle. The Dec. 7 election is not just another election. It's a vital turning point in the future of your recreational facilities.

"Unfortunately, in the election process, an aggressive minority can gain control over a complacent majority. Ladies and gentleman, don't let that happen," he told residents last week.

Despite a turnout of 81 percent of registered voters in state and national elections, less than 20 percent of Sun City West residents participated in last year's Governing Board election, according to the Maricopa County Elections Department.

Community leaders have provided various reasons for low turnout in the past including satisfaction with the lifestyle or apathy.

Some community leaders have suggested more people may vote

this year because of the new structure of the board, which consists of nine elected residents. Before Jan. 1, 1993, the Governing Board consisted of five Del Webb Corp. officials and four residents appointed from the resident-elected Advisory Board.

Eight candidates are vying for three positions to be vacated at the end of 1993. They include Ev Bey, Beverley Bradshaw, Dess Chappelle, Dick Egan, Allan Grossman, Bob Kelley, John McMillen and Connie Petersen.

In his closing remarks, Mr. Roach said Del Webb's job is coming to an end in Sun City West.

"We're proud of what we've accomplished. But we've accomplished it working with you, and we appreciate the support you have given.

"It is now time for you to work together to continue the success that is Sun City West.

It starts with all of you being involved in the election process — understanding careful management is essential to the preservation of your lifestyle."

SCW

DAILY NEWS-SUN

A5 Friday, July 5, 1991



News-Sun photo by Mike Garrett

KEEPING UP WITH THE TIMES — Del Martenson, Del Webb Communities vice president of construction, points to one of the new model designs being considered for Webb's model series that begins construction this month at Webb's Model Sales Pavilion in Sun City West.

New Webb designs reflect modern times

By MIKE GARRETT
Daily News-Sun staff

SUN CITY WEST — Del Webb just doesn't build homes like it used to.

If anyone should know, it's Del Martenson, vice president of construction operations for Del Webb Communities. He started with Webb in October 1959 and worked as an apprentice carpenter on the first Sun City Phase I model homes that sold

for \$10,000 in early 1960.

In the 32 years since that October, Martenson has played a role in designing all of Webb's retirement homes, including the newest models that materialized on the drawing boards in October 1990.

Construction on that series is expected to start this month in Sun City West at Webb's new \$3 million model home sales

See Plans, A6

SUN

Plans have options to tack on extras

—From A1
pavilion northwest of Hillcrest Golf Course on Meeker Boulevard and Beardsley Road. Expected completion date is January 1992.

Martenson said he thinks Webb has made significant improvements in model home design since the firm's early days.

He said Webb's newest homes are much larger, more energy efficient, have more dual-purpose rooms and are more functional than early Sun City designs.

"Flexibility is the word of the '90s," he said. "Every buyer now has a little different need or use for that home depending

on lifestyle. The interiors are more open with more natural light.

"Rounded or soft drywall corners is the big appeal for the '90s. Interior and exterior paint colors are also softer with more interior design flexibility."

Martenson said he spends several days a month visiting the competition's housing developments, both in the Valley and throughout the western United States.

"I've probably been in a minimum of 125 model complexes, just about every one in the metropolitan Phoenix area and many in Las Vegas, Tucson and southern California," he

said.

He also researches subcontractors and home suppliers to stay abreast of the newest products. He's on the advisory board of the Moen Corp., which makes faucets for kitchen and bathroom sinks.

This past weekend Martenson was in San Francisco for the Pacific Coast Builders Conference, where thousands of homebuilders and manufacturers displayed their new products.

"If you find a successful builder or manufacturer somewhere you try to see their good points and why they are successful. You also want to look at

failed projects to see why they failed."

Although Webb conducts 90-day customer surveys, Martinson said he likes to go directly to new Sun City West homeowners to ask what they like and dislike about their homes.

"It seems like people retiring today are putting a much greater emphasis on the care-free lifestyle," said Martha Moyer, Webb Communities manager of public and community relations. "For example, the landscape maintenance package and the ease of living we can build into homes simplify the task of taking care of

them.

"As a result, we have added casita and detached terrace models with maintenance packages to our current series to meet a new market niche."

Moyer said it's important for Webb to sell the sizzle that comes with the new options because Webb's chief competition remains the Sun Cities resale market.

Martenson said Webb has tried to address possible construction complaints before, not after the fact. Each new homeowner is given the opportunity during the construction cycle to

customize their house with a list of 50 change order items. That means adding or moving electrical outlets and lighting fixtures, changing a window location or installing a skylight.

He said his office oversees \$35 million worth of building construction a year and correcting mistakes after the homeowner has moved in are always costly.

SCW dedicates community center

By MIKE GARRETT
Daily News-Sun staff

SUN CITY WEST — It was recognition and dedication day Sunday for Sun City West residents responsible for completion of the \$500,000 third and final phase of the SCW Community Services Center, 14465 R.H. Johnson Blvd.

The expanded home of the Sun City West Foundation, Community Fund, SCW Prides, Lending Hands, Volunteer Bureau, Thrift Shop and Sun Cities Area Interfaith Services Day Care Center opened debt-free at Sunday's ribbon-cutting ceremony attended by about 200 residents.

SCW Foundation President

Sandy Goldstein and State Rep. Bob Williams, R-Sun City West, offered bouquets of recognition to those individuals and volunteer groups most responsible for raising funds to complete what Goldstein said is "one of the most important milestones in the history of Sun City West."

"The key thing is we don't owe anybody anything," said Williams.

"Del Webb once said concrete, steel and lumber make the buildings but people make the community," said Goldstein. "In our case farsighted members of our community identified a need and mobilized the community's resources to accomplish what

was thought an impossible dream."

Williams, a two-time Property Owners and Residents Association president and the first SCW Foundation president, traced the history of the 3.63-acre Community Services Center since it was conceived in March 1982 by PORA's health and safety committee.

The property was first deeded by the then Del E. Webb Development Co. on Nov. 21, 1985, with the understanding that one acre would be leased to the Sun City West Posse on a long-term basis. That turned out to be 99 years at \$1 per year.

Williams credited former Devco Chairman Fred Kuentz

as being Webb's visionary for really understanding the community's needs at the time. He said the feeling Kuentz and Chuck Roach, current Del Webb Communities executive vice president and Sun City West general manager, had for the community made the building process that much easier.

Roach said the two most important elements of his job that give him the greatest personal satisfaction are "making the customers happy and giving back to the community what the community gives to us."

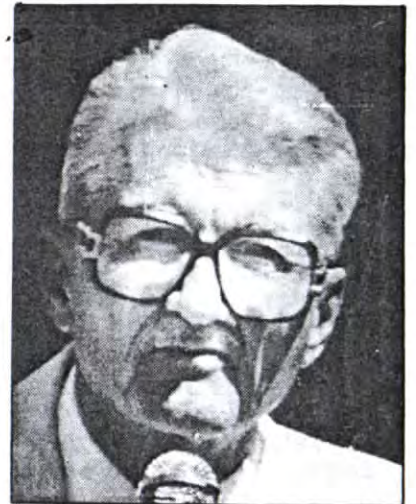
Williams cited the original members of the first Sun City West Foundation board for their contributions in providing the

project's impetus.

He listed Bill Thomas, former foundation vice president; Frank Starbuck, former treasurer; Sig Sampson, Lending Hands organizer; Martha Akers, Meals on Wheels organizer; Hogan Dunlevy; and Bill Stewart, who died several years ago.

Williams said helping to get the project started is what he is most proud of among his 13 years of accomplishments as a Sun City West community leader and state legislator.

Williams said the two incidents that stand out in his memory that did the most to launch the foundation are Jerry and Lois Leigh's suggestion to
See Final, A5



Daily News-Sun photo by Patrick Knight

REP. BOB WILLIAMS — The state representative on Sunday praised the work done on the Sun City West Community Services Center, 14465 R.H. Johnson Blvd.

2/1990



Public Relations News

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NEW SUN CITIES SPELL MAJOR CHANGE IN DEVELOPER'S PHILOSOPHY

Sun City West, AZ ----- Since 1960, the people have come to the Sun Cities. Now, the Sun Cities are going to the people.

This decision represents a major philosophic change by the nation's leading adult community developers, Del E. Webb Corporation, the company which built the original Sun City and pioneered the active adult community concept. Webb recently announced its latest active adult community in the Palm Springs area. Home sales are expected to begin in late 1991.

In January, 1989 the company opened Sun City Las Vegas. In less than one year more than 1,000 homes were sold. Sun City Tucson, located northwest of Tucson opened in January, 1987. The scenario calls for a new community to come on line at least every two years. The next one could be in Northern California, New Mexico or Texas.

What prompted this change in philosophy? According to Phil Dion, Del Webb's Chairman and CEO, it was partially a numbers game.

"Adult community development is a tremendous growth industry. The retirement age population is growing twice as fast

(more)

NEW SUN CITIES SPELL MAJOR CHANGE IN DEVELOPER'S PHILOSOPHY, 2-2

as the total U.S. population. There are more than 50 million people over the age of 50. That's a huge market," Dion said.

There was only one catch. Of those millions of retirees, only about 10 percent are willing to relocate. For most, there's a reluctance to leave family and friends behind. But Dion says that trend is changing.

"People are going where the jobs are. The Sunbelt is the nation's leading growth region and many younger people are relocating to get those jobs. As the children move away, the parents become more mobile to be with the children or grandchildren," Dion said. "It makes good business sense to be in regions where there is high in-migration."

The numbers support his reasoning. During a five-year migration study, California, Texas and Arizona accounted for 43 percent of all Sunbelt migration.

It's the Frostbelt which is feeling the negative impact of this migration. In this region, a far larger percentage of the adult population is willing to relocate, primarily because of the climate.

This migration, coupled with large 50+ population in the Sunbelt, creates an outstanding market opportunity. California, for example, boasts more than six million people over the age of 50. In Texas, there are more than 3.6 million.

Las Vegas has the fastest growing adult population in the U.S. From 1980 to 1985, Nevada's 65 and older population grew by

(more)

NEW SUN CITIES SPELL MAJOR CHANGE IN DEVELOPER'S PHILOSOPHY, 3-3

41 percent, and during the past seven years, Las Vegas' 50-plus population has grown faster than any other segment of the population.

Phoenix based Del Webb Corp., has committed itself to growth in the Southwest from California to Texas. This combination of facts led to the decision to take the active adult communities to the people.

"The Southwest will always be an attractive retirement destination," Dion said.

"By building these communities where the people are, we feel we increase our market substantially. It's a lot easier to move within a state than across the country."

Another fundamental change is the way Webb will develop its future communities tied to location.

"All future Sun Cities will be close to a major metropolitan area," Dion said. "Few companies today would be willing to make the commitment we did with Sun City and Sun City West."

That commitment was to build the entire city from houses to hospital, to hotel. Sun City and Sun City West combined total more than 14,600 acres and 65,000 people. When Sun City West is completed in the mid-1990's, the combined population will surpass 71,000.

"From a business standpoint, it's not practical to land-bank thousands of acres for a quarter century as we did in the Sun Cities," Dion said. "And finding thousands of vacant acres near

(more)

NEW SUN CITIES SPELL MAJOR CHANGE IN DEVELOPER'S PHILOSOPHY, 4-4

a major metropolitan area is no easy task. Even if you can, the cost is prohibitive."

Yet, locating near a large city is a must. When Webb built Sun City in 1960, it had to build the shopping and service centers and hotel for the convenience of its residents. In fact, it wasn't until the community's hospital was built in 1970 that Sun City sales really took off.

"In 1960, Sun City was 12 miles from Phoenix and there was nothing in between. Today, the cities have expanded, bringing most necessary services within convenient reach of these new communities," Dion said.

"When we look for a suitable site for a new community, we take a hard look at shopping, medical care, cultural facilities and other services and their proximity to our site. They have to be close because most seniors are not willing to make a long drive to obtain these services," he said.

At Sun City Tucson residents are within six miles of major shopping facilities and a 10-minute drive from medical services. On-site facilities such as a convenience store, professional offices, banks, medical and service-related businesses will soon open.

The 1,050-acre Sun City Las Vegas includes 50 acres for commercial development, including retail stores, banks, medical and other professional offices and service-related businesses. Neighborhood shopping centers are within 10 minutes of the

(more)

NEW SUN CITIES SPELL MAJOR CHANGE IN DEVELOPER'S PHILOSOPHY, 5-5

project and a major regional shopping center and hospital are within 15 minutes. Several churches are also nearby.

Webb plans other Sun City-like communities in the Southwest and has potential sites in Southern and Northern California and is closely examining the New Mexico and Texas markets.

"We've learned a lot about adult community development over the last 30 years," Dion said. "We've refined our view of the industry and are ready to move ahead with new and innovative projects."



SUN CITY WEST

Your Community Weekly

INDEPENDENT

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• Volume 30, Number 45 •

• SERVING 36,000 HOMES IN SUN CITY, SUN CITY WEST, YOUNGTOWN •

• November 14-20, 1990 • 25 cents

Consulting firm studies Sun City West transition

Governing options after Webb leaves, including incorporation, to be evaluated

Despite the announcement last week that it may be considering expanding the boundaries of Sun City West, the Del Webb Corp. is continuing its efforts to prepare the community for the day it finally leaves the community and turns over all controls to residents.

The company as recently hired an international consulting firm to assist in the planning of the transition, which is still scheduled to take place in January, 1993. The present Sun City West development is expected to be completed between 1993 and 1995.

Hoping to insure an efficient transition and the long-term success of the retirement community, Webb has hired Arthur Andersen Consulting to develop an third-party review of Webb's present transition plans.

Chuck Roach, executive vice president and general manager of the development in Sun City West, says the firm was retained Sept. 28, 1990, to complete a review of the community's organizational structures and divisions of responsibility.

The review has already been started and is expected to be com-

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VF - SCW - DEVCO

SCW INDEPENDENT 11-14-20-1990

over

• STUDY

From Page 1

pleted by the end of this year.

The review is funded exclusively by Webb and no Recreation Centers monies will be used, explains the general manager.

"From our perspective, we have always had a desire to organize, operate and then leave in place, the best possible functioning organizations to continue to operate the community when we complete the development," says Mr. Roach.

"We recognize that we are rapidly completing Sun City West. It is our feeling that going through a review of the organizational structure and the division of responsibilities within the community needed to be accomplished," he says.

The corporation has since announced plans to examine the possibility of expanding Sun City West beyond its present master plan.

According to a spokesperson at Webb, the possible expansion will have no effect on the third-party review because the study will be completed before the vote by residents.

Webb selected the Arthur Andersen firm to complete the review, explains Mr. Roach, after a meeting with Thomas Cunningham, presid-

ent of the Advisory Board for the Recreation Centers of Sun City West, Morey Jensen, president of the Property Owners and Residents Association, and members of Webb's internal staff.

"We came up with a list of five possible consulting firms. We solicited proposals from those five and then really made a consensus decision. In fact, I think it was unanimous," says the executive vice president.

Webb staff members, Mr. Jensen and Mr. Cunningham have developed a list of individuals in the community for the focus groups.

Dan Paulus, a manager at Arthur Andersen, says the firm is still formulating the structure of the review.

"We will be taking a look at what is being done by the Recreation Centers Advisory Board, what Del Webb is responsible for and what PORA is responsible for. We will look at how these responsibilities overlap and look at gaps that might occur when Del Webb completes the community and leaves," says Mr. Paulus.

He says the third-party review will basically examine these three major segments of the community

and is not meant to be totally comprehensive.

"The residents," says Mr. Paulus, "will voice comments on what works in the community, what doesn't and what changes are needed. This will all be in our review."

Mr. Roach says the firm has been instructed to not make a judgement as to how the community should be organized in the future — but is only to suggest alternatives.

"It will essentially be up to the community to decide which one of these alternatives they feel is most appropriate."

Mr. Roach adds that as a part of these alternatives, incorporation will be addressed.

"We have given no direction or preconceived alternatives to Arthur Andersen. In fact, we've been very careful in both the selection process and in our directions to them.

"They are simply to identify as many alternatives as they can and provide the pros and cons of each one of them," says Mr. Roach.

"So the report in and of itself, will do just that. It will then be for the community -- not Del Webb -- to decide how they want to deal with those alternatives."

Northwest COMMUNITY

THE
PHOENIX
GAZETTE

THE ARIZONA REPUBLIC

1W

Glendale
Litchfield Park
Peoria
Phoenix
Sun City
Sun City West
Surprise
Youngtown
Wickenburg

Friday, November 9, 1990

Panel to continue planning for Del Webb's eventual exit

By **Connie Cone Sexton**
Staff writer

SUN CITY WEST — Although Del Webb Corp. might extend its stay in the community, a committee will continue to plan for the company's eventual exit.

It's business as usual, say members of the group, which is studying how management of the community's recreation facilities will one day transfer from Webb to the residents.

A committee — appointed by the Sun City West Recreation Centers Inc. advisory board to study the transition — has been meeting since January.

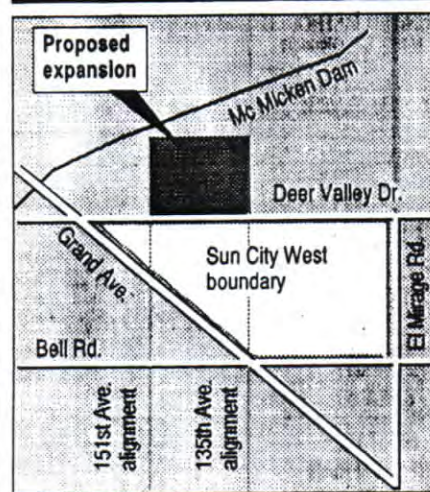
Virginia Ritson, committee chairman, said her group will continue to meet, but said there are questions as to what impact Webb's proposal to add more dwellings in the community will have.

On Monday, Webb officials announced they are considering expanding their building program in Sun City West, with the possibility of adding between 1,500 and 3,000 more houses.

A meeting to explain the proposal is scheduled for 9 a.m. Nov. 19 in the Sundome, 19403 R.H. Johnson Blvd.

Webb, which has about 2,000 lots left to develop, was expected to complete Sun City West by the mid-1990s. Adding the

Proposed Sun City West expansion



SOURCE: Del Webb Corp.

Community

additional houses could extend the company's stay from three to six years, said Chuck Roach, Webb's general manager of Sun City West.

Roach said the company is negotiating
See WEBB, Page 5

WEBB

From Page 1

to buy a 640-acre parcel between the 135th and 151st avenue alignments just north of Deer Valley Drive. Deer Valley now serves as the northern boundary of the community.

Webb will not move ahead on the project, however, unless residents approve of the plan, Roach said Monday. The company has mailed letters to residents, advising them of the proposal.

Ritson is not sure how residents will react to the proposal.

She does understand Webb's rationale, however. "They are almost finished building here. I think it's probably a logical step for them to look here for possible expansion. It's their business," she said.

Whatever the outcome of Webb's venture, the transition committee won't go on hiatus, she said.

"I really don't know how this is going to affect our work," Ritson said. "But there are a lot of things that need to be resolved before we give the welcome, the go-ahead, to Del Webb," she said. "Not only one of these is the transition part of it. But at this point in time, I can't say how exactly it will be resolved. There are a lot of loose ends that need attention before we can give our approval."

Those loose ends may include what impact more houses would have on recreation facilities.

Roach said Webb could build another recreation center in the expansion area. The company also

"There are a lot of things that need to be resolved before we give the welcome, the go-ahead, to Del Webb."

Virginia Ritson
Committee chairman,
Sun City West
Recreation Centers Inc.

will consider expanding existing facilities to meet the increased demand, he added.

Other concerns that residents may have about the expansion include whether there will be a sufficient water supply for the new area and what impact additional residents would have on traffic.

Ritson said her committee will review Webb's proposal. "But what they're planning can't hurt the work we've done. I'm sure we'll finish what we have started," she said.

The committee has been reviewing the following issues:

- Buildings and properties — the condition and cost of operating the recreation centers and facilities.

- Legal aspects — residents may or may not want to keep the same companies that Webb has been using, such as the equipment supplier or insurance carrier.

- Human resources, including Webb's policies and procedures for those employed at the recreation facilities.

...occasions was Sanderson from
THE DEALER, Veech and Fonda said, provided
the posse with its first haul on March 1980
without charge and even accepted responsibility for
repairs and insurance.
The only cost to posse members was keeping the
...
...they finally moved the Sun
City West posse from an idea to reality
before long, the two interested other residents
and the organization became official with a swearing
in at Sheriff Hill in May 1979
Del Webb Development

(DEVCO)

Business Briefs

Webb sales rise in retiree markets

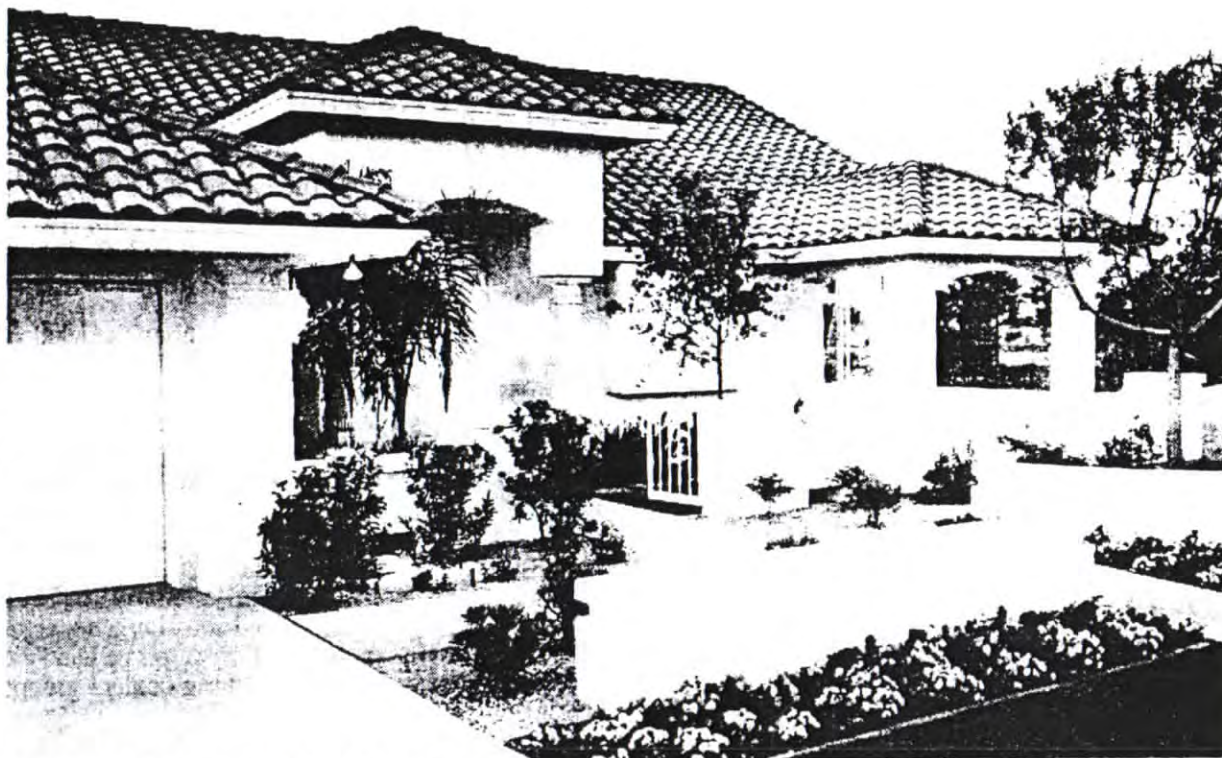
Del Webb Corp. reported last week that sales and closings during the fiscal year just ending were far ahead of the same period last year.

For the fiscal year ending June 30, 1990, home closings increased by more than 100 percent as 1,791 deliveries were made, compared to 876 during fiscal year 1989.

Sales at the company's Sun Cities totaled 1,698, compared with 1,589 during the same period a year ago.

Comparative sales figures on June 30, compared to 1989 were: Sun City West, 672 vs. 655; Sun City Tucson, 233 vs 150; Sun City Las Vegas, 793 vs. 784.

At the end of fiscal year 1990, the backlog of home sale contracts stood at 1,022 compared to 1,115 at the end of fiscal year 1989.



HOME SALES ON THE RISE. Sun City West reported one of its best quarters in four years as new home closings increased 40 percent and sales were up 28 percent over the previous quarter. According to Webb officials, the increase may be due in large part to newly-introduced models, such as the detached casita shown here.

May 30-June 5, 1990, THE SUN CITIES INDEPENDENT/SCW.

VF - SCW - DEVCO

Webb Corp. sets sales records in Sun City West

The Del E. Webb Development Company made headlines in the *Youngtown Record*, July 11, 1979, with record new-homes sales in Sun City West.

Webb officials stated that new-home sales in the community topped \$92 million during the first half of 1979. And of this amount, more than \$51 million in new sales was recorded in the second quarter of the year.

The *Youngtown Record* was to be absorbed into the *Sun City Citizen*. The *Citizen* was purchased by Independent Newspapers Inc., and became the *Sun Cities Independent*.

According to the story in the *Record*, more than 1,250 new homes were purchased in the Sun City West.

These sales were at the highest during the month of April when 440 homes were sold.

Webb reports that more than 180,000 people visited the Sun City West sale pavilion during the first half of 1979.

DEVCO construction crews completed 40 homes per week in the new community. The corporation began construction in Sun City West in February 1978.

Approximately 1,000 Sun City West homes were completed in 1979. At that time, there were approximately 2,300 Sun City West residents.

1990

SCW



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Public Relations News

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FOR IMMEDIATE RELEASE

STRAIGHT TALK ABOUT MARKETING IN THE "NIFTY" 90s

MARKETPLACE OF THE FUTURE WILL BE POPULATED
BY OLDER, SAVVIER CONSUMERS, SAYS DEL WEBB

PHOENIX, Ariz. -----U.S. consumers in the nineties will be older, busier and wealthier than ever before. And that will complicate marketing in the coming decade for many companies but, according to Phil Dion, Chairman and CEO of the Del Webb Corporation, it will also be a time of exciting change.

"Society has always been physically designed for the young," Dion said, "but we're going to see a striking shift over the next 20 years toward products and services to accommodate a more mature population. It will be a time when marketing becomes more sensitive to the idiosyncrasies of our culture and dynamic in its response to them."

Dion knows from whence he speaks when it comes to marketing in an aging America. If there's any company that understands those in the 50+ bracket, it's Del Webb, whose wildly successful Sun City retirement community celebrates its 30th anniversary this year.

Sun City, located near Phoenix, is now Arizona's 7th largest population center with 46,000 residents living in 26,000 homes. Its second community, Sun City West, started in 1978, will be home to 25,000 residents on 5,700 acres when completed in 1994.

-more-

The company has since opened equally successful Sun City communities in Tucson and Las Vegas and has recently announced plans for a third Sun City in the Phoenix area as well as two in California.

Not content in studying the market needs of the current generation of senior Americans, Del Webb has begun to position itself for the "babyboomers" as well, having conducted a "Future Ballot" -- the nation's first opinion poll to explore the attitudes toward retirement of those who will be a part of the largest number of retirees in the nation's history.

"Our success in this area," said Dion, "is based on some 30 years of market research and in taking nothing for granted, whether that be in the area of trends among the elderly or trends in the national economy. To this extent, we assist many universities in developing studies about senior citizens."

THE FUTURE IN A NUTSHELL

"Every day, about 5,500 Americans celebrate their 65th birthday," says Dion. "We now have a larger population of people over 65 than was our total population during the Civil War -- more than the entire current population of Canada."

"But managing the marketing task for older citizens is complex," Dion adds. "Webb has conducted focus groups in this area for years and was, to our knowledge, the first to utilize psychographics as a marketing tool for ad campaigns.

"And this research clearly shows that older consumers -- who have had a lifetime of shopping experience -- respond poorly to traditional youth-oriented marketing. To reach an older person, companies must create attractive images for mature consumers that rely on facts, emphasize quality and value, and appeal to the buyer's good judgment."

FORGET THE STEREOTYPE

According to Dion, marketers have traditionally stereotyped seniors as crotchety grandparents confined to rocking chairs. "But our studies show that these people see themselves as ten to 15 years younger than they really are."

"While this deference to age perception is important," says Dion, "labeling this group can be misleading and, therefore, costly."

"It's a mix of working people and retirees, inner-directed and outer-directed, wealthy and needy, healthy and ill. To reach them we offer choice. Each of our Sun Cities, for example offers a somewhat different lifestyle. Our homes vary from traditional to highly customized."

In this respect, Dion cautions marketers to beware of the myths that older consumers are not open to change and not likely to buy new products and services.

"We have found that the people who buy Del Webb homes in the Sun Cities are just as interested in labor- and time-saving devices as the younger generation, and will opt for all of the latest conveniences if offered the opportunity to do so."

TRENDS FOR THE 90s

Dion sees three major trends that will affect the marketing of goods and services to this group in the coming decade.

- * Older consumers will be busier, more experienced, and more demanding in terms of corporate accountability and 'straight talk.'
- * To reach this group, more advertising dollars will be diverted to local and special interest marketing, as opposed to general national advertising.

*Less of an emphasis will be placed on taxable income in market research and more importance placed on discretionary income and assets.

The key, Dion advises, is to concentrate on need and reliability. "As we move into the 21st Century, the aging population will command the attention of the entire marketplace, and particularly those in the business of developing adult communities.

"All of us will have to carefully monitor and correctly respond to these new trends if we are to survive and prosper."

###

SCW

1986 Circa
1989 Updated

**Del Webb's
Sun City West**

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FOR IMMEDIATE RELEASE

SUN CITY BUILDER SEES TREMENDOUS GROWTH IN ACTIVE ADULT COMMUNITIES

Phoenix, AZ -----(WBB:NYSE/PSE) -- During the early part of the next century, even before baby boomers reach retirement, there will be an explosion of active adult communities across America, predicts the builder of Sun City.

"The demand for this lifestyle is growing every day and all the research we gather points to an increasing trend toward Sunbelt retirement," said Phil Dion, chairman and chief executive officer of Del Webb Corporation. "Seniors today are more affluent than ever, they're more mobile and interested in health and fitness. These are three reasons we're seeing such a demand for active adult communities."

Six years ago, researchers at the University of Michigan estimated that there were about one million people living in retirement communities. Since that study was completed, they have observed a tremendous growth in new retirement communities. They feel certain that there are now approximately two million people living in retirement communities nationwide.

A point of clarification. Retirement communities can take many shapes and forms. From communities such as Sun City with nearly 50,000 residents to 100-unit retirement apartments, they can all fit the category of retirement community.

-more-

Age, not size, is the best way of differentiating between the various types of retirement or adult communities. Age also defines the types of amenities and services that are provided. Researchers of retirement communities have commonly classified seniors as:

...the "go-gos", 65 to 74 years of age and very active

...the "slow-gos", 75 to 84 and semi-active

...the "no-gos", 85 and older and non-active

Del Webb has added a new classification, in an effort to satisfy what it perceives as an expanding market. Call them the "new-gos" or the pre-retirement market, empty nesters age 55 to 64. Since creating Sun City 30 years ago, Webb has become the most successful builder serving this active segment of the senior market.

"Our product is not the home but the lifestyle," Dion said. "In many ways, Del Webb was ahead of his time. When he opened Sun City nobody was thinking about the graying of America, or the benefits of an active lifestyle. Today however, these are issues that are on everybody's mind," he said.

As a nation we're growing older. In 1960, the median age was 27. Today, it's about 32. By 2030, it will jump to nearly 41. During the next eleven years, the largest growth segment of our population will come from the 50 to 65 age group -- seven million people. Beginning in 2011 when the first baby boomer reaches 65 and continuing until 2030, 75 million people will join the ranks of the elderly.

-more-

Clearly a trend is emerging. Dion says in many cases retirees are following their children who have found jobs in other parts of the country. In others, it's a desire to seek a more active lifestyle in a warmer climate. Again, his reasoning is backed up by research.

Sixty percent of all out-of-state migrants are from 10 states, eight of which are located in the "Frostbelt." Led by New York, the exceptions to the "Frostbelt" list are California and Florida. Oddly enough, Florida and California are two of three states attracting 40 percent of these migrants. Arizona is the third.

Could it be that migration to Florida and California is beginning to wane? Possibly so. Dion believes seniors are beginning to look at other issues besides climate in determining their retirement destination.

"Approximately 25 percent of our Sun Cities sales are made to Californians," Dion said. "For these people, it's a financial decision. They can buy a home in Arizona or Nevada for half of what it would cost in California. And those long-time Californians are cashing in on 30 years of equity to finance their retirement."

As for Florida, Dion says the state is still very affordable but notes that the crowds are beginning to influence some people to look elsewhere. That's one reason for the success of Webb's Arizona and new Las Vegas Sun Cities, according to Dion.

Webb's current projects are located in Phoenix, Tucson and Las Vegas with proposed communities in Sacramento and Albuquerque.

This graying of America is not the only reason Dion believes an explosion of active adult communities is on the horizon. Two factors, mobility and activity, are important parts of the prediction, and Dion can quote some interesting statistics.

Thirty years ago, fewer than one million people age 60 and older were classified as interstate migrants -- moving from one state to another. In 1970, that number increased 15 percent; in 1980 by another 50 percent.

"Our research has uncovered a projected 140 percent increase in interstate migration during the 1980's," Dion said. "If the census confirms this projection, we'll be looking at about four million seniors on the move representing the largest migration of seniors ever recorded."

Dion said that when the original Sun City opened, the company was "marketing to only two or three percent of all retirees." "There were stronger ties to the hometown and family 30 years ago," Dion said. "But a number of factors have influenced our society during that time and today, the numbers are a lot different."

Research by Webb and others has confirmed a growing trend toward out-of-state retirement. Professional Builder magazine asked people 65 and older where they would prefer to live. Nearly 20 percent said "in another state" while another 37 percent said "a different community in the same state." In its own sampling of Californians, Webb found that 23 percent planned to move to another city or state.

"But when you consider the trends and the fact that baby boomers represent about a third of our population, you reach the conclusion that he had a long range business sense or was damn lucky," he said. "In either case, Sun City was his greatest accomplishment and represents the future of the Del Webb Corporation."

Incidentally, Webb has already begun surveying baby boomers about their views toward retirement. They have found that baby boomers are even more inclined to relocate, interested in an active lifestyle and plan to retire earlier than their parents.

In 2011, the first baby boomer will reach 65. Maybe that explosion is a little closer than we think.

While retirees are on the move, they're also being influenced by a desire to remain active. Retirees and baby boomers alike are taking a more preventative view toward health. Medical experts say that eight of the 10 leading causes of sickness and death in this country are attributable to lifestyle. Can we then, have direct control over our well-being?

"Nobody has proven that the Sun Cities lifestyle contributes to a longer life but the facts are there," Dion said.

Studies have shown that 78 percent of the Sun Cities residents report their health as excellent or good, substantially above the 69 percent reported in national surveys. Social researchers have found that Sun Cities residents are significantly happier with a corresponding better sense of well-being and life satisfaction than their contemporaries in regular communities.

"This is the kind of lifestyle that people are going to seek out in the next decade," Dion said. "You can look at the numbers and find ever increasing expenditures for lifestyle and health products. People are beginning to understand the benefits of an active lifestyle and taking steps to affect their own wellness."

It's not surprising to Dion that the Professional Builder survey found that 75 percent of the respondents 65 and older said activities were an important factor in making a housing decision.

"When you look at the increasing migration of seniors and the impact of a healthy lifestyle, you'd think Del Webb was a prophet," Dion remarked.

-more-

Seeking solutions

Sun City West residents ponder life after DEVCO

SCW, April 8-14, 1987 SC I

By LAURIE HURD-MOORE

"We have the problems but we need solutions," explained Ernest Edison, guest speaker at a recent meeting of the American Association of Retired Persons, Chapter 3514, in Sun City West.

The "problems" or voids are those which will be created by the eventual pull-out of the Del E. Webb Corporation from the community, which according to Ken Plonski, public affairs manager for Webb could be in six years.

Edison authored a 1986 study entitled "Options Available for Sun City West After DEVCO," upon the request of the late Mark Sauls and Allen Powell, then a committee director and first vice president, respectively, of the Property Owners and Residents Association (PORA).

Edison, now a PORA director himself, Walter Schifter, legislative chairman of the association and program organizer, and Philip Vision, who is studying a single-entity governing system, met with AARP members to discuss the study and to urge residents to begin thinking about the future of Sun City West.

Schifter stressed that the meeting was "purely informational." A year has passed since the Edison study, says Schifter, yet little has

been done in response to the 36-page examination.

Schifter believes the thorough research on viable governing options and community-wide participation in the selection of such an option should be actively promoted.

Edison asked members to think about all the contributions DEVCO makes to the community.

"They're going to turn over the recreation centers to us in 1994. We're looking at three or four years, when they could be out,"

Plonski says Webb's departure from Sun City West depends on the state of the economy, which would affect home sales.

As of January, 1987, Plonski said, 6,000 homes remained to be sold.

"If the economy remains constant, we can sell 1,000 (homes) a year -- meaning we could probably be gone in six years," Plonski told the

Independent earlier this year.

"But if a recession takes hold and sales drop, it is anyone's guess."

Edison referred to news stories featuring recent money and land donations made to various local groups by the Webb Corp. and questioned, "what will we do when the money is gone?"

Webb sponsors a number of Sun City West activities as well as supports the recreations centers, he says.

Edison says the corporation has subsidized \$300,000 in losses by the Sun City West recreation centers.

"Once they turn over the recreation centers, we will have to take care of it. What is the best way to do this?"

Edison says his study concluded with five options of government, one of which he says has already been thrown out -- annexation by another corporate entity.

He says this option is not attractive to any Sun City

Westers.

"Do you want to be annexed by El Mirage?" he asked the audience. A number of "nos" was the response given.

The remaining options listed in the study are:

- "Remain as is." Edison's study concluded that this was a viable solution but changes are "inevitable" and consideration should be given to those changes and the problems involved.

- "Form a special legislative district." Also an unlikely solution, wrote Edison. Such districts, says Edison, are not sufficient by themselves to handle Sun City West after DEVCO.

- "Incorporation." Possible, viable and should be considered, Edison stated.

- "Combine PORA and the rec centers." Again possible, viable and should be considered.

A4 NEWS-SUN FRIDAY, SEPTEMBER 4, 1987

Webb executive builds career on being interested in people

By MARY DUMOND

News-Sun staff

SUN CITY WEST — Ann Loos, a vice president of Del E. Webb Communities Inc., has built a solid career on being interested in people and what they say.

The Mississippi-born executive started with the Webb corporation in 1974 — "I was fascinated with Sun City," she says.

She began as a cost analyst in Webb construction development.

Loos was hired by Bob Cannon, then vice president in charge of personnel, during the corporate presidency of John Meeker.

Since that time, Loos, the ombudsman for both Webb and Sun City West citizens and groups, has climbed up the ladder — through sheer ability, a vast memory and an equally vast capacity for learning — to her own office and a unique job.

She is thoroughly at home in that office, done in Chinese blue and beige, in the Webb headquarters on Meeker Boulevard.

She also has worked her way — and the work isn't easy — into the organizations and affections of those who are forming the present and future of Sun City West.

"She's one of the best representatives Webb could have over here," says Ken Plonski, Webb community affairs manager.

"If you want something done and you don't know quite how to get it, talk to Ann," said one of the board members of the Sun City West Foundation last spring.

Loos' philosophy is built on her Mississippi heritage — having a father interested in small-town politics and his accounting posi-

tion as tax assessor.

"I was close to my father and I listened to lots of discussions about his work," Loos recalls. "Everybody knows everybody — and with your father being in small town politics, you learn to listen and deal with people."

She still does that, after years and many jobs, all training her for the position she holds now.

She's served or is serving on boards of the Sun City West Community Fund, Sun Cities Art Museum, the Westside Food Bank in Surprise (she's the Sun City West representative there), Sun City West Foundation, the Spa board and the governing board of the Recreation Centers of Sun City West Inc.

Loos doesn't dominate a board meeting or pound the table. She listens, interjects questions to make board members think about what they're doing and smooths their paths with supplying materials, help or encouragement from her own corporation.

Take the recent Sun City West flap about raising golfing fees at the recreation centers courses, for instance.

Westers didn't gripe to Loos — not because they were afraid to, but because they know she's interested in a positive point of view.

"You have to work as a team," she says. "As I said, you never stop learning and you learn through each experience."

She looks at her work with Webb as one vast team effort and is enthusiastic about the company she works for.

"Never have I seen the enthusiasm and the pride of workmanship that I see there," she says.

Loos characterizes residents of Sun City West in a similar fashion.

Last spring, when the Sun City West Foundation and Sun Health

Auxiliary members were at slight odds over how to run a proposed thrift shop in the now a-building Community Services Center, she listened to all sides at one board meeting.

Some board members opted to pull away from further negotiations with the auxiliary. Others were for compromise and working with the auxiliary. And still others were on the fence.

Some members didn't like the terms the auxiliary laid down — that it would manage things and that the foundation would pay what some members felt was more than its share.

"Are you willing to pay for that expertise in management?" Loos asked, when the question of the foundation's going it alone came up.

"The expertise to make a thrift shop profitable doesn't come cheap," she added, then sat back and let the members think over her remarks.

"I knew they had a winner," she now recalls. "Boswell Hospital Auxiliary has made its thrift shop really pay off. So I reminded them of that."

Loos' timely remark saved hard feelings, brought about a reconciliation of the two organizations and plans are going ahead for opening as soon as the building process allows it.

This diplomacy carries into every phase of her executive life.

She graduated from business school after growing up as Ann Randle in Aberdeen, Miss.

"I married and left in 1954," she says. She married a hometown boy who was in the Air Force and went to live near Cape Canaveral, Fla., then near the White Sands Missile Range in New Mexico.

Her husband was in research and development, she says.

"Next I spent three years in

Japan, working for the Far East Exchange Service," she says. The service, with 700 Japanese employees and four Americans, was responsible for supplying townlike facilities, from post exchanges to laundries, for seven military bases near Tokyo, Loos says.

"I had to learn enough of the language to know what interpret to get for what job," she says, explaining that Japanese language and written characters are so specialized that an electronic worker, for instance, could not communicate with someone in the medical field.

"Most of the Japanese knew English," Loos says. "Forever level of English language they mastered, they got a salary increase."

Her ability to discern needs and supply them had been nurtured at home, and grew when she got her first supervisory job at White Sands Missile Range, she says.

Loos was a supervisor in the cost accounting department, she says.

After her job in Japan, when her discerning abilities were honed further, "I went back to work at White Sands for my former company. Then I was asked to work for the company at the Gard Center in Maryland," Loos says.

There she helped recruit scientific personnel for what then was the largest computer center in the world.

"Then I branched out into other areas — data processing for political fund-raising, where I dealt with accounting systems," Loos says.

When she was at White Sands, N.M., she often visited Arizona.

"I loved Phoenix," she says. "And when Sun City came in being, I realized that Webb had created a truly unique concept."



LOOS

SCW

Devco's Quality Assurance brings results

By MIKE GARRETT
Financial Editor

New Sun City West homeowners still find some discrepancies and oversights in their homes from time to time. But it's not because Del E. Webb Development Co. Quality Assurance inspectors aren't trying to get it right the first time.

This reporter recently took a tour with a Quality Assurance inspector of various SCW home sites at all phases of construction to see just what goes into the inspection process.

Devco's Quality Assurance Program, which has been in effect for about two years, is comprised of six separate inspections prior to move-in. Many check-off list items are repeated several times during different construction phases.

Jerry Tate, a 22-year Webb veteran, is one of four Devco Quality Assurance inspectors. Each inspector is responsible for about 60-80 units, down from more than 100 last year, according to Tate.

Each makes daily inspection rounds at all hours of the day, coordinating efforts as a team with the subcontractors and field superintendent to ensure that everything is inspected just before the next construction phase begins.

QA inspectors also work in conjunction with Maricopa County inspectors to ensure that certain minimum quality standards are maintained.

Tate is working on a book of standards for each phase of construction to ensure a higher level of quality in each home.

A No. 1 inspection starts with the ground footings, plumbing and sewer fixtures.

"You have to visit the house four times before you can complete the full inspection," said Tate. "The fourth time you can actually fill out the paper and go through the whole thing."

All the data compiled from each inspection is computerized for easier referral and to ensure nothing is missed along the way.

"For a No. 1 inspection, we stress that the footing has to be a minimum eight inches under the houses around the outside perimeter. There seems to be a problem of getting that continuous. It's all right if it's more but some subcontractors like to get by with just the minimum."

Tate's most important inspecting tools are a tape measure, leveler and straight edge. A sharp, trained eye helps immeasurably as well.

If a footing is too shallow, Tate writes it up for the field superintendent.

He said ground wires have to be 20 feet long inside the footings. If in doubt, Tate puts his tape on it.

"The county inspects the footings but we go over what the county did and reinspect them."

For sewer pipe lines, Tate watches for just the right flow through the turns, making sure they're not too restricted or installed backwards.

"Then we look over the whole system and make sure everything has a good, even drop to it," said Tate. "If the soil in the ground has a lot of big clods or rocks in it, they have to put in the shading. That's where they take loose dirt from one of the other areas and dump it over the sewer pipes so that the clods won't fall in and break it, causing a problem at a later date. If that happens, it's an expensive repair job."

"We usually only have two or three hours before we pour concrete over the top of it so we have to get in there real quick and get that taken care of."

"Then all the water pipes are put in. They get ready to pour the floor and put in rebar reinforcing this. You can't have too much rust or oil on the pipes. But it's almost impossible to lay something down without getting rust on it."

"Very seldom do they have to tear out a piece of plumbing because they know it's critical at that point and the subcontractor is usually very good about it."

The termite treatment usually goes on the night before the concrete is poured. A yellow sticker with the treatment time and date is placed on one of the

pipes for easy reference.

"But we still have a problem with termites," Tate said.

As part of inspection two, Tate often comes back just before they pour concrete in the morning, whether it's 4:30 or 5:30, to make sure that everything is done and treated.

Concrete pouring is critical and problems arise if it dries too quickly or too slowly, he said.

The No. 3 inspection is also critical to the overall effort, according to Tate.

It begins by checking the bottom and top plates and studs and sway braces on the drywall.

"We put straight edges on the walls and check it to make sure there are no bowed studs."

"We check the top plates that tie the tresses down to the roof. Bolts must be evenly spaced in the walls," said Tate.

Wire holes must be drilled as close to the center of a 2x4 as possible.

"At the same time we check the steel ductwork, the flexducts have to be sealed—either taped or caulked. We also take levels to check window seals and squareness. Virtually every house you'll have some window that's out a little bit and if they use venetian blinds those have to be almost perfect."

All plumbing fixtures are then checked for proper rigging and tightness and if walls are blocked off to prevent spread of a fire into the attic.

Electrical outlets are also inspected to ensure they don't stick out from the wall more than half an inch.

"We will not accept a wall that is out of plumb," said Tate. "We say 3/16ths of an inch, the county says a quarter inch. We try to better what the county's minimum is."

Change orders are then checked for such things as addi-

tional garage or ceiling bat insulation and that insulation requirements have been met.

"We go up in the attic to see if the insulation is a minimum of 9 3/8th inch for an R-30 rating," said Tate.

The concrete floor is also checked for any excessive cracks or chips.

Roofs are also inspected for any bad shingles or other flaws.

Tate stressed it's better the inspector catches these things before the homeowner does, some of whom have been on the job sites making their own inspections.

"It's amazing what some of them (homeowners) will do. I've had them go up into the attic with me."

Tate added that there are quite a few retired contractors and electricians living in Sun City West and most of them know exactly what to look for when they move into their new homes.

A No. 5 inspection is probably the most comprehensive and will take an average of two hours and as long as 3 1/2 hours, according to Tate. A No. 4 inspection takes 30-35 minutes.

"We check the roof colors and shingles, then come in and check the drywall. What we're looking for at this point is not a small ding or anything like that but whether a door is out of plumb, meaning it's not straight up and down. We will redo a section if need be," Tate said.

Other inspections at this point include checking marble bathroom fittings, shower doors and tubs.

He said one homeowner found his tub dipped slightly and even offered a way to repair it. "I used his idea to fix it," said Tate.

Ceilings are also closely scrutinized for chips or cracks.

Walls also have to be free of any imperfections, cracks or chips. Acoustics are also checked out.

Stucco joints and overall condition, millwork surfaces and door swings, sizes and smoothness are also inspected in a No. 4 inspection.

"We make sure they close properly and check to see if any hinges are upside down, knobs are reversed and the dead bolts work."

Weatherstripping is inspected for tightness so there's no light coming through around the door.

Windows are checked for proper sealing so no visible light or dust gets through into the house.

Paint is checked throughout the house for even distribution or missed spots and is touched up accordingly.

Kitchen cabinets are then checked to see if the grains and colors are matched reasonably well. "You'll never get them to match exactly because of the nature of wood," said Tate.

Drawers are checked to see

that they roll well with no catches and pull out with a minimum effort.

Counter and vanity tops and proper garbage disposal hookup are then inspected.

The air conditioning system, ductwork and electrical system is checked once the power is turned on.

Window glass is inspected for any visible cracks or scratches, then cleaned.

Attic insulation is checked a week or two after it's blown for proper settling.

"I've had the insulation re-blown as many as three times to get it right," said Tate.

A No. 6 inspection involves checking light fixtures for proper installation, defective carpet or vinyl and appliances.

Devco, rather than the subcontractor, installs the appliances and ensures that they're all working properly.

Then it's down to a pre-cleaning, final cleaning and a final inspection of the paint and drywall for little nicks or dings.

Everything that Tate has written is fed into a computer which prints a copy for the field superintendent who rechecks Tate's inspection.

There is then a minimum of five days between final inspection and move in.

Tate also maintains a file on each home and homeowner so he knows exactly at what phase of construction a house is at and can relate that information to a homeowner.

Change orders are kept separately to avoid any confusion.

"We have personal contact with any homeowner who calls

me. If there is any problem we can write it down and give to the field superintendent."

"It's really an interesting job," said Tate. "Once the homeowners see what we're doing and realize how much we are doing, you get very few calls."

At least one new Sun City West homeowner, who preferred his name not be used, confirmed the quality he saw built into his home.

The resident, who has lived in the Phoenix area 50 years, said he and his wife found few problems and nothing glaring. "They've been real nice to us and very cooperative in fixing anything we found," he said. "I think Del Webb has built as good or better a home as anything else I've seen in the Valley. Over the years I haven't heard too many complaints about Webb homes." O U E R



JERRY TATE

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Phase II of Sun City West scrapped; land to be sold

By JIM WALSH

Northwest Valley Bureau

SUN CITY WEST — Phase II of Sun City West is dead.

The Del E. Webb Development Co. officials told their stockholders last week they will trade 1,750 acres for \$32 million from Palmer-Whitehead Inc., a Phoenix real-estate company.

"Would you rather have \$32 million in the bank, or a piece of land you're going to do nothing with for 10 more years?" asked Paul Tatz, president and chief executive officer of the Webb development subsidiary.

Proceeds from the sale will help Webb buy a site for its third retirement community by the end of this year and start building roads and other improvements there in 1987 or 1988, Tatz said.

"It will give us the financial wherewithall to move as rapidly as we want to move" in building the third retirement mecca, he said.

Out-of-state retirement haven planned

Webb, however, has yet to decide if the third community will be built near Tucson, in New Mexico at Sante Fe or Albuquerque or in San Diego or Orange counties in California, he said.

Fred Kuentz, chairman of the Webb development subsidiary, has been freed from the duties of his previous assignment as chief executive officer to further study several proposed sites and supervise construction of the third retirement haven.

Webb decided to build the third community because of the success of Sun City West. Market research also showed affluent retirees are interested in a more temperate climate.

"The outdoor lifestyle (used to sell Sun City and Sun City West) is conducive to a nice, year-round climate," Tatz said.

But the shift of gears to the third

community will not affect continuing development of Sun City West, which should be completed in the middle 1990's, he said.

Webb officials estimate that Sun City West has about 12,000 residents and that the population will increase to 25,000 when the retirement community, founded in 1978, is finished.

Phase II, which had been planned west of Grand Avenue, was to have another 15,000 residents. Sun City's population is estimated at 46,000.

Payne Palmer, vice president of Palmer-Whitehead, said his company will control about 4,200 acres — or seven square-miles — west of Grand Avenue from Sun City West when the Webb transaction is completed in 18 months.

Palmer-Whitehead previously purchased

two 1,100-acre parcels also planned for Sun City West by Webb, along with land from another owner in the area.

The latest 1,700-acre parcel is "contiguous property and will give us additional property to master plan," said Palmer, who envisions construction of a community similar to McCormick Ranch in Scottsdale on the land.

Palmer projects a population of about 2,625 in the community, which will have about 1,050 housing units. The majority will be family housing but some retirement developments may also be included, along with shopping centers.

After planning the area and making other improvements, Palmer-Whitehead probably will sell the land to builders for development, but none of the property has been purchased by developers yet, Palmer said.

"We want to create an environment people will enjoy, the lifestyle they came to Arizona for, with lots of open space," he said.

Tuffs finds niche at Devco

Last in a series on Devco's four senior vice presidents.

By MIKE GARRETT
Financial Editor

Entering his 14th year with Del E. Webb Development Co. (Devco), Don Tuffs has done everything from managing the Crestview to running the Sundome Center for the Performing Arts to driving a golf car in Devco's annual Sun City West Golf Car Rally.

But he's finally found his niche as Devco's senior vice president of marketing.

With the increased emphasis most companies are placing on their marketing and research departments these days (Devco is no exception), Tuffs is finding fulfillment in striking out into previously uncharted territory with its new challenges.

When Devco was virtually the only game in town, there wasn't a real need for a marketing department. But the increased adult market competition coming from every direction these days has forced Devco's 2-year-old marketing department to really analyze its past, present and future customers.

"Sun City is our strongest competition," says Tuffs, noting the natural rivalry between the two communities.

"Looking at today, 1985, in Arizona alone there are over 100 adult-type communities, varying from the small basic low amenity mobile-home park all the way up to the likes of Sun City and Sun City West.

"We're responsible to help bring enough people from a marketing point of view into the community to absorb not only the new home sales that we require here at Devco but also to absorb the 2,000 plus resales in the two communities. It's a tremendous marketing effort in the two communities."

With Sun City providing Sun City West with such formidable competition, Devco management has realized it was time to begin planning a new adult retirement community (the so-called Project X) outside of the Phoenix metropolitan area and possibly outside the state.

"We realize now that possibly we have saturated this part of Maricopa County with the adult community concept so that now we're looking into areas elsewhere in the state of Arizona, New Mexico, Texas and California. We can start a similar type situation so we won't be competing against ourselves."

When it comes to the competition, Tuffs feels his staff has more so-called marketing tools to work with than ever before.

They include the 17 new Silver Edition model homes, the new sales pavilion, the new rental Palomar apartments, the



DON TUFFS

planned luxury condos to be located between the Crestview and Sundome, the two planned life-care centers, the new rec center and golf course and last but always, the weather.

Tuffs noted that a four-page full-color spread in last Sunday's Chicago Tribune couldn't have been better timed—with 85 degree temperatures here and a big snowstorm that hit the Windy City last week.

"We surveyed the people coming through the new model homes and we found that they wanted to see us build homes in 1985 that would reflect living in the Phoenix metropolitan area in the 1980s. Most people commented that our past model homes were designed basically for the 1950s and it was time to update.

"They wanted light, open, airy homes and I think that's what we've given them.

"In addition we were able to add a new mode of living for the first time—patio homes. They have been real popular in various locations around the Phoenix metropolitan area and in other adult communities.

"I think it was time Sun City West got into that new mode of living which offers people a little more privacy than any of our previous modes because you have the single-family detached home, yet you still have the walled-in yard for a little more privacy. We think there is going to be a good market for patio homes in Sun City West in the future."

SCW

Not to mention the condos and apartments.

Tuffs thinks the rental apartments will take advantage of their ballooning popularity and fill a need in the senior market.

"We like the Palomar apartments because we were able to work closely with the community—PORA and the other members of the community. We were able to assure them that with the extended one-year minimum lease, we weren't just getting transient people in here. We have some pretty stable people

living in the apartments.

"In addition, it's a good marketing tool for us because many people you talk to come out here and want to live here a year or so before they actually make that decision (to buy a home).

Tuffs realizes he's also bucking the odds because national statistics show that only 8 percent of all retirees move any appreciable distance away from their place of retirement, up from 5 percent a few years ago.

"It has always been our hope that people would come on the Vacation Special Program, sample the lifestyle for a week and buy. But it takes 2.5 visits on the Vacation Special Program for most people to make that decision. Some people need longer so they will rent a house or an apartment for a year in the community before making the decision."

Not surprisingly, Tuffs said Palomar surveys have already indicated that most residents want to move out within a year and into a new Sun City West home.

"If they buy a Sun City West housing unit within the year, part of the monies they're paying towards the rental of their apartment will be applied towards the purchase price of their house."

The Heights, the planned luxury condominiums, will also be a valuable and exciting marketing tool, according to Tuffs. Their location will allow residents to walk to the Sundome, the Crestview, Johnson Center and to Sundome Plaza and Mercado Del Sol shopping centers.

"It's for people looking for the ultimate in luxury in condominium living, something never offered before in either of the Sun Cities." OVEP

SCM

Tuffs noted that the condo project, which replaced a previously planned hotel on that site, is another example of Devco's new "open-door" policy of direct communication with the residents to find out their wants and needs.

"Certainly if they're not going to support a certain type of operation, like a hotel there, we don't want to build one and we'll look for something else. We found this condominium project was acceptable to everyone and offers a sixth mode of living for Sun City West."

The same marketing surveys have also shown a demand for catered living and nursing centers in Sun City West, a need that the new Madison House and Americare projects should fill, Tuffs said.

With all these new amenities, Tuffs isn't surprised that traffic flowing through the new sales pavilion is up 25-30 percent over a year ago.

While the new model homes

may largely be responsible for the increase, Tuffs isn't discounting all that snow in Chicago. He plans Devco's out-of-state marketing strategies to get those people to take advantage of the Vacation Special Program.

Not that the Refer-a-Friend program with its potential 11,000 salesmen in Sun City West isn't reaping a real harvest.

"We're up to 7,000 referrals right now from our residents. Several hundred residents have already claimed prizes in the program."

Tuffs said Devco has tempered its Phoenix-area marketing strategies somewhat, noting that last year the strategy was to concentrate on the people already visiting the Valley. This year there is a renewed emphasis on national advertising.

"Transportation costs were still high so it was easier to concentrate on getting the people who were already living here or visiting Arizona to come out and see our product."

Tuffs said the recent airfare war has changed that thinking now that you can fly from Chicago to Phoenix for \$119.

"That has caused our Vacation Special Program to, well, the phones are just going crazy over there."

"This time of the year we're running at close to 100 percent occupancy of the 134 apartment units where they stay."

Tuffs fits his own marketing pattern. He first came to the Phoenix area while on vacation from his Dwight, Ill., home (60 miles south of Chicago) and liked what he saw in his three August visits—despite the heat.

He joined Devco in 1971 as a public relations representative and has remained in that general area with less than pleasant memories of such pitstops as manager of the Crestview (for two months) and Sun City Stadium. "The restaurant business was not for me," he laughs.

"I've been a PR representative, an assistant director of public relations, director of public relations, director of public relations and advertising and general manager of the Sundome before assuming my current duties."

Part of those duties have included being something of a goodwill ambassador for Devco and the Sun Cities. He has appeared before the National Association of Homebuilders of the United Kingdom in London and last year was on the Phil Donahue Show in Chicago.

Due to his London appearance, Tuffs said he has had three British companies visit and two of them have started already successful active retirement-type projects in England.

No wonder the Sun Cities are world famous!

SCW

Kuentz named chief; SCW growth updated

Devco considers SCW development

Mixed reactions have greeted two Del E. Webb Development Co. proposals initiated in Sun City West during last year's home building slump.

A buy-now-build-later plan was reported to be doing quite well, according to Ken Parker, senior vice president and sales manager for Devco.

Another plan, to sell undeveloped home lots, met with little success.

Only a "handful" of the vacant lots were sold, the Devco official said.

Parker's feeling regarding the disinterest is that people would rather put up money for a house than a lot.

PEOPLE SEEM to consider lot purchases as speculative investment, he added, while a house is looked upon as a real investment.

Devco last year was giving thought to putting up for sale some 1,500 vacant lots in scattered areas of the community.

George Reeve, former president of the firm, stated at that time the lots were on improved streets with utilities already connected to property lines.

The stipulation for purchasing the lots was that buyers build their homes within two years.

Building is taking place on some of these lots due to a renewed



FRED KUENTZ

Nearly 500 new homes were reported sold during the first six months of this year and more than 300 are under construction at present.

ABOUT 100 of the home sales were said by Parker to be part of the buy-now-build-later proposal.

The "pre-planned retirement program," as the plan is called, guarantees home prices at the time buyers sign up for a new home.

Requirements call for a five percent deposit with closing to take place before the end of this year.

In the event buyers do not take
r to 1984,
percent

"Acting" has been removed from Fred Kuentz's title: he is now president of the Del E. Webb Development Co.

Announcement of the appointment was made today by Robert Swanson, chairman and president of the Del E. Webb Corp.

Named second in command at Devco was Paul Tatz, assistant general counsel and assistant secretary for the parent firm.

Tatz is now senior vice president of Devco and assistant to the president. He also will be in charge of legal matters and special projects.

ONE OF the main responsibilities facing Kuentz will be continued development of Sun City West.

"I'm excited about the future of this community," Kuentz stated. "From a developmental standpoint, there's a lot happening in Sun City West and I'm proud to be part of that success."

Devco has reported that home sales in Sun City West went up 750 percent for the second quarter this year, compared to the same period in 1982.

The new Devco president was named in an acting capacity last April when George Reeve resigned from the post.

IT WAS announced then that Kuentz would handle the job temporarily until a new president was found. He was even made a member of a three-man selection committee to find his successor.

A Del Webb Corp. spokesman said today that Kuentz was picked for the temporary post originally because of his experience and long-term understanding of the firm.

It was recently decided, the spokesman added, to name Kuentz president as he was found to be the most qualified person for the job.

Kuentz joined the Del Webb Corp. in 1949 in the area of construction operations and has been involved in the Sun City area, in various capacities, since its inception.

HE LATER served as vice president of the corporation's property management and international divisions and, in 1965, was named senior vice president of corporate operations.

Two years later, Kuentz was made executive vice president and headed Webb's development group until moved to the Devco post.

Kuentz mentioned soon after his appointment that he felt comfortable in the post.

"I've worked with most of these people over the years, in different areas and capacities," he said of the Devco staff.

"It's not like we're total strangers."

Swap involves stocks, SCW land, options



ROBERT SWANSON

By MIKE GARRETT

Del E. Webb Corp. and Western Savings have agreed in principle to a complicated, multimillion-dollar financial deal. Part of the transaction involves Western Savings' purchase of Sun City West land.

The deal includes stock purchases, property purchases, purchase options and long-range payments.

Webb Corp. has agreed to acquire 2,388,631 shares, or 24.7 percent of Webb common stock owned by Western Savings.

THE PURCHASE will reduce the number of Webb shares of common stock outstanding from approximately 9,637,000 shares to about 7,250,000 shares.

In a joint announcement, Robert Swanson, chairman, president and chief executive officer of Webb

Corp., and John Driggs, Western Savings board chairman, said the companies have agreed to exchange the shares for Webb preferred stock and subordinated debentures, redeemable in equal installments at \$18 per share over five years.

Webb agreed Monday to buy 24 million shares of its common stock now owned by Western for \$43 million, but will receive \$51 million cash for other considerations from Western.

SWANSON SAID he was "extremely pleased with the transaction. It is in accordance with the objectives in our strategic plan," he noted.

Driggs was also happy with the transaction. "Our opinion at Western is it is a good transaction for us and a good transaction for Webb also. Both sides fared very well," he said.

part of the transaction, West would make a cash purchase about \$25 million of Webb securities and would purchase cash 1,483 acres in Sun City West for \$6.7 million or \$4,500 per

WOULD ALSO purchase for \$1 million in cash (if Western so chooses) an option to acquire prior to Dec. 31, 1985 approximately 1 million additional acres of Sun City West land at \$5,000 per acre in cash and purchase for cash \$20 million of an existing note secured by a second mortgage on Webb's Grandridge Hotel and Casino in Atlantic City, N.J.

Driggs said each of the transactions stands by itself in terms of equity to Western and feels it is a fair price for the land.

Because we have an option to purchase additional Sun City West

land, we want to have protection for a successful disposition of the land either through our own development or its possible sale to other developers," said Driggs.

"WE HAVE NOT yet made a determination to develop it ourselves or syndicate it out to other purchasers," he added.

Driggs said the SCW land, all south of Bell Road and north of Grand Avenue in the southwest section of Webb's holdings, is designated for agricultural use "but lends itself to some specialized development, ranchettes, small acreage subdivisions, a small farm or horse compound.

"Once the transaction is closed (by Dec. 31) we'll address ourselves to what's the best use of that land and the best disposition," added Driggs.



JOHN DRIGGS

Reeve resigns Devco post, Kuentz named acting chief

George Reeve resigned today as president and general manager of Del E. Webb Development Co. and reins were being turned over temporarily to Frederick Kuentz.

Kuentz, executive vice president of Del E. Webb Corp., was named acting president.

A search, meantime, is underway for a new president to head Devco.

WHILE REEVE'S resignation is effective immediately, he will continue to serve as a consultant until a new president is appointed.

Announcement of Reeve's resignation was made today by Robert Swanson, chairman and president of the Del E. Webb Corp.

Swanson praised Reeve for turning Devco around during the past year.

"WHILE WE hate to lose George, we understand his desire to move on to bigger challenges," the Webb chief said.

During Reeve's one-year tenure as Devco president, Swanson added, steps had been taken to tighten the firm's controls, streamline operations, sell off unneeded or unprofitable operations, modify marketing plans and introduce new housing projects.

Reeve, who had been with Webb 21 years, said he felt this was a good time to make a move as the economy is beginning to show an upswing.

ASKED WHAT he planned to do, the now ex-Devco president



GEORGE REEVE

smilingly quipped: "You might call me a developer-entrepreneur."

Turning serious, he commented: "I don't know for sure."

Plans do include developing property he owns in Verde Valley and "some things in Phoenix."

MAKING INVESTMENTS was another plan he mentioned.

Reeve said he had enjoyed



FREDERICK KUENTZ

working for the Webb corporation and "the company has been extremely good to me."

"I'm also encouraged about the future of Devco, which is on the upbeat," he added. "And I've really enjoyed working with the folks in the Sun Cities."

THE 43-YEAR-OLD Reeve joined the Webb Corp. in 1962 as a building porter-management trainee. Within four years, he was named manager of operations for the firm's commercial ventures

and was responsible for more than \$50 million in property.

He was elected a vice president in 1968, executive vice president in 1971, and Devco's president in 1982.

Reeve also has been active in civic affairs and, in 1975, was named "Citizen of the Year" by the Phoenix Real Estate Board.

HE SERVED in key posts with the Phoenix Metropolitan Chamber of Commerce, United Way, Pacific Southwest and Phoenix BOMA; Property Environmental Planning and Central Phoenix Re-development Committee.

In addition, he has been an active member of the Urban Land Institute, Arizona Association of Realtors, National Association of Real Estate Boards and the Central Arizona Chapter of the Institute of Real Estate Management.

He has also served as a director of Home Federal Savings and Loan, the Phoenix and Valley of the Sun Convention and the Visitors Bureau.

KUENTZ JOINED Webb in 1949 in the area of construction operations and has been involved in the Sun City area, in various capacities, since its beginning.

He was vice president of the corporation's property management and, in 1965, became senior vice president of corporate operations.

Kuentz has been executive vice president, in charge of the development group, since 1967.

—Helen Allen

PHOENIX GAZETTE
DAILY
PHOENIX, AZ
MARICOPA CTY
OCT 27 1982

Reeve believes shakeup returns DevCo. to track

By Susan Felt
The Phoenix Gazette

Six months ago, George Reeve moved into the executive office of Del E. Webb Development Co. to head a business top-heavy with personnel and debt and crippled by high interest rates.

He tackled personnel first, slicing the payroll list of 800 employees down to 400.

He shook the management branch, eliminating some corporate vice presidents, promoting others and reshuffling responsibilities until the fewest could do more.

"When I was a day or two behind schedule, then I knew I had trimmed as much as I could," he said, leaning back in his chair with the confidence of one who is used to sizing up problems and having the wherewithal and power to solve them.

While his immediate goals were obvious — reduce the bank debt, trim operating costs and reorganize management — his secondary goal was less obvious but no less critical.

He had to rebuild residents' confidence in Big Daddy — DevCo.

"I saw a real concern on residents' part when I first came here that DevCo. had abandoned them. That was a very major concern. I sense that attitude is changing," Reeve said.

He has worked to overturn residents' fears that the developer who sold them their dreams was not closing its doors because a once-rich housing market had soured.

"Residents benefit when they feel more comfortable that DevCo.'s strong," he said.

He has used himself as the most potent antidote against rumors of DevCo. unloading Sun City West.



George Reeve

"I don't hide. I don't back away. I'm going to give them answers. Those people generate 50 percent of our sales," he said.

Reeve said he saw rumors breeding not only about DevCo. pulling out, but about everything from golf course ownership to the Hilton building a hotel in Sun City West.

He began a one-man campaign to stop rumors by opening a rumor hot line. Residents can call 974-7500 and find out if the rumor they heard is true.

He said a statement he made about studying the possibility of building a resort in Sun City West had spread so quickly throughout the community that by the time he returned to his Sun City office a man was calling him, irate because Hilton Hotel guests would use the Recreation Center swimming pool.

"The rumor went bananas.

We've (Webb) spoiled them. They (Webb) bent over backwards to be good to the residents. And they (the residents) feel they should dictate to us what we're gonna do," he said.

"You can't do that. We do have a business to run. We can't let the emotions and the dictates of a few people determine what we do," he said.

For example, he used the complaint that Sun City West golf courses were crowded. Golfers petitioned Reeve to turn over Hillcrest Golf Course or build another one.

"What it boiled down to was Men's Day was crowded," Reeve said.

"You create two men's days then," he said.

His explanation is bottom line simple.

If Webb would turn over the Hillcrest — the area's top 18-hole professional course — to the residents, their recreation dues would jump from \$80 to \$125, he told Property Owners and Resident Association members last month.

And if golfers assumed the cost, their golf fees would increase from \$425 to \$960.

Reeve said it cost \$500,000 a year to maintain the course.

He expects Hillcrest will become a private club in 10 to 12 years, when its value as a DevCo. promotional tool has waned.

"I wish they had asked for the Recreation Center, I would have given it to them," he said.

Reeve expects the R.H. Johnson Recreation Center to be turned over to residents within the year.

DevCo. agreed to turn over the

See • Reeve, NW-6

OVER

● Reeve

From NW-1

center when it became self-supporting.

"It's still losing money. It's to our advantage to keep those (dues) down. It makes it harder to sell homes if we have high recreation dues. That's the only reason we're subsidizing them," he said.

He has coupled this open-door, forthright, decisive approach with an upbeat sales pitch refined after 14 years as real estate expert with DevCo.'s parent company, the Del. E. Webb Corp.

He's pitching Boom Town 1983 in Sun City West.

"If we believe it, it will happen," he said.

"If interest rates stay down through January, then people will have the confidence to buy. They have the cash. If they see the industry turning around they will jump in to buy. Then we could really see a boom town," Reeve said.

DevCo.'s chief executive officer is not leaving Sun City West's catapult into boom town to wishful thinking.

Besides getting the company house in order, he has repositioned Sun City West in the affordable housing market with a two-bedroom-\$49,900 home and a \$39,000 apartment.

DevCo. also is offering a shared housing concept for individuals or couples who share living and dining areas but have separate bedroom and bath wings.

"The biggest goal was to get affordable housing built. We had grossly overshot the market with our two high-priced models. People thought we had abandoned the majority of the people for the wealthy folks," Reeve said.

"We are going to be in the marketplace where masses can afford to live here. They can buy that unit as a second home and live here for three months and in the Midwest," he said.

But in September, the higher-priced homes, nearer the \$200,000 range, were the ones selling, Reeve noted.

Not only is the new-home market being reworked but Reeve also has upgraded the resale department from what he described as its stepchild status.

"We've upgraded the training and operating procedures," he said. Webb once ruled the resale business in the Sun Cities area. But competitors moved in and claimed a healthy share of the business. Reeve said the company was taking steps to reclaim that business.

And from the buying he has moved to the building. He dismantled DevCo.'s construction operation and moved to a policy of subcontracting work for new homes.

"We've streamlined the housing operation. I want to have the operation so we can deliver a house in the maximum of 90 days," he said.

In the past, delivery took two to three years.

With the DevCo. house moving closer to the kind of order Reeve wants, he said he is also looking about for his successor.

"I'm not planning on leaving, but I am now looking for one who might be a logical candidate to train as my replacement," he said.

For Reeve, that makes good business sense.

Sun City, SCW's past, future needs traced

By MIKE GARRETT
Staff Writer

Sun City had no grand plan for development when construction first began in 1960, while Sun City West has benefitted from Sun City's sometimes trial-and-error planning, according to a 14-year senior Del E. Webb Development Co., official.

Tom Ryan, a civil engineer who is Devco's manager of land development and vice president of engineering, outlined Sun City and Sun City West's past and future development in a Marinette High Twelve Club talk Tuesday in the Lakes Club Banquet Center.

"The community (Sun City) evolved and we wrote the book as we went along," said Ryan. "By 1972 I filed a brief master plan for the remaining areas of Sun City which were as yet undeveloped. The important thing was that through the years of development of this community we were able to refine the product and define it. When it came time to plan Sun City West, we were in a position to proceed from that point without beginning from go as we did here in Sun City."

"BASICALLY, THERE ARE two distinct areas of community planning. The first is the product—what it is that you wish to put together. The second is the actual physical development of the land to achieve that product. The two are separate but interrelated. The product, once it's established, is fairly static but the physical development changes with each area."

Ryan said that when the Del Webb Corp. first envisioned a retirement community for the Phoenix area, no book on retirement housing existed. "They decided the only way it could be done was to define it themselves. In 1960 it was pretty uncharted wilderness. The goal was set to build active retirement housing."

Ryan noted that age group and income levels had to be established for sales purposes and then a decision made as to what activities would make the area most attractive for retirees. "The golf concept was cranked into the program from the very beginning. Another alter-

native was the activity centers for hobbies, arts and crafts and clubs so the community center was also cranked in from the beginning.

"THE REST OF IT came by common sense and logic. Sun City in 1960 was on the edge of the world. It was necessary to provide a shopping center from the very beginning so people wouldn't have to drive 10 miles for a loaf of bread.

"The age of the community was such that many of them were sick and tired of fooling with a yard. So after the first year of development, the apartments and duplexes were added with the common areas and yard maintenance responsibilities were eliminated.

"Through the years the Del E. Webb Development Co. has tried new things. If they work, they become part of the community. If they don't they are dropped."

RYAN POINTED OUT that some things, like the two-story Fairway apartments which couldn't be given away at first, have since become successful.

Sun City's two man-made lakes, Viewpoint and Dawn, also proved to Devco that you can build too much of a good thing. While Viewpoint was a rousing success, according to Ryan, the company spent a considerable amount of time selling lake lots around Dawn.

Other ideas like the mini-golf at Lakeview Center were well received.

"WE KNEW WHEN WE started Sun City West that we needed one golf course for every 2,500 homes, one Rec Center for every 3,500 to 4,000 dwelling units, one shopping center for every 3,500 dwelling units, many church sites and many banks.

"We also knew our housing sales would be 70 percent single family, 15 percent duplex and 15 percent apartment. These are the things that evolved here and went very easy for us when we planned a new area. With that knowledge it was only necessary to determine how the product would be presented and to do the actual physical development plans for the new area.

9-2
"When we began to plan Sun City West we began with the easiest and known and worked our way toward the unknown. The thing that was known was the land. We have approximately 13,000 continuous acres in Sun City West. We decided it was best to develop each phase at a time rather than all 13,000 acres at once.

"THE PLAN WAS BE-GUN in January of 1977 and was completed by June of 1977. We spent the next six months getting approval. I counted at one time 28 different governmental agencies that had to review the plan, although nobody really had any objection to it. In December of 1977 the master plan for Phase I was approved and completed."

Ryan then used various maps and plans to illustrate just how Sun City West was laid out, much of it depending on the topography of the land, its drainage and intended use of the water system.

"When it came to drainage and the water system, again we were fortunate

enough to work on what we learned from Sun City," Ryan said. That meant establishing a 100-year water supply and conserving and recirculating as much water as possible, particularly on the golf courses, so the water wasn't lost in the ground forever.

DEVCO ALSO EXPER-IMENTED with its golf course lots, at first trying to create as many golf course lots as possible using a single fairway concept, then trying double fairway course lots after a surplus was created.

Ryan pointed out that studies are continually done on the concept and price of homes retirees want. For example, Devco discovered there is little or no market for the really expensive luxury homes in the Sun Cities. But Devco will still have some SCW homes for sale in the \$200,000 range.

The new dual-use home concept where two widows, two brothers or a sister and a brother equally share expenses and space (separate but identical bedrooms) has also

been well accepted, according to Ryan.

THEIR STUDIES ALSO show that many married home buyers prefer not to have dishwashers. "Many couples said that was one of the few opportunities they had to do something together," said Ryan.

He then explained future commitments for the small amount of undeveloped lots still left in Sun City which Devco has sold the past year or so.

"Boswell Hospital has a master plan for the properties they own near the hospital. They own all the land from the hospital to Del Webb Boulevard, to Thunderbird Road, plus some lakefront property."

IN A QUESTION-AN-SWER session, he explained how Devco arrived at the percentages home buyers paid toward building the Rec Centers based on estimated housing costs and projected sales potential.

He declined to elaborate on what connection such future life-care developments as RoyalOaks will have with the Rec Centers while the matter is still under study.

One need Ryan admitted which still hasn't been fulfilled yet in Sun City is a small 1,200 to 1,500-seat theater where groups like the Sun City Players or Fine Arts Society could present performances.

SCW

Sales in Sun City West, like economy, are slow

Webb Development chief hoping to fire up business

By Steve Yozwiak
Northwest Valley Bureau

SUN CITY — Inside the headquarters of the Del E. Webb Development Co., the encased gold nameplate of George W. Reeve now sits on a large desk that has had three users in the last year.

Reeve is the first president and general manager of the retirement-community building firm since John W. Meeker, a protege of the late Del E. Webb, resigned Sept. 9.

The resignation of Meeker's replacement — Joseph S. Aubin, an executive vice president — came on the day Reeve was named to the post. Meeker and Aubin had been with the company more than 30 years.

Aubin held the title of acting general manager until Reeve's appointment April 15 by Robert K. Swanson, chairman of the Del E. Webb Corp., who is reorganizing the firm and trying to improve its public image.

Reeve seems to fit the bill. Hard working, honest, above board and direct are words used to describe

Reeve by a longtime company official.

The new president has memberships in numerous civic and professional groups and was named Citizen of the Year in 1975 by the Phoenix Real Estate Board.

Previously, Reeve was chairman of Del E. Webb Realty & Management Co., president of Del Webb Recreational Properties and an executive vice president of the Phoenix-based Webb corporation.

Reeve describes his new position as a lateral move within the corporate structure and a challenging promotion in the midst of the development company's moves to break the home-sales doldrums that have plagued its 13,000-acre Sun City West project for nearly two years.

"The biggest challenge is to see what we can do to turn this market around and start selling houses," he told *The Arizona Republic*.

Last week, the company announced 10 percent discounts to home buyers who pay cash and close sales within 30 days.

The campaign also offers 10 percent



George W. Reeve

interest mortgages for the first year with variable interest in following years. And, on the company's large inventory, home buyers are being

given up to \$5,000 worth of optional features such as carpeting and garages.

Sun City West's 7,500 retirees, long considered the community's best salesmen, are being encouraged to write and call acquaintances and talk up the new offers with visiting friends.

More people mean increased use of the retirement village's recreation facilities, which will be turned over to the residents when the development company no longer has to subsidize their operation.

The company also is committed to building more recreation centers as the population grows.

Sun City West home sales were brisk during its start-up in 1978 and 1979. Since then, there has been a slowdown — not because of a lack of demand here but because of the inability of prospective buyers to sell their homes elsewhere.

Eleven new models are scheduled to be unveiled later this year based on market research designed to "see what it is that the retired person or older adult is looking for," Reeve said.

Sun City West continues to be the object of rumors that the Webb development company — whose stock is 49 percent owned by the J.G. Boswell Co. and 51 percent owned by the Webb corporation — is going to be sold.

Reeve said the rumors result from the Webb corporation's well-publicized moves to sell many of its assets to reduce its corporate debt and from the development company's "much more aggressive" sale of its remaining assets in Sun City.

"As a result, there are numerous people who make offers to us all the time," he said. "I don't know of a single piece of real estate that isn't for sale at a price."

However, Reeve, 42, said that after 20 years with Webb, he doesn't plan to retire soon and wouldn't have accepted the presidency of the development company if the corporation wasn't committed to Sun City West.

Recent sales of a cemetery, restaurants and even the development

— Webb, A16

Continued from A15

company's headquarters, which it now leases from the insurance firm that bought it, have left the company with little in Sun City except about 50 acres of undeveloped land and the baseball stadium where the Milwaukee Brewers train.

Reeve said the remaining land is being studied to see how it might best be used to fill needs in Sun City.

A growing criticism by many civic organizations is that Sun City's "active retirement lifestyle" is no longer active for many of its 45,000 residents. Many who bought homes here during the 1960s are now in their 70s and 80s and require special services to maintain their independence.

Reeve said he was hit with requests for land donations and other help the first week.

"When a new guy comes on the

block everybody wants to lay their concerns and problems on him to see which way he's going to move," he said.

Reeve said he refuses to move ahead with a business decision until he has sufficient information, "and I wouldn't want to do it in the area of community services, either."

However, Reeve said the company is moving to help fulfill all the needs of people 50 and older.

"That may go beyond just providing them with a house," he said.

The development company has shown a profit every year from 1973 to 1981, according to records disclosed in a lawsuit last year. The court filings represent the only time the company has released such financial figures, according to Loren Krumwiede, a company vice president and controller.

As home sales have declined, profits since 1980 have come mainly from the sale of shopping centers and other commercial property in Sun City, Krumwiede said.

SCW

Aubin denies Sun City West sale rumors

By **ROBERTA LANDMAN**
Staff Writer

Joseph Aubin, executive vice president of Del E. Webb Development Co., Friday dispelled rumors that Sun City West may be sold.

Aubin, speaking at a general membership meeting of Recreation Centers of Sun City West in the Sundome, said the rumors "are unfounded, as Sun City West is not for sale.

"Mr. Bob Swanson, chairman of the board of directors of Del Webb Corporation, has made the same statement in other news releases," he continued.

AUBIN ADDED that he had spoken to Swanson the previous night and had

again been assured that Sun City West was not up for sale.

The assurance generated audience applause.

Aubin also announced that an audit of Sun City West's Rec Centers had recently been completed by the accounting firm of Peat, Marwick and Mitchell.

"I AM PLEASED to inform you that the books showed all records to be in proper order," Aubin said.

Audit results are available for study by residents and copies of the audit are on file in the Johnson Center office and in the R.H. Johnson Library.

Aubin also discussed declining hous-

ing sales in Sun City West.

"UNTIL INFLATION is slowed and mortgage rates come down to acceptable levels nationally," he said, "sales will continue to be slow.

"We currently have enough backlog along with current sales to maintain our building program at a five (house) per-week level. Our present plan calls for us to continue at that rate."

Aubin said he initiated a study of golf course facilities in Sun City West in response to "some concern expressed over the ability of the Recreation Centers' golf courses, Pebblebrook and Stardust, to meet the demands of

the golfing enthusiasts in Sun City West."

THE STUDY, he said, involved cost, capacity and rates of utilization of the golf courses.

"That study has been completed, and it is of interest to note that both Stardust and Pebblebrook are operating at levels significantly below capacity.

"By way of illustration, the greatest number of 18-hole rounds ever scheduled and played at Pebblebrook occurred on Wednesday, Dec. 2nd of last year, when 234 members of the Men's Golf Association each played 18-hole rounds.

"Even though 234 eighteen-hole rounds were played on Pebblebrook's busiest day ever, the course was utilized at only 73 percent of capacity.

"BY USING cross-over scheduling, another 86 eighteen-hole rounds could have been scheduled and played on that date. It is also noted that Stardust Golf Course is being utilized at a rate significantly below capacity."

The study and supporting data are available to residents in the Johnson Rec Center administrative office.

Aubin said Hillcrest Golf Course will continue to be owned and operated by Devco.

116-82

Webb settles suit

8-21-81

By PAT KOSSAN
Staff Writer

Trespassing charges brought against Del E. Webb Development Co. by the Arizona Land Department were settled out of court when Devco lawyers agreed to pay the state \$525,000 in damages and to restore the land in question.

"The damage figure is adequate to compensate the state," said Robert Lane, deputy state land commissioner. "But the money is only part of it. They also agreed to replace the top soil and restore the land to support development. That should cost an additional \$200,000 to \$300,000."

As part of the agreement, Devco and three co-defendants were granted a 50-year right of way for a flood channel and sewage main.

THE LEGAL BATTLE began in October 1979 after Devco had dug the run-off channel on the north side of Bell Road to the Agua Fria River, destroying access to state land. The suit also claimed the Sun City company stripped top soil from state land stretching from Bell Road to Beardsley between the Agua Fria River and Sun City West, and used the land for a dumping site.

Early in 1980 additional charges were filed against Devco and three other companies including Citizens Utilities Company. The utility company was cited for illegally constructing a sewage main across the Agua Fria.

The other two named were Sanner Contracting Co. and D.C. Speer Construction Co.

DEVCO LAWYERS, who had maintained that the company received verbal consent from the land department before constructing on state land, have agreed to pay the damages in three-part installments.

"It will be handled in three payments, one now, one in a year and another in two years," said Devco legal counsel Gerald Williams. "Payments will include interest on the unpaid balance but I don't have the exact figures."

Williams called the agreement an adequate settlement. "We felt it was the best way to terminate the litigation."

THE DEPUTY LAND commissioner also expressed relief that the legal battle had come to a close.

"We're real pleased to have the case settled," Lane said, "and we're looking forward to a good working relationship with Del Webb."

Contempt of court charges, which were to be heard this morning in Maricopa Superior Court, were dropped as part of the agreement.

The contempt charges stemmed from Devco's alleged failure to comply with a Superior Court order to disclose financial information.

The information was ordered to help determine a reasonable fine if Devco had lost the trespassing suit to the Land Department.

TUESDAY, JUNE 23, 1981

Devco faces charges

SCW

By PAT KOSSAN
Staff Writer

Del E. Webb Development Company faces contempt of court charges stemming from the company's alleged failure to comply with a Maricopa County Superior Court order.

A petition from the Arizona Attorney General's office, signed Monday by Superior Court Judge Howard Thompson, charges Devco with willful failure to provide that office with financial information and documentation as ordered by the court on May 19.

The charges will be heard by Judge Thompson on Aug. 21.

The allegations are the latest to be filed against Devco in a year and a half-long legal battle which charges the Sun City-Sun City West development company with trespassing on state land and devaluing its worth for profit.

THE FINANCIAL information was ordered to help determine a reasonable fine to be imposed should Devco lose the suit to the state Land Department.

In a memorandum attached to the petition, assistant attorney general Kathy Rand said Devco's lawyer, Kenneth Sherk, suggested that he was unaware of his duty to produce the information.

Miss Rand called that response "absurd" and said information submitted by Devco in answer to the court order was "evasive and unreasonable".

SHERK SAID THIS morning Miss Rand's allegations were "not true" and that he had not yet received a copy of the petition.

"It is therefore difficult to reply," he said.

Sherk said he had "overlooked" some ordered information but delivered it to Miss Rand's office late yesterday.

SANNER CONTRACTING CO., D.C. Speer Construction and Citizens Utilities Co. are co-defendants.

The state land in question stretches from Bell Road to Beardsley between the Agua Fria River and Sun City West.

The controversy began when Devco dug a run-off channel from the north side of Bell Road to the Agua Fria River, destroying access to state land.

A TRESPASSING SUIT was filed by the Land Department in October 1979. The suit also alleges that Devco and subsidiaries stripped topsoil from state land and used the land as a dumping site.

Early in 1980 additional charges were filed, including the claim of illegal construction of a sewerage main, an access road, a bridge and a guard-rail across state land.

Devco lawyers claimed verbal consent to construct on state land was obtained from the Land Department. Department officials say the Land Department hasn't accepted verbal agreements for nine years.

IN THE PETITION FILED Monday, Miss Rand charges Devco and its lawyer, Sherk, with "a blatant disregard and a contemptuous violation of the court's discovery order".

Along with the willful disobedience and contempt of court allegations, Miss Rand is seeking a fine of \$1,000 each day of the first week Devco refuses to comply. That fine jumps to \$5,000 the second week, \$10,000 the following week and continues on a graduated scale.

Miss Rand is also seeking attorneys' fee and court costs.

SCW

Devco attorney claims documents overlooked

6-22-81

The Arizona Attorney General's Office is expected to file orders to show cause for Del E. Webb Development Co.'s failure to submit court-ordered documents regarding a multi-million dollar law suit filed against it by the Arizona Land Department.

The orders were expected to be filed today.

Attorney Kathy Rand of the State attorney general's office, was unavailable for comment.

Maricopa Superior Court Judge Howard Thompson gave Devco 30 days to produce the documents at a May 19

hearing. Devco attorney Kenneth Shirk submitted financial records Friday, but told the court he had "overlooked" the order to produce supporting documents.

The suit alleges Devco trespassed on state land and devalued that land for profit. Financial documents submitted indicate that profits from Sun City and Sun City West developments have declined steadily since 1978. According to records submitted, the company lost nearly \$1.4 million during the first five months of this year. Sun City West lost \$1.6 million and Sun City showed a

profit of \$200,000.

Nineteen million dollars in profit from home construction in Sun City and Sun City West was gained since 1977, the records show.

Judge Thompson needed the background documents to determine exemplary damages if Devco loses the suit.

The suit was filed in regard to a drainage ditch built two years ago by a sub-contractor, also named in the suit. The ditch is located north of Bell Road between the Agua Fria River and Sun City West. The state claims the ditch destroyed access to state land.

Webb claims state yielded land rights

By DAN WALLACH
Staff Writer

The centerpiece of the Del E. Webb Development Co. defense in the state Land Department lawsuit against it is the contention that the land department relinquished its jurisdiction in the matter.

Ken Sherk, the Webb counsel in the case, said Wednesday that the land department appraised the property, approved the appraisal, determined it was in the best interests of the state to sell, and on Dec. 14, the actual order was signed.

THAT, SAID Sherk, removed the land department from any further consideration in the matter. He said it can be supported by the precedent of the land department's attempt to overturn an approved sale in 1978 involving the Black Canyon Greyhound Park. In that case, the park operators appealed the valuation of the land it bought and a review board agreed with the appeal and lowered it. Andrew Bettwy, the land commissioner at the time, disagreed with lowering the valuation and tried to quash the sale but he was overruled in the state Court of Appeals and the sale was approved.

In this case, Webb did not appeal the valuation on the rights-of-way it applied for both for its storm drainage channel and a sewer line for Citizens Utilities. Webb accepted both valuations and proceeded with the work.

"IF WE made a mistake, it's that we started work before we got a piece of paper in our hands," said Sherk. An

unrelated lawsuit involves a Webb subcontractor, Sanner Contracting Co. which excavated some land located within the state trust area. Webb admitted that mistake and offered to reimburse the state for it but its offer was refused, Sherk said.

Although an unconfirmed report pegged the Webb offer at \$50,000, and the land department claimed the excavated land was worth around \$280,000, Webb counsel Gerald Williams said his company's offer "was comparable to the compensation" for gravel given the state from adjacent property by another party.

On the chronology of the rights-of-way, Sherk gave this account: in August, a land department appraiser studied both requests for rights-of-way and determined valuations of \$2,300 for the storm drain channel and \$3,200 for the sewage main right-of-way.

IN OCTOBER, the work was approved and the report was signed.

On Nov. 21, a five-man land department committee approved the report.

On Dec. 7, acting land commissioner Louis Duncan initialed the report.

ON DEC. 21, Duncan signed the actual appraisal form on both rights-of-way applications and Sherk said he saw the land department's seal on the signed reports.

Webb received the package Dec. 18 and returned it to the land department Jan. 11, refusing the right to appeal the valuations.

No date has been set for the next hearing.

Land suit hinges on trespass ⁷⁻⁹⁻⁸⁰

Issues to be resolved in the state Land Department lawsuit against the Del E. Webb Development Co. include a determination if it trespassed on state trust land.

Following that determination, Superior Court Judge Phillip Marquardt will reserve the right to see if the offense is chargeable to Webb and other defendants named in a series of suits filed by the land department.

ALSO NAMED were Sanner Contracting Co. and Citizens Utilities Co.

At issue is Webb's placement of a drainage channel for diversion and collection of surface water from Sun City West to the Agua Fria River which the land department claims cuts across a portion of state trust land.

Though Webb's defense centers around a right-of-way it says was granted by a former deputy land commissioner, based on a precedent-setting case which was upheld in the state Court of Appeals, the land department

still is claiming trespass and damage to state trust land.

THE PRECEDENT Webb's attorney Ken Sherk is using dates to 1978 when the Black Canyon Greyhound Park successfully defended a suit where it claimed an order-for-sale signed by a deputy land commissioner was valid. The park's operators had leased the land for 10 years prior to its request to buy the land. The Webb defense claims an appraisal order for the land upon which Webb constructed the drainage channel constituted the legal authority to do so, as in the Black Canyon case.

But the state is trying to show that Webb built the channel prior to approval or disapproval of its application to the land department for a right-of-way. That application was denied and the state's case will attempt to prove trespass on that basis.

CONTEMPT charges were dropped by Marquardt who cited insufficient

evidence concerning his cease and desist order signed Nov. 8.

Marquardt said he will consolidate the cases against all the defendants; determine if Webb actually had a legal permit to construct the channel and use the land; accept an amended complaint by the state and accept counterclaims by the state; allow Webb to call witnesses and permit the state to expand its case.

Two new actions against the defendants were announced by prosecutor Kathy Rand. She said the state will proceed against Webb on the matter of a hauling road which she said crosses state land and a crossing at El Mirage Road which abuts state land. She said the new actions were a result of a survey performed by independent consultants hired by the land department who were assessing damage to land which the state claims was caused by Webb and the co-defendants.

inner view

THE SPREAD AT SUN CITY

by Dan Lee

it hasn't yet reached Wickenburg, but with the new development the population will total 120,000 and be an even stronger economic factor

About the middle of last month the first seventy units in Sun City West were delivered to purchasers who were at the head of a waiting list of thousands. Presently about a hundred units a week are being delivered, and it is estimated supply will not catch up with demand until sometime next year.

Sun City West will cover 13,000 acres, with approximately 38,500 dwellings. When it is done, Sun City West and the adjacent Sun City will total about 120,000 people.

Sun City is reported to be the biggest single development by one builder in the history of housing. The president of the Del Webb Development Corporation, John Meeker, was a Phoenix boy who caught the eye of Del Webb when he caddied for the builder at Phoenix Country Club. Meeker said, "There wasn't anybody left in the caddie area, I was the last one, and I ended up caddying for him one day. We were friends."

Webb hired Meeker, who worked his way up. He was in charge of subdivision design when he went into Sun City at its inception in 1959. He took over as president of the development corporation in 1965, and was responsible for planning Sun City West.

He was interviewed at the development corporation's offices in Sun City.

Q: What have you got planned for Sun City West?

A: Well, you know, we've been eighteen years getting ready for this project. We've learned all the time we've been building this

one. In the planning over there we've been able to do, I feel, a better job than we were able to here because of the configuration of the property. We were able to do a core area, we call it. People have easy access to the center of an activity area, where the big recreation center is going to be.

Q: What are the recreation centers you'll be putting in?

A: We have six golf courses. We'll have three recreation facilities, with a main facility that will have, hopefully, all the tennis courts that will be needed, four lawn bowling greens, eight platform tennis courts — that's kind of a cross between tennis and handball — and a running track around the bowling greens. It will feature a surface called Superturf. We have a physical therapy consultant on exercise, on what's good and what's not good. We were going to go with a rubberized surface initially, but it's harder on the joggers. Ideally, the best thing to save ankles and knees would be to have sawdust. Well, we obviously can't do that, so we're going with this. It's kind of on the order of AstroTurf.

The track will be a quarter of a mile long, and we'll have an obstacle course in there, where, if a person is up to it, he can go over and do chinups, situps — really, we're emphasizing the physical fitness more than we ever have. We're going to have an exercise facility featuring all the latest machines they can use. We're going to have pulse monitors so they can check to make sure they don't have any problems. This new facility will be the largest of its kind in the country. It's over a hundred thousand square feet.

Q: How much will it cost?

A: We will spend, on these three facilities, including the Sun Dome, a 6,800-seat theater, in excess of 15 million dollars. Of course, that figure will depend on cost at the time they're built. That doesn't include the golf courses.

Q: For that reason will homes in Sun City West be more expensive than those in the original development, discounting normal inflation factors?

A: No, no. In fact, this is a pattern we have been following from this community on amounts we're spending. It's on the same ratio.

Q: You spend X-amount per unit?

A: X-amount, yes. Well, it evolves back to that. But the Sun Dome will serve both communities.

Q: That's a rather large facility, like another Grady Gammage or Symphony Hall, isn't it?

A: It's bigger than both of them put together.

Q: Do you think you'll be taking bookings away from those two facilities?

A: No, I think we're not going to book the types — maybe some of the same types of entertainment — but I would rather look at it that we would complement them.

Q: As far as booking in celebrities, won't you have an advantage because of the Webb holdings in Las Vegas?

A: No. It's different entertainers. We have no contact with their entertainment director. We

go to family entertainers, like Lawrence Welk. He doesn't go to Las Vegas. He's super. The people like him. In fact, we're very hopeful that we'll be able to get him to open this facility.

Q: Do the people in Sun City see Sun City West as a separate community or just an extension of their community?

A: No, it is a distinct and separate community. One day we'd like to see that change. We'd like to see them integrate together wherever they can. But of course that decision must be made by them, not us. For that very reason we've stayed away from any permanent joint uses.

Q: What's the average age of somebody who buys into Sun City now?

A: Of the new buyer? I would say it's at 65, maybe a little less.

Q: Will you have a younger population in Sun City West than here?

A: I really don't think so. Of the first three thousand buyers, maybe 25 to 30 percent of them are Sun Citizens.

Q: Are some of these people buying in Sun City West for investment purposes?

A: I would imagine, yes. At least, indications show that. We have tried to limit that as best we can.

Q: How do you do that?

A: We will not sell more than one home to a family.

Q: Do you stipulate the buyer has to live in the house?

A: We stipulate that, but it's hard to enforce.

Q: You mentioned there are things you have learned building Sun City that will affect building Sun City West. What are these things? What are some mistakes you have made?

A: Physically, I don't think we made any terrible mistakes. I have seen some buildings we put up in the past, and with hindsight you'd like to do it a little differently, do a better job. We've been very lucky in that the people have accepted and made most everything we have done out here work. The Sun Bowl, for instance, the recreation facilities, the golf courses. They took them over a couple of years ago and are making them operate every bit as good, or better than I think that we were able to run it.

Q: When you say they've taken them over do you mean Webb is no longer subsidizing them?

A: We gave the golf courses to them in this community, and they are operated at a break-even basis.

Q: Are they operated by the Homeowner's Association?

A: No, this is the Recreation Center Association. They physically own all the recreation centers. It's a non-profit corporation and all homeowners belong to it.

Q: That requires a \$40 per year assessment?

A: Forty dollars per year per person. They own it, consequently every homeowner has a stake in it.



"We've been eighteen years getting ready."

Q: Is this in the deed restrictions?

A: Yes, in the deed restrictions.

Q: Is it also in the deed restrictions that a home here can only be sold to someone 50 or older?

A: No, it is not.

Q: Has that been enforced somehow by the company?

A: At the outset we — and we've been challenged on this — but we had it researched by our legal counsel several times, to see if we could do that at the outset. We were advised we could not, but we could, however, restrict our sales policy, which we have tried our very best to follow. We do not sell all the resale homes in Sun City. Other realtors operate here as well as homeowners who wish to sell their homes themselves — they can sell to anybody, really. The way of life out here is

not conducive to families. They can't belong to recreation centers. There are no schools in the community.

Q: Are there people living in Sun City who would be excluded under your sales policies?

A: There are a few, yes, a very few.

Q: Have you asked any of them why they want to live in Sun City? Are they usually close to 50?

A: Oh, some are. Some may work out here and wish to stay here. Particularly those without children may want to. There are some children in the community that are from broken homes, but that figure has remained low over all the years.

Q: Some things might be affected by Webb no longer subsidizing



John Meeker

"We're emphasizing physical fitness."

Sun City. For example is it correct that landscaped medians will now be changed to require less maintenance?

A: When we started out, the county at that time accepted the area south of Grand Avenue. They are maintaining that area now. When we crossed Grand, they changed their policies. We had cut down on maintenance as far as possible, but we had grass and shrubs in medians. They have changed their policies to where they will accept the medians provided we make certain changes.

Q: Like converting to desert landscaping?

A: Yes, well, really, to leave the trees and eliminate the high maintenance shrubs and all grass, and change it to gravel or decomposed granite. We have been dealing with the county on this for some time. We are not going



photographs, ROD MOYER

"There is a fund geared to help people."

Q: Have you done some survey research to determine whom to advertise to, by which you've learned about the current typical buyer in Sun City?

A: Yes, we have. We started out a number of years ago. We advertise locally, because there are a lot of people, visitors to Phoenix, that we like to attract out here and do attract out here. Our national advertising consists really of one thrust. It's toward a vacationer, to come and spend one or two weeks with us and get a small sampling of the Sun City way of life.

Q: I take it you didn't anticipate the demand you're seeing for houses in Sun City West.

A: We just could not anticipate the demand. It has been unreal. We try — although we are not going to be able to do it in this instance, in Sun City West — to

have recreation facilities ready when we open our models. We're presently selling from our existing models, using these models to sell Sun City West.

Q: Does your survey research show things like income, party affiliation, where the buyer is likely

'there is a community fund in Sun City geared to help people'

to come from — what area, for example, supplies the most Sun Citizens?

A: California is number one, outside Arizona. People will move to Phoenix, see Sun City, and come out and buy a home. We only trace them by where they say they're from. But the number one state is California. Then it moves promptly to the Midwest: Illinois, Indiana, Iowa.

Q: Are most people now moving to Sun City upper middle-class conservatives?

A: I think so. They've been successful in life. They've saved their money. Some had profit-sharing plans. They're conservative in the respect that they have saved their money and planned ahead to retire.

Q: This makes for a homogeneous community, I imagine. You don't have a lot of friction among people since they're predisposed to get along?

A: You've touched on a point I really didn't cover a while ago. The people here have found a way to communicate with one another, far beyond what a normal community could provide. They're from the same walk of life; maybe that's the reason why.

Q: I have a quote from a man named Robert Blackburn, from the Executive Seminar in National and International Affairs, Department of State. One quote from his study was that some persons here expressed the view that, "Those with lower incomes find

themselves increasingly isolated in Sun City."

A: Is this the fellow who did the study here in the community or just this guy who popped off?

Q: I understand it was a study in the community.

A: I do know there is a community fund in Sun City geared to help people, but they have had extreme difficulty in helping people. It's pride. It has been done. The recreation centers have a policy, if a person can't afford to pay the \$40 per year — it's done very discreetly, not publicized — but if they can prove to them that they are in need, they take care of it. They have helped one another.

Particularly when one gets ill, money becomes a problem. Of course they have Medicare, which all of our people are involved in, but expenses sometimes run beyond that.

Q: Are there people here who have gotten buried by inflation, like some of the rest of us, and who have taken jobs here?

A: It's happened.

Q: What kind of jobs do they take? I noticed an older lady working in the restaurant over here. Is she probably a resident?

A: A lot of people like to work even though they have sufficient income, but they like to meet people. But then there are those, and even though I think they're small in number, that have to work. Of course there are jobs available as there will be in Sun City West.

Q: Do you see three generations in Sun City: young, middle-aged and old retirees?

A: There's three generations here. It might go as far as five. I don't know what the numbers would be. There are 50-, 60-, 70-, 80-, and 90-year-olds.

Q: Do you take that into consideration in planning facilities, for example, for physical activities? Is there a progression from tennis to

A: No. We have a weight-lifting

to make any decision on that until the community has resolved the question of self-government, whether or not they want to take on any type of self-government.

Q: They're forced to take on some types of self-government, aren't they?

A: No, they're not forced.

Q: That \$40 per year per person is a deed restriction, but it operates like a tax doesn't it, in that it's paid on a mandatory basis to support public services?

A: I suppose in the broad sense, yes. They pay that money in. They elect the people. The only thing about it is, they own the facilities we have already built and given to them, so they don't have capital expenditures. It's mainly an operating fund, and, I might say, they've done one whale of a job administering it. I think the people themselves will make the right decision as to the way that they want to go. We had a report pre-

pared and we've waited until the people who travel in the summer could get back before releasing it. I hope they resolve the issue (of incorporation) one way or another and get it behind them.

• There's been a lot of pro and con with the pro-incorporation

'the first phase alone will provide 45,000 jobs'

people and anti-incorporation people on the landscaping. To us, the landscaping is but a minor part of the decision.

Q: Is it getting pretty heavy on the county to supply services to Sun City? When we talk about when Sun City West is completed, aren't we looking at about 110,000 people?

A: Between both places there would be in excess of 100,000 people. There could be 70,000 over there, and 45,000 to 50,000 here. You're looking at maybe 120,000 people.

But the county gains by these people. They get far more money in than they put out in services, because of the taxes paid. They do not use the jail system; they do not use the welfare system; they do not use the county hospital . . .

Q: They don't even take up jobs, right?

A: They provide jobs. When you look at the pluses on that, and the amount of taxes the county and state really gains on these people, they are like an industry. In Sun City West, the first phase alone, economists estimate they will provide 45,000 jobs. Sun City is in an unorganized school district, but they nevertheless pay that \$1.30 (state) tax, and they have but a handful of children that use any school.

There has been some controversy on school bond issues, but I think a lot of the blame lies with the administration of the school district that tried to shove a bond issue down their throats every year, automatically, whether they needed it or not. They passed a couple because they were truly needed. But because they're here, people run out to pass a bond issue. The same thing is happening in Sun City West. The Dysart people have run out and passed a \$27 million bond issue. They used the Chrysler Testing Facility as a big impetus for that. That facility is going to provide 200 jobs. A majority of the people are already here. They've been renting a building from us for the past several years. I'm sure when residents move in they'll void that bond issue. There'll be a lot of flak over that.

These people do care. They're involved with Dysart School on teaching. They will take people who are trying to get their citizenship — I happen to know two or three families personally that do this — take Mexican people

who meet the requirements to be naturalized, and have to learn English, and they work with them. They've learned Spanish so they can teach these people English. That's how far it has gone.

Sun City does not get the recognition that it should for being the industry and the provider of jobs that it is. Their income is, I think, \$300 million a year (based on completion of phase one of Sun City West, total estimated personal income \$326,500,000). There are deposits out here approaching a billion dollars, in the banks and savings and loans in Sun City. They do not borrow that money. That money is used for homebuilding in Phoenix, and for new cars; the banks have branches here and they take it and loan it in Phoenix.

Q: The first part of Sun City you built, sometimes referred to as "across the tracks," do you foresee that becoming a singles community? Somebody dies first, right?

A: Well, yes, and I'm sure there are some more singles down there than in the newer sections. That's natural. But the thing you must not overlook is that when a couple sells their home, and another couple moves in, they're younger, and it starts over again. You have that steady mixture, always.

Q: When somebody dies, is the home usually sold by the survivor?

A: Not necessarily. Some will stay there. Some will remarry.

Q: Has Webb ever considered building a singles complex for retired people?

A: No.

Q: I'm sure a lot of people who retire now are single — divorced or widowed?

A: And we do have some single buyers, yes.

Q: You offer condominiums and townhouses and so forth?

A: We have four modes of living. We have single family, garden apartments, patio apartments and duplexes. We've had those for the past twelve or fifteen years. They can choose the lifestyle they want to go with. They can move to a garden apartment from a single family home. A lot of people move back and forth to see what they like best.

Q: How does one go about buying a home in Sun City West? Do you just put some money down?

A: No. You'd have to go over and get in the waiting list. (They had had 10,000 inquiries and processed 3,000 sales at the time of the interview.) Our planning has not caught up with the sales demand. It probably won't until next year. You register a letter of intent that you want to buy. You have a certain period of time to come back in when the lots become available. Then you must put down \$500 at that time and

make your lot selection and house selection.

room, one of the universal gym machines we just gave them over here. They bowl. They may not do it as strenuously as a younger person. They jog. They have over 500 members in their joggers club. That's a lot.

Q: What do you see as the major

'we're subsidizing the bus service and taking care of the medians'

misconception people generally have about Sun City?

A: That these people come out here, to sit down, and wait to die. It's the furthest thing from the truth. If the person who thinks that could get out here and see how active they really are — and I'm talking about all these generations you're talking about — and the activities that go on out here, a lot of people couldn't keep up with them. They're a vibrant group. They are a political force to be reckoned with in this state from now on out.

Q: Do you think that creates some resentment?

A: That probably does.

Q: Because they are an almost exclusively upper middle-class conservative group that will number more than 100,000, does that upset people who feel that in a normal population mix they would have more representation?

A: That's possible, yes.

Q: How big can Sun City get? Are you planning another development after Sun City West?

A: We've not looked that far down the line.

Q: Have you acquired land?

A: We have the original Sun City, comprised of 8,900 acres, and we already have another 13,000 acres. It took us nineteen years to get where we are. I'm sure if demand stayed up where it

is we'd have to consider whether we want to look at more, or go elsewhere or what, but no decision has been made. It would be premature to make any at this time.

Q: Would the land be available? Can Sun City stretch to Wickenburg?

A: Well, that would be a consideration. We'd have to see where land is available, with adequate water and drainage.

Q: Do you anticipate any problems in Sun City now that Webb is no longer subsidizing things here?

A: The only thing we're subsidizing has been the bus service, and we've been taking care of the medians. We have been working on a phase-out of those two items for a couple of years. We do not want to see any trees removed. Not one. It was a tremendous effort to get them put in in the first place, and we, and the people, have got to find a way to keep those trees. And we'll find it. The bus service we've been providing, it's been minimal, but there are a lot of people that use it; they need it because they can't afford to own a car, or they can't drive because of a physical impairment or whatever. And we're going to find a way to keep the bus service operating in this community at the lowest possible cost. It's going to take all the community to support those people that do ride the bus, because they cannot be made to pay just for that service. It would be prohibitive for them to pay for it. We're working on that problem now.

Q: When you went with this company, did you anticipate Sun City would reach this stage?

A: No. How could I? When I saw this piece of land, we took all day to drive around, and it was full of cotton. I had been in housing in Phoenix in smaller subdivisions since 1955, and I couldn't envision such a big place ever being filled with homes. It was beyond my expectations. I didn't think it could happen in my lifetime. It did, and here we are, going on to a second piece. □

AWAITS APPROVAL

DEVCO

Webb submits plans for Sun City West

By **TIM CLARK**
Staff Writer

A proposed master plan for the first phase of Sun City West, a sister retirement community west of Sun City, has been submitted to county officials, the News-Sun has learned.

The plan, submitted by Del E. Webb Development Co., envisions a retirement community similar to Sun City with a projected population of 32,500.

The proposal states that the 5,700-acre development—only the first half of the entire Sun City West—will be completed in seven to nine years at a construction cost of \$817 million, measured in 1976 dollars.

PENDING approval of the plan, construction of a central commercial-residential core is scheduled to begin this year. Residential construction is planned to start by summer 1978.

The proposed master plan must be approved by the Maricopa County Planning and Zoning Commission as well as the board of supervisors.

It is subject to alteration before final approval.

PHASE I of Sun City West will be bounded by Bell Road on the south, Grand Avenue on the west, Deer Valley Road on the north, and an extension of El Mirage Road on the east.

The master plan proposal was submitted to the county planning and zoning department and has been distributed to other county and state agencies as well as to towns and cities on the northwest side.

"THE MOST adequate description of the proposed new community—its appearance; form; sensitivity to site, environment and market factors; quality of development, and quality of life within—is the existing Sun City," the document states.

It adds that Sun City West will be geographically and organizationally distinct from Sun City.

The proposal for the first phase of Sun City West includes, at full development:

—17,000 housing units.

—Six 18-hole golf courses.

—Three recreation centers, one main facility and two smaller, satellite facilities.

—A central shopping area, anchored by a major department store.

—**THREE** neighborhood shopping centers and six additional commercial sites, designed principally for gas stations and financial institutions.

—A hospital, fire station, cemetery, and at least 10 sites for churches or synagogues.

—A complex of professional and medical offices.

—An area for nursing home and extended care facilities.

A key concept in the proposed development is a central core of commercial and recreational facilities.

THAT AREA, which is scheduled as the first part to be built, will include an 18-hole golf course, the main recreation center, commercial buildings, vacation apartments, a 7,500-seat, covered amphitheater, model homes, and a sales office.

The proposal indicates that initial residential construction will be south and east from the centrally-located core area, in the direction toward Grand Avenue.

The proposal predicts, based on the firm's experience in Sun City, that 65 per cent of the residential units will be single-family dwellings.

FIFTEEN per cent of the units are expected to be duplexes, with the remaining 20 per cent consisting of condominium apartments.

In a section examining the economic impact of the proposed development, the document states that the completed development will represent a 3 per cent increase in Maricopa County's population and a 4 per cent increase in current county property tax revenues.

"In terms of direct relationships, (Sun City West) will give far more than it will receive," the proposal states.

OTHER predicted economic impacts include a total of 55,880 jobs in construction and related employment. Those are expected to have a total payroll in excess of \$661 million.

The development also is expected to produce 2,100 permanent retail and service jobs within the community and an additional 350 jobs at professional and managerial levels.

The precise relationship between the existing Sun City and the proposed Sun City West remains unclear from the planning document.

ON FIRE protection, for example, the document states that a local fire district will be organized and lists options of annexation to the existing Sun City district or formation of an independent district.

(Continued on 3A)

1707 available

Protest moves to Webb center

Golf stance angers residents

By DEBBIE L. SKLAR
Staff writer

SUN CITY WEST — Brief storms hit this Shangri-La of retirement communities twice this week and another is predicted for tonight.

A handful of residents picketed Del Webb Corp.'s Model Home Center Wednesday and Thursday with promises to return daily through July to protest recent decisions by the community's developer. The picketers plan to return tonight for Webb's weekly wine and cheese party for potential home buyers.

The committee opposes Webb for not supporting its position regarding weighted golf tee times, said Cliff Morton, a member of Residents for Responsible Leadership. Weighted golf tee times help prevent the same people from playing the courses over and over at prime times.

The group is also leading a recall effort against three members of the Recreation Centers of Sun City West Governing Board.

"We got all kinds of attention, and the public relations guy came barreling out," Morton said about Thursday's picketing. "Webb just gloated about all the things they've given the community; the donations et cetera. They called the Maricopa County Sheriff's Office and sent someone out."

Morton said the sheriff's official told him and members of the group they could continue picketing as long as the group did not obstruct traffic.

"He said freedom of speech prevailed," Morton said. "Evidentially, Webb was angry because of what our signs were saying."

"The picket signs state Webb hasn't been telling potential residents the whole truth about certain things when they visit the center," Morton said.

Responding to picketers' allegations, Chuck Roach, Sun City West general manager, wrote a letter which is being distributed to potential home buyers. The letter reads:

"You may have passed some residents who are picketing just outside our sales complex and I wanted to provide you with some additional information to help you better understand some issues that are currently under discussion in our community."

The open letter continues to point

out the amenities the community can offer potential buyers. It reminds the buyer of golf courses, recreation centers and abundance of hobbies and sports offered in the community of 26,000.

The letter also explains the role of the Sun City West governing board and how it manages "over \$70 million in recreation amenities."

"The resident-elected board has made a recent decision to raise recreation center dues from \$110 a year per person to \$126.50. There has been no increase in fees since 1991. When compared with surrounding active adult communities, this new rate remains significantly less than many of the other communities."

"We support the board in their efforts to remain fiscally responsible and also support their efforts to establish fair and equitable ways to allow all members of the community access to golf facilities."

John Waldron, manager of public and community relations for Del Webb's Sun City West, said the corporation stands behind the governing board.

"We think the board does a good job in the community. We also continue to pay the recreation centers a fee for the vacant spec homes and lots we have in the community," Waldron said.

Webb pays about \$200 per unoccupied home, Waldron said.

One of the reasons committee members said it targeted Webb was because of a letter written to Roach.

Larry Watts, a golf professional, wrote a letter to Roach in early June addressing weighted golf tee times on association golf courses. The letter from Roach reads as follows:

"For several years there have been strong voices in the community crying out for independence from Del Webb. We listened to those voices and turned over control to the association and the elected officials that represent you. Everyone in the community was offered their opportunity to voice this position and the majority supported this turnover. I don't believe it is appropriate to be involved in an issue that is an association operating matter. If a democracy is to survive, it must be allowed to function."

"We're picketing Webb because they are not informing new people of



Mollie J. Hoppes/Daily News-Sun

Charles C. Pratt Jr., front, a one-year resident of Sun City West and Earl Busha, a four-year resident, picket the Sun City West Del Webb Model Home Center at 13001 Meeker Blvd.

the overcrowded situations here," Morton said. "One of our people, two days ago, went into the model incognito and was told the golf courses are great and play is quite available on eight courses. Eight courses. We've only got seven. They also failed to tell how overcrowded the recreation center facilities are. Go in and try to use a treadmill — all you can use it for is 20 minutes because

10 people are waiting in front of you and 10 behind you."

The community has nine golf courses; seven are managed by the recreation centers, the eighth, Hillcrest Golf Club, is owned by Webb; and the ninth, is at Briarwood, a private club. The governing board recently made an agreement with Webb for the use of Hillcrest during peak tee times.

Garnet Burnham 'Sells' Sun City By Selling Smiles, Way Of Life

In 18 years at Sun City, a lot of people have benefitted from the congeniality of Mrs. Garnet Burnham. Where first Garnet handed out smiles one or two at a time in model homes, now she charms bus loads and rooms full of visitors.

"Mrs. Sun City." That's how the town's daily *News-Sun* described her in a recent feature article.



GARNET BURNHAM, left, with a typical smile evokes the same response from a Wisconsin visitor to Sun City.

How she earned such a title is a favorable story — favorable for Garnet, Sun City residents and the Del E. Webb Development Co.

To begin the tale in reverse, today Garnet can be found either entertaining a bus load of Sun City visitors, or directing hostesses who help prospective residents feel at home.

"In the process," reports the *News-Sun*, "she has become kind of a mini-celebrity who can't eat lunch in a local restaurant without having a half-dozen residents greet her: 'I was on your tour four years ago.'"

They remember her personality and admittedly "corny jokes." *News-Sun* Reporter Tim Clark relayed several bus ride Burnhamisms:

"People ask if I ever was a teacher. I taught for a year but the parents complained because the kids never had a chance to recite."

"I pointed out those male mulberry trees to one group, and a man asked how I knew they were male. Well, nobody had asked me that kind of question before so I answered, 'I guess they found out in the nursery.'" (Told to groans, grins, guffaws and grimaces, reported Clark.)

Jumping (storywise) to the beginning, she and husband Reuben were living in Phoenix in 1960 while he operated an employment agency.

Reuben was helping staff Kings Inn at Sun City when she accompanied him on a visit there. Waiting for an appointment, the two "wandered" over to the Webb home sales office and, "in 26 minutes flat," purchased the last remaining lot on the town's original golf course.

Less than a year later, Garnet was among those who helped persuade the Webb sales department that resident hostesses, greeting people in model homes and at the sales office door, could help "sell" Sun City to visitors.

She and associates even traveled to Sun City, Calif. to establish a similar program.

Then in 1967 Sun City Sales Manager Ken Parker launched a plan so successful it has remained a basic part of the sales program ever since.

The Vacation Special, for a modest price, offers a week (or two) in Sun City so prospects can sample community life. Sun City hostesses helped from the beginning, and today call themselves Garnet Burnham's Call Girls (working when called for bus or private tours, maybe once, twice or three times weekly, or at dinners which Webb includes in the program).

Reuben Burnham moved around a lot when he was an A&P grocery manager. In their married life (the Burnham's celebrated their golden wedding anniversary in 1976) they have moved 30 times.

After 18 years in the same Sun City "house," the Burnham's have found a permanent "home."

RF-IC DEVC DEL E Webb Dev Co.

Webb's Sun City West gears up construction

By Dan Wallach

Trying to sell homes in Sun City gives Del E. Webb Development Co. (DEVCO) the same problems other home builders experience in attracting buyers.

Breaking the logjam of high interest rates which stifle home sales is the goal of George Reeve, president and general manager of DEVCO.

Prospective home buyers in the retirement community of Sun City West are lined up on a waiting list. It is those buyers who are waiting for buyers of their own to take their houses off their hands to realize their full equity and pay cash for their retirement homes in the new community just west of the Agua Fria River.

"We've probably got 2,000 people on a waiting list but they're waiting until they can sell their homes so they can make that move," Reeve says. "They don't want to be worried about how they're going to make the mortgage payments.

"Most of the people doing the selling now have to take back a second mortgage and that doesn't cut it for a person who wants to retire," Reeve says.

Typically, Reeve says, the retiree wants all the cash he can get out of his house without resorting to the wraparounds or carry-backs so they don't have to worry about where the payments are going to come from.

"That's the key and we're working on that," he says.

Toward that end, Reeve is seeking aid from major lenders across the nation to help break the logjam. He has buyers but his buyers also need buyers in order to make the move.

"I've been told that this is one of the major problems and I want to prove whether it is or isn't."

The program DEVCO is studying

"Let's say you want to sell your house in the Midwest and move to Sun City West," Reeve says. "The problem, for a person to qualify for a loan that would cash you out, is they've only got a certain level of income. Now, some lenders will allow you to qualify if the first year the payments are paid down. So instead of 16 percent interest, it's 12 percent interest. That then would allow you to qualify for a loan.

"Now, what I'm saying is that we'll even look at the possibility of paying three or four points if that would help that person sell the house. Providing, of course, that the person will buy a house in Sun City West."

'We listened to what the people wanted.'

Lomas Nettleton Co., a national investment firm, devised an adjustable-rate mortgage for the duration of a typical 30-year mortgage which will allow home buyers to qualify at lower rates for the first two years.

The plan is tied to one-year Treasury bill rates currently at 13.5 percent. Adding an accrual rate of 2.625 percent yields 16 $\frac{1}{8}$ percent from which four points are subtracted, yielding 12 $\frac{1}{8}$ percent. That is a rate at which about half the possible buyers of homes can qualify, the company says. The buyer pays principle and interest at the 12 $\frac{1}{8}$ percent rate for two years. Beginning with the third year, the monthly payment rises by 7.5 percent as it will through the fourth and fifth years. In the sixth year, the loan is recast based on the Treasury index.

At the close of the fifth year, the

Nettleton investment executive. He says about \$18 million has been used in the Phoenix area.

Brunn says there is leeway in selecting the adjustable rate because any one of six indexes for the year may be used. He says the program got off the ground in January after a mid-December inauguration.

Following in the vein of negative amortization, or deferred interest, is the cash payment a home builder would make to a lender to push down the interest rate for a buyer.

DEVCO's special difficulty is that most of its home buyers are from places like the northern Midwest where loan money is tighter than ever and where unemployment is high.

Don Johnson, a Western Savings vice president for residential lending, says those who can qualify for a 16 percent loan represent only 2 percent of the home buying market.

"It's all in the pricing and financing today," he says.

"Home buyers who want to come to Sun City West, he says, may hesitate because they can't get their homes sold, they dislike the uncertainties connected with loans and they put off the move until things begin to clear up."

Johnson, who worked in Western's Sun City office during the downturn of 1974-75, says the retiree usually has a large equity in his home and typically doesn't get all the cash out he needs to make the move. Since that would require some sort of carry-back on the retiree's part, the home builder is faced with rescuing the sale.

That rescue, he says, comes when a builder puts money in a title or escrow company to help the buyer move his home and pay cash for a new home.

"The builders not only may pay up front in additional interest to lenders to knock down interest rates, they may also offer a subsidy for a monthly pay-

"We haven't done this yet but we're investigating," he says. "What we hope to do is make people aware of which lending institutions can help them without us getting involved. We advise our prospective purchasers and give them a list of lenders in their areas."

One marketing strategy which Reeve has launched is in the type of homes which DEVCO is offering for sale.

"We really listened to what the people wanted. They said they want openness, they want it to be airy, they want a really great room, they want the bedrooms to be separate."

This top-of-the-line house Reeve describes will list for \$195,000 and will be 2,800 square feet.

That house will be built right away, he says. At the latest Del E. Webb board of directors' meeting, Reeve says he got approval to go ahead with construction of homes to build up inventory in Sun City West in preparation for the autumn selling season. There are 750 improved lots in inventory at present but only eight constructed homes.

"We've really been successful in reducing our inventory," he says.

Another home design will include two master bedrooms for residents who are living with relatives or people who are not their spouses — a concept launched by the younger generation to cut expenses. Now that tougher times have crossed the generational lines, older people are turning to the concept of shared housing. For \$66,000, these buyers can move into a home which features large bedrooms with their own master baths so no one feels shortchanged by having to move into a smaller guest bedroom.

"In essence, they can wind up living in Sun City West for \$33,000 apiece. We're really going to see some market potential there," Reeve says.

The board approved this

that," he says.

Toward that end, Reeve is seeking aid from major lenders across the nation to help break the logjam. He has buyers but his buyers also need buyers in order to make the move.

"I've been told that this is one of the major problems and I want to prove whether it is or isn't."

The program DEVCO is studying may include "paying down some points" to lower the interest rate in order to qualify would-be buyers who otherwise do not have the income to qualify paying a 16 percent loan.

cent. That is a rate at which about half the possible buyers of homes can qualify, the company says. The buyer pays principle and interest at the 12 $\frac{1}{8}$ percent rate for two years. Beginning with the third year, the monthly payment rises by 7.5 percent as it will through the fourth and fifth years. In the sixth year, the loan is recast based on the Treasury index.

At the close of the fifth year, the accrual rate of 2.625 percent is added to the new index for the principle and interest of the 25-year loan.

"Our company to date has used \$725 million," says Fred Brunn, a Lomas

some sort of carry-back on the retiree's part, the home builder is faced with rescuing the sale.

That rescue, he says, comes when a builder puts money in a title or escrow company to help the buyer move his home and pay cash for a new home.

"The builders not only may pay up front in additional interest to lenders to knock down interest rates, they may also offer a subsidy for a monthly payment to keep the home buyer qualified," Johnson says.

Reeve hasn't committed DEVCO to any marketing strategy which would require such payments.

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"In essence, they can wind up living in Sun City West for \$33,000 apiece. We're really going to see some market potential there," Reeve says.

The board approved this concept earlier but recently gave the go-ahead for construction. The feelers are out to prospective buyers and Reeve says the feedback, so far, is tremendous.

While all this attention is focused on Sun City West, the older sibling of Del E. Webb, Sun City at age 22, must fend for itself.

While DEVCO subsidizes Sun City West's recreation center at \$200,000 per year, the massive facilities of Sun City — seven recreation centers — must support themselves under the aegis of the Recreation Centers of Sun City Inc. That is an organization which can put a lien on an individual's home and property if the home owner in Sun City refuses to pay the \$42 annual, mandatory fee for maintaining the recreational facilities.

Reeve says as long as the population of Sun City West remains as low as it is — about 7,000 to 8,000 residents now compared with Sun City's nearly 50,000 — DEVCO will continue to subsidize the operations.

"We could cut it off right now," he says. "But we want to sell more houses."

He says the best salesmen he has are satisfied home owners who tell their friends.

In designing the new homes in Sun City West, Reeve says home owners of the five-most-popular models were asked for their opinions on how to make them



By the time it opened in 1978, Sun City West had 11,000 letters of intent to purchase (photo: May 1982).

or potential market

etter and their suggestions were incorporated into the new designs.

The final major development in Sun City was in mid-1978 and DEVCO looked to the close of its subsidy of operations there.

One of the last services provided by DEVCO is the Sun City bus line, begun around 1966 and advertised nationally to attract buyers in Sun City with the promise of convenient transportation.

As of July 1, the bus service ceases operations as a result of the statewide transportation deregulation passed by Arizona voters.

In 1980, DEVCO applied to the Arizona Corporation Commission to have its certificate of convenience and necessity suspended in order to halt the buses. The company cited lack of ridership and a \$60,332 operating loss in 1979 as its reasons for wanting to halt the service.

The commission refused to let DEVCO stop the bus service after hearing from a group of Sun City residents opposed to the move.

In fact, a hardy core of Sun City residents opposed any attempts by DEVCO to abandon its "administration" of Sun City because its presence negated the need for any other type of administration, such as one which would follow incorporation.

'Banks like to make loans for Sun City.'

Former DEVCO President John Meeker, in his first newspaper interview since resigning last September, says the company "never represented that it was a lifetime commitment (to care for Sun City's administration), although some

West by the time it opened in 1978. But, a combination of bad weather, high interest rates and economic uncertainty kept prospective buyers from visiting Arizona and Sun City West. Those who intended to come to Sun City West eventually numbered about 4,000 of the original 11,000, Meeker says.

"Those who made the decision to do it once may do it again," Meeker says.

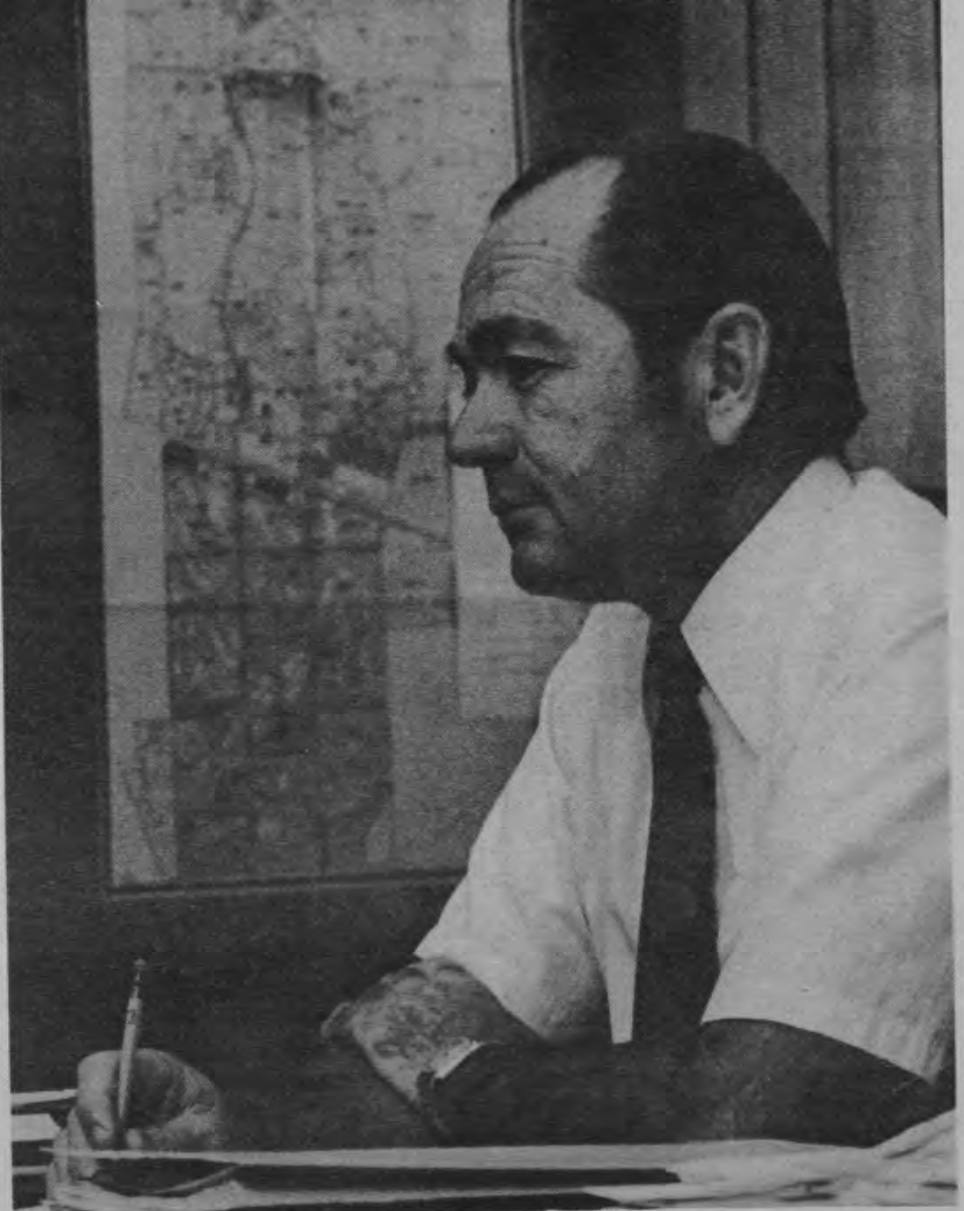
However badly Meeker's fortunes went after the downturn of the late 1970s, there wasn't a year that DEVCO didn't turn a profit for the corporation. From its beginning in January 1960, when 272 homes were sold in the first weekend of Sun City's existence, DEVCO always has made money.

Reeve says a profit was turned this past year only because of asset sales and not through operations.

Raw-land parcels are for sale in Sun City and they are open, for the first time, to fast-food franchises. Also, church congregations in Sun City may buy commercially zoned lots at the commercial rates, at a price about 66 percent higher than what church lots were dedicated for in the Sun City master plan.

At the time of the Farrell Report in 1978, a clear signal of DEVCO's intention to wind down its responsibility in Sun City, the decision to sell the seven major shopping centers had not yet been reached. Western Savings' Foresight '80 estimated the shopping-center space in Sun City at 1.2 million square feet and Meeker says the centers sold to Prudential Insurance Co. in 1980 for "less than \$30 million."

The parent corporation, at the same time, sold the Rosenzweig Center and the Townhouse to Ramada Inns, the Mountain Shadows to Marriott Hotels and the Newporter Inn in California to Amaf Inc. of Honolulu and Westgroup Inc. of Hollywood, Calif.



We advise prospective buyers of lenders in their areas, says Reeve.

Meanwhile, the venture in Sun City West was costing money. Losses in Sun City West during 1981 amounted to more than \$1.5 million through the first half of the year. The corporation, in a stockholder's report for the second quarter, blamed the bad times on high mortgage rates stifling the home sales.

Conversely, the Sun City area enjoyed a 9.1 percent growth in 1980 over 1979 while Maricopa County, as a whole,

completed in 1978 and the inauguration of Sun City West.

To more accurately focus on the success of Sun City and its sister community, it is instructive to look at its competition elsewhere in the Valley.

According to Woodall's Retirement and Resort Community Directory, the closest competitors to Webb's Sun City are Sun Lakes with about 4,500 residents in about 3,000 homes and Leisure World in east Mesa, owned by Western

to make loans for Sun City.'

Former DEVCO President John Meeker, in his first newspaper interview since resigning last September, says the company "never represented that it was a lifetime commitment (to care for Sun City's administration) although some people thought we did."

Meeker says DEVCO was there to help Sun City residents and not to provide in perpetuity on some items such as recreation centers, scenic road medians, bus service and entertainment.

Meeker says DEVCO was concerned about Sun City's future and he tried to help the community to bring ideas for the future to a vote by producing a study on governmental alternatives for Sun City. The study, prepared by a California consulting firm, Milton Farrell and Associates, cost \$40,000 and suggested incorporation as a city.

It was shouted down by a small, vocal group of anti-incorporationists. The issue never surfaced for a vote by Sun City residents.

A vote on incorporation had been taken in 1964 when the population was less than 15,000. It lost by nearly three-to-one.

At that time, too, Meeker was setting the stage for the debut of Sun City West, his idea from the beginning.

"I did the general concept of that," he says.

When planning began in 1977, DEVCO was flushed with the success of Sun City and the sister community was a bold plan to copy that success.

"We'd spent 20 years learning how," Meeker says.

The company had received 11,000 letters of intent to purchase in Sun City

space in Sun City at 1.2 million square feet and Meeker says the centers sold to Prudential Insurance Co. in 1980 for "less than \$30 million."

The parent corporation, at the same time, sold the Rosenzweig Center and the Townhouse to Ramada Inns, the Mountain Shadows to Marriott Hotels and the Newporter Inn in California to Amfac Inc. of Honolulu and Westgroup Inc. of Hollywood, Calif.

Subsidiary DEVCO properties in Sun City were sold and the firm's own office building was sold to the Traveler's Insurance Co. Office space is leased back to the company.

Conversely, the venture in Sun City West was costing money. Losses in Sun City West during 1981 amounted to more than \$1.5 million through the first half of the year. The corporation, in a stockholder's report for the second quarter, blamed the bad times on high mortgage rates stifling the home sales.

Conversely, the Sun City area enjoyed a 9.1 percent growth in 1980 over 1979 while Maricopa County, as a whole, grew by only 2.7 percent in the same period, says Western Savings' Foresight study. Six percent of the metropolitan home sales were in the Sun City area, due to the last Sun City development

completed in 1978 and the inauguration of Sun City West.

To more accurately focus on the success of Sun City and its sister community, it is instructive to look at its competition elsewhere in the Valley.

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Both communities provide recreation facilities but Meeker estimates its rec-

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Sun City West's population is about 7,000 to 8,000 compared with close to 50,000 in Sun City.

them at the Internal Revenue Service or the Department of Labor, 2120 N. Central.

• Internal Revenue Service Circular E, Publication 15, "Employer's Tax Guide."

• Internal Revenue Service Form 942, Employer's Quarterly Tax Return. This form explains how to determine whether your employee comes under the law and how to figure out how much you have to contribute.

• Department of Labor, "How the Fair Labor Standards Act Applies to Domestic Workers."

Agencies Offer Regulatory Information

Both federal and state offices will answer your questions about your duties and options as an employer. Here is a summary of government requirements that may apply to you as an employer, together with telephone numbers of the agencies that oversee them.

FICA	Internal Revenue Service	257-1233
Minimum Wage and Overtime	U.S. Department of Labor	261-4233
Immigration Laws	U.S. Immigration Service	261-3122
Arizona Unemployment	Arizona Department of Economic Security	255-4755
Workman's Comp.	Arizona Workman's Compensation Fund	255-4605

When a cleaning lady asks you to pay her in cash, one IRS source recommends you obtain a written statement from her that she regards herself as self-employed and that she will declare her income. You still are required to report her earnings and, if you do not, you invite trouble from Uncle Sam. Willfully helping someone to evade the income tax violates federal law.

In Arizona, questions about hiring illegal aliens often come up. Attorney Pettibone says it is not now against the law to hire an illegal alien, although if a bill currently in Congress passes, it will be. However, he says, if a person knowingly provides shelter or other services that help an alien stay in the United States, he could be convicted of harboring the alien, a criminal offense.

Once you have come to grips with your responsibilities as an employer to the federal and state governments, you would be wise to consider your insurance liability. Will you be covered if your housekeeper falls down the stairs and breaks her back? What if she hits someone in her car while running your errands?

Workman's compensation for servants is voluntary in Arizona. An employer may provide a household worker with workman's compensation either through private carriers or through the state Compensation Fund. It covers any type of work-related injury or disease.

The state fund calculates the cost on a per-capita basis. One occasional servant, such as a cleaning lady, could be insured for a maximum fee of \$55 a year. For a full-time worker, coverage would cost \$100 a year.

An advantage to workman's compensation, from the employer's point of view, is that an employee who is compensated for an injury through this system cannot then sue her employer for



Meeker: Great satisfaction

WEBB

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recreation centers would cost nearly \$20 million to replace.

Perhaps the biggest thing in Sun City, Meeker says, was when Boswell Memorial Hospital was built. Neither Sun Lakes nor Leisure World have hospitals within the communities. In 1966, the community raised more than \$1 million which was matched by the J.G. Boswell Foundation. It continued the Webb philosophy behind the Sun City plan — build the facilities first so they are available for the residents when they come.

"We gambled and put money into the facilities up front," Meeker says. "They are very functional facilities and the people had input into their construction."

Meeker, who joined the Webb Corp. in 1946, served as DEVCO president from 1965 to 1981. He now is joining with his four sons in a home-building business in both Mesa and Prescott.

Meeker says he missed Sun City and

Sun City West at the time of his departure "after spending so much of my life there." But he derives "great satisfaction" in having helped so many people fulfill their lives in retirement — "maybe more than they would have otherwise."

He is getting ready to build what he calls a "zero-lot-line patio home," a version of a town house.

Meeker is reluctant to comment on Sun City West's home sales troubles right now but does say the "problem isn't product — banks like to make loans for Sun City."

As to the fluctuations in Webb's and DEVCO's top management affecting home sales, new President Reeve says, "I wouldn't think it would be a factor at all."

Reeve says the management change shouldn't affect a prospective buyer's decision to move to Sun City West, citing Webb Chairman Robert Swanson's track records at General Mills and Greyhound and Reeve's own 20-year service with the company in the commercial real estate division. ■