

Overview

by John W. Meeker

The following is my interpretation of how Sun City evolved based on the factual history and my memory of events that occurred.

The Beginning

In addition to building various commercial projects, schools and hospitals throughout the country during the late 1940's and 1950's, the Webb Company constructed major housing developments in Tucson, Arizona, and San Manuel, Arizona, on a contract basis. During the construction of the San Manuel project in 1953, an unsuccessful effort was also made to build and sell FHA-financed conventional family housing in several small towns throughout Arizona and Brawley, California, with an entity named the Del E. Webb Development Company under the direction of James Paul. This operation was reorganized in late 1954 to build conventional family housing in the Phoenix Metropolitan area under the direction of Senior Vice President J. R. Ashton and General Manager Tom Breen. Through 1959 several hundred homes were sold and built. Also projects in San Diego, California, and Cedar Rapids, Iowa, were developed. During this period and into the early 1960's, Webb was the successful bidder on several military housing projects around the country and in Hawaii.

In late 1958 Mr. Webb made a joint venture agreement with a close friend named Henry Crown of Chicago to purchase the 3,000 + acre Arrowhead Ranch farming operation northwest of Phoenix and Glendale. Henry Crown was principal owner of the Empire State Building in New York City and interested in the hotel business on an international scale with Conrad Hilton of the Hilton Hotel chain. He also had substantial investments throughout the United states. This land was later sold to the Goldwater-Martori Group as a farming operation in 1965. This group then sold it to Tally Industries in the late 1970's who, after an attempt at development, in turn sold it to the Hunt-Stevens group of Texas that put on the present

Boswell, learning of the Webb Company's involvement in the Arrowhead Ranch property, approached R. H. Johnson, Senior Vice President in charge of the Los Angeles Contracting Division, about purchasing his company's ranch property in the Marinette area in early 1959. Johnson referred Boswell to Del Webb and L.C. Jacobson, and a joint venture agreement was soon reached for purchase of three ranches totalling some 20,000 acres for a price of \$15,000,000. Boswell did not think the Youngtown developer, Elmer Johns, had the wherewithal to do a larger retirement development and eventually buy all of the Boswell Marinette Ranch land.

While the joint venture language was being worked out, L. C. Jacobson, Webb Company Executive Vice President, directed that an all-out planning effort of an active retirement community development commence under the direction of J. R. Ashton and T. E. Breen. This decision was primarily based on the perceived success of the Youngtown retirement community located on the western periphery of the Marinette Ranch. Also, some very unscientific research was conducted in Florida, and a conclusion was reached that for the project to be successful, all amenities should be in place prior to opening for sale. Planning was completed by June, and construction commenced in July on the 9-hole golf course followed by the five model homes, recreation center, shopping center, motor hotel and restaurant and rental apartments.

During the construction phase a small temporary sales office was moved on site to keep the hundreds of inquisitive visitors out of harm's way. More than 400 prospective purchasers put down a \$500 deposit from September to the Opening Day of January 1, 1960. An estimated crowd of over 100,000 showed up over the weekend, and Sun City was born.

Response to this new active retirement community concept was far beyond the expectations of management. It was like Webb had unlocked the door to the mint because management immediately began thinking of taking the concept nationwide before other developers could pick up on it. The search for land in California and Florida began immediately for comparable large land parcels. Since Boswell for his part of the joint venture was carrying the land without interest and paying the taxes on the unreleased

land, Sun City, Arizona, only required enough cash flow and borrowings to meet work-in-progress needs. This was apparently overlooked in the cash flow projections for the Florida and California projects which were 100 percent owned by Webb. It was very difficult to perceive the cash requirements of a successful project such as Sun City, Arizona, because of the large upfront expenditures triggered by increased sales and the lag time between sales and closings.

Webb operated at that time under the standard housing developer creed that when the house was delivered, the developer never wanted to see or hear from the buyer again. It became apparent that Webb management didn't really understand that it took more than physical facilities to make an active retirement community successful since they were strong on building experience with very little exposure to volume sales and procedures. It took several years to develop this expertise. This also was in part because Webb's efforts were fully concentrated on just getting the Kern City, California, Sun City, Florida, Sun City, California, projects and Clear Lake City, Texas, developments up and running through 1962. Also, during that period, advertising was directed toward adult age prospects to convince them that it was socially acceptable to live in an active adult community such as Sun City. It took several years to achieve this goal.

An in house marketing group was formed in 1962 to handle all projects with so-called experts being brought in to increase traffic to the various projects via national and local advertising programs. It was felt at that time that a certain percentage of visitors would buy homes and that higher traffic would simply produce higher sales. In 1962 when Sun City, California, and Sun City, Florida, opened, a policy was put in place capitalizing opening year's national and local advertising expense and writing it off over a five year period. These expenditure amounts were substantial.

Kern City, located in Bakersfield, California, opened in 1961 and should never have been developed as an active retirement community because of its location in the San Joaquin Valley. At that time Bakersfield was noted for its oil refinery odors, winter time dense Thule fog and high summer time temperatures.

The Sun City, Florida, project opened in early 1962 with great expectations from management. However, it was never able to sustain any sales momentum because it was poorly located some 20 miles south of Tampa with marginal road access and a distinct lack of amenities within reasonable driving distance including major shopping, churches and hospitals. The west coast of Florida simply did not have the drawing power of developments on the east coast at that time. Sales traffic was very difficult to attract because Tampa was an industrial port city, and St. Petersburg was a haven for minimal income retirees. Even the Vacation Special program did not work well because of so many free loaders looking for a cheap Florida vacation and residents discouraging prospective buyers because they felt too many residents would interfere with their ability to get choice golf course tee times and crowd the recreation facility. The golf pro, trying to be accommodating, allowed certain groups the same starting times every day and did not follow the lottery system used in the other Sun Cities.

When the Sun City, California, land assemblage was put together, Webb management envisioned a totally new community development, including but not limited to a retirement community, conventional housing, shopping centers, industrial parks, trailer courts and hospitals. Records indicate Webb management projected 2,500 sales per year for the first three years and 3,000 sales per year average for the first ten years for a profit of \$58,000,000. It also assumed appreciated land values at \$10,000 per acre in ten years on 5,000 acres of sales for a profit of \$50,000,000, and \$48,000,000 profit on 1,200 acres of industrial land sales for a total profit of \$156,000,000. A master plan was prepared by an in house planning group and showed 5,163 acres retirement, 5,781 conventional housing and 914 acres industrial. The land values by 1974-75 were about the same price Webb paid in 1961 including imputed interest. Conventional housing didn't reach the area until the middle 1980's, almost 25 years later. When retirement sales did not meet expectations, disposal of all excess land became a necessity beginning in 1964. It is not known what criteria was used to predict the 3,000 sales per year since Sun City, Arizona, had sold only 2,200 units in two years when these projections were made.

In Sun City, Arizona, DEVCO's noninvolvement policy with the

residents continued. Marketing efforts were concentrated on drawing more visitors to the project and included giving away a home on the *Truth or Consequences* television show with a choice of Sun Cities, a home trade in program, a lease option program on certain completed units and a Try Buy Vacation Program featuring a special rental rate of \$150 per month or \$50 per week with credit at close of escrow. The Marketing Department even launched an unsuccessful mail order vitamin pill program aimed at retirees using a national manufacturer's products.

In spite of the many expensive programs employed, visitor traffic and momentum continued to decline on all Sun City projects. This was partially due to a nationwide recession which commenced shortly after the opening of Sun City and lasted until early 1961 followed by a slowing national economy in 1964 and 1965. In 1965 the Webb Corporation pulled the plug on Executive Vice President Joe Ashton and Senior Vice President Tom Breen and the entire marketing group. John Meeker was then given the total responsibility for the three remaining Sun City retirement communities.

The Renaissance

Meeker invoked a new policy of involvement by DEVCO with Sun City, Arizona, residents and also to a lesser degree because of cost and community size in Sun Cities Florida and California. Only Sun City, Arizona's population of 8,000 and expected growth was considered large enough to support the proposed Sun Bowl operation. Rather than continuing to spend large amounts of money on national advertising, a decision was made to invest in more community activities and promotions in an effort to get residents to become more supportive and be a stronger source of referrals.

Various actions were taken by DEVCO from 1965 to 1969 to show that DEVCO truly cared about residents' security, happiness and the Sun City way of life. The most important action was the announcement of the Sun Bowl concept, which was Webb's first major effort in promoting companionship. This facility was envisioned to provide low-cost entertainment to residents and prospective buyers by featuring reasonably priced programs. The Sun Bowl was initially offered to and accepted by the Homeowners Association

for its operation. However, DEVCO, with Homeowners Association concurrence, later opted to operate this facility itself. Simultaneously, DEVCO became fully involved with a resident group and together formed a non-profit corporation to further explore the building and operation of a community hospital. DEVCO at its expense had a preliminary plan along with elevations prepared by architects for a 61-bed Sun City Community Hospital to be located just east of the recently completed Sun Valley Lodge. This evolved into the 355-bed Walter O. Boswell Memorial Hospital, which opened in 1970. The Boswell Foundation came up with its \$1.2 million offer in 1967 of a matching fund donation for a state-of-the-art hospital, and DEVCO had its anchor to cross Grand Avenue and the existing railroad tracks.

DEVCO instituted the 60-day warranty program for new move-ins to provide better service to the customers. This program made new residents extremely supportive of DEVCO because their complaints were addressed regardless of who caused them. According to marketing surveys conducted by outside builders, this new company policy was the single most important factor in customers purchasing a home in Sun City. The customers felt that Del Webb would take care of their move in problems without a hassle.

A new marketing tool was introduced offering prospects a one week vacation in Sun City to sample its life style. Previously DEVCO offered a Try Buy Vacation Program which allowed the sales department to offer 22 apartment units on a selective basis by the sales manager for \$50 per week or \$150 per month with a maximum credit of \$150 at close of escrow to buyers. It was not advertised and did not include any other incentives. It did not produce results and was discontinued. Marketing Director Harvey Shahan retooled this program, and it was offered via national advertising using the Kings Inn on a trial run basis. This program consisted of two rounds of free golf, a breakfast, a western-style dinner with entertainment provided by various Sun City groups and a bus tour of the Phoenix and Scottsdale areas because Sun City did not have enough establishment to tour at that time. The Public Relations Department assigned a young man named Graham Smith to head up this program, and he in turn selected Garnet Burnham, a Sun City resident, to head up the bus tour hostesses. The only

contact the salesmen were allowed was to give the vacationers a slide presentation, their free golf passes and a box of cactus jellies. No high pressure salesmanship was allowed. At that time many Florida and Arizona land promoters were offering one, two or three day free air trips with the provision that the respondent had to listen to a high pressure sales pitch several hours long.

Since DEVCO's prospects were paying for their visit (albeit below cost), it was felt it would be inappropriate to use high pressure tactics, and the many exit interviews bore this out. The public relations host, resident bus tour hostesses and resident entertainers proved out to be more than adequate spokespersons for the Sun City way of life. Door prizes made by residents in the various recreation center arts and crafts facilities were given out during the western-style dinners and were very popular with the vacationers.

It became evident that after the various recreation center clubs were organized, participation steadily declined. Small door prizes of two dinners at the Kings Inn were tried without much success. DEVCO management authorized the Public Relations Department to provide more expensive door prizes such as a large screen color television to a club chosen at random. When the first television set was given away to one of ten or so people attending a club function, the next month's meeting drew a very large crowd looking for that big prize but instead found friendship and companionship. Of course other expensive door prizes were given away at subsequent club meetings, but this certainly indicated a need for DEVCO's participation and direction to promote interaction between residents. Promotion of companionship, a most important human need, became a valuable sales tool for DEVCO.

In 1965-66 the first annual Radio-Press-Television Golf Tournament was held in an effort to give the various media personalities a close up view of Sun City and expose them to the local resident leadership as well as DEVCO personnel and perhaps eliminate some of the local negativism. DEVCO allowed a private country club to be formed by residents. The club house and golf course facilities were purchased from DEVCO by membership fees.

A softball field for a local semi-pro women's softball team was built with the Grand Shopping Center Merchants Association as their sponsor. A building for Sunshine Services was constructed at cost on DEVCO donated land. Sunshine Services was formed by residents to provide in home sick room equipment at no cost to residents in need. The Sun City fifth anniversary party and parade was sponsored with Mr. Webb participating.

DEVCO assisted resident George Meade and his group in forming a fire district for Sun City. After its formal approval by residents, a fire hydrant installation project throughout Sun City was negotiated by DEVCO and the fire district with Citizens Utilities which resulted in substantially lower fire insurance premiums.

When Arthur Lambert of Youngtown obtained a bus franchise to operate a bus system in Sun City, DEVCO purchased a bus and leased it to him for a token amount to hold fares down. Thus, Sun City residents were provided with reasonably priced bus service to the shopping centers, recreation centers and medical facilities.

A Watermelon Whing Ding and Sing was sponsored by DEVCO at Town Hall and featured Dolan Ellis of the New Christy Minstrels. DEVCO sponsored the annual States Days promotions and Father's Day Root Beer Bust, both introduced as adjuncts to the already successful Mother's Day Strawberry Festival being sponsored by the Merchants Association. The inaugural free grape picking festival was held at Webb owned Arrowhead Ranch vineyards. More than 2,000 residents showed up over one weekend. Sun City hosted a New Mexico, Southern California and Arizona Amateur Rose Growers' Show. It drew more than 1,000 entries and an estimated 5,000 people attended.

An experimental home was built for residents' comments with prizes given for the best answers. Owen Childress came on board as Project Manager in September, 1966. He immediately pursued the amalgamation of the feuding recreation center groups, and in little more than a year it was accomplished. Oakmont Recreation Center was turned over in 1961 to the residents, and in 1964 Town Hall Recreation Center was deeded to the residents. A problem arose over cross use of the two facilities because each recreation center served a certain geographical area and had different yearly

fees per resident. This degenerated into a mini Berlin wall situation and was solved by DEVCO intervention, resulting in existing and future recreation center use by all residents.

Sales for 1966 increased 52 percent from 395 to 602 units. More than half of the sales came from resident referrals, giving credence to the fact that DEVCO's new policy of involvement was working in spite of the cattle feeding pens' odor problem located not more than 1 and 1/2 miles from the area being offered for sale.

In 1967 the Sun Bowl kicked off its annual Celebrity Series of entertainment stars performing for residents and visitors at very affordable prices. Another experimental house was built to primarily test the acceptance of hardboard siding in lieu of masonry exterior walls. It received the usual good resident response, and the usual prizes were given away. The second annual free grape festival was moved to the Boswell Ranch Vineyards in the far west valley with thousands of residents enjoying themselves just picking their grapes every July.

After DEVCO was turned down in its efforts to buy the feed lot land and pay for the move to another location, an attorney with feed lot odor experience was hired by DEVCO to take the necessary legal steps to force the Spurr Cattle Company feed lot to move and also to pursue residents' damage claims. DEVCO eventually won its case at Superior Court level only to have the State Supreme Court step in and reverse the decision, requiring DEVCO to pay for Spurr's move. Rather than spend an estimated \$1.5 to \$2,000,000 to take the case to the U.S. Supreme Court, DEVCO opted to pay the \$1,224,000 cost of Spurr's move and get rid of them which is what DEVCO wanted at the outset.

Sales for 1967 again increased 22 percent from 602 to 737. Resident referrals continued to be a very positive factor along with the Vacation Special program that was introduced this year. The feed pen odor problem grew more noticeable.

In 1968 the recreation centers were united, and approval was given by the residents for DEVCO to add Lakeview Recreation Center in Phase II. A Fourth of July fireworks display was added to the community promotion activity calendar, and DEVCO underwrote the 65-piece Sun City Symphony

Orchestra concert series.

Other activities of significance added in later years included the Lecture Series sponsored by DEVCO and the Boswell Hospital Auxiliary featuring nationally known figures from various walks of life; the Sun City Stadium with major league baseball training games and the women's softball league; and the Sun City Art Museum was formed to bring another cultural activity to Sun City.

In 1968 a total of 1175 new home sales were made for a 64 percent increase over 1967, and momentum began to build for the Phase II development which opened late in 1968. Phase II included new models and an all-new recreation complex presentation under construction, a new circular subdivision design with golf courses and a 33-acre man-made lake. In this year all community promotions continued including some added Sun Bowl events.

In 1969 sales reached a record of 1,902 units which represents a 62 percent increase over 1968. This meant that over a two-year period, sales increased an amazing 158 percent. By sales reaching this level, there was little doubt that Sun City's future success was assured by the ongoing 1965-69 resident involvement program and community promotional activities that contributed to making residents a proven source of referrals. Of course the neighborhood shopping centers, the Vacation Special program, Boswell Hospital, and new innovative recreation facilities were major contributing factors, but even these all had direct resident involvement. 1,916 sales were made in 1970. However, sales again topped all records with 2,322 units in 1971, 2,230 units in 1972, and another record high of 2,516 units in 1973. During the following two years that saw an energy crisis and a recession, sales totaled only 2,337 for the two years. The trend started back up in 1976 with 1,695 sales followed by the alltime record of 3,485 sales in 1977.

In 1972 the Lakes Club, a private social and dining club, was opened on Viewpoint Lake to serve some 2,000 Sun City resident members, but more importantly, to give the Vacation Special visitors a taste of social life in Sun City. Prior to that time, vacationers were handled in an austere setting at Memory Lane Restaurant and later the Suntowner Restaurant. Vacation

Special sales increased substantially when the Lakes Club went into service.

Phase II began a new era of recreation facilities. Lakeview Recreation Complex introduced in 1970 featured a new resort-style design along with mini-golf and a raised park and waterfall overlooking Viewpoint Lake. A 16-lane bowling alley and four tennis courts were introduced at a later date. This new style facility attracted much attention and helped to increase sales traffic to the project sales offices. Sundial Recreation Center opened in 1973 and introduced a large indoor swimming pool and 1800-seat auditorium plus the usual ancillary facilities.

The Bell Recreation Center opened in 1976 and presented a new campus type and more open building arrangement featuring a library, 16-lane bowling alley, indoor shuffleboard and billiards, plus a 7-court tennis complex and the normal support facilities including mini-golf. This facility was arranged to give Vacation Special visitors on the bus tour and other prospects a good view of the various activities in use for merchandising purposes. Apparently this must have had some effect on sales because nearly 5,000 sales were made after its opening in April, 1976 through August, 1977. Perhaps twice that many sales could have been made if more lots in Sun City would have been available.

Construction, Design and Engineering

When construction production reached the 2,000 per year plateau, it required the employment of capable and loyal subcontractors along with dedicated and quality conscious DEVCO supervision plus strong leadership of the carpentry, concrete and other functions performed by DEVCO. Lumber was purchased by DEVCO through Fox-Gal for a fixed fee per thousand board or square feet measurement. Fox-Gal was the wholesale lumber division of Foxworth-Galbraith Lumber Company who operated retail lumber and hardware yards throughout Arizona and Texas. Fox-Gal dealt with reliable mills located in the Northwest, and when shortages occurred, DEVCO was supplied at reasonable prices while others in the area were not at any price. At various times shortages of bathroom fixtures, copper wire, copper pipe, drywall and insulation occurred. When the drywall shortage hit DEVCO's subcontractor Pete King Corp., they received an allotment for all

work-in-progress in Sun City and other projects and could have sold the material outright for triple the price they were receiving from DEVCO. However, King opted to keep production going in Sun City out of loyalty. The major subcontractors all had a close working relationship with DEVCO, and DEVCO was kept informed on their pricing policy.

DEVCO received very few complaints at the State Registrar of Contractors and had the best record of any major builder in the Valley. It was evident that customer satisfaction demands were being met by the 60 day warranty program in effect.

DEVCO learned early in the game not to let subcontractors select materials but developed its own list of manufacturers' quality products and allowed substitutions only on written approval. Also room size standards were developed based on customers' desires and research. The experimental home program and resulting resident feedback was also very helpful to the design process. Some of the materials and designs that received good marks were as follows:

All drawers in kitchen base cabinets except under the sink

Top of the line kitchen appliances by a major manufacturer

Lots of light in the kitchen, preferably fluorescent fixtures

Window over the kitchen sink

Wallpaper in kitchens and baths

Single lever faucets in kitchen and baths

Heat-light-vent fan in baths

Deluxe shower heads

Fiberglass shower and tub units with built-in seat and ceiling dome

Deluxe light fixtures in dining, breakfast, entry and front porch

A good grade of base carpet so the buyer did not have to automatically upgrade

Brick veneer

Insulated garage and covered patio ceilings

Lighted type electrical switches in halls and bedrooms

Lowered light switches and raised receptacles

Extra storage area and cart parking included as standard on most plans' garages or carports

Most home buyers did not like as standard ramps at the front and back doors, and consequently they were offered to wheelchair users at a very reasonable price. They also did not like bathrooms with grab bars prominently displayed.

It was found that large markups on change orders ultimately ended up making the home buyer very unhappy because they felt ripped off. The basic house price structure provided the desired profit markup. Since resident referral was a big factor in DEVCO's sales effort and success, DEVCO certainly didn't want a bunch of unhappy campers because of DEVCO's effort to make an extra profit from large markups on change orders. Therefore, all change orders were reasonably priced, and if one particular change was requested repeatedly, it was included on the next set of models as standard. When new models opened, design work on the next set was started immediately and adjusted to any negative feedback on current models.

Due to growing union agitation for higher wage rates, stricter work rules and work stoppages, DEVCO management began an investigation of alternative building methods in 1970. Based on the assumption that all construction field work would continue to be performed by union forces meant that some type of union operation would be required. The investigation found that unions were involved in Midwest and California component housing plants, and an agreement was consummated in 1973 for an operation in Sun City with the International Carpenters, Plumbers and Electrical Unions. This was known as a TriTrades Agreement with wage rates and fringes substantially below present union field rates. In 1971, prior to finalization of the agreement, component baths were manufactured

in Escondido, California, for DEVCO and trucked to Sun City for a trial run in the vacation apartments under construction.

Bell Housing, under the able direction of Tom Rittenhouse and Charley Mills, went into production in 1974 with a component bath production line. The following year the construction yard, lumber, siding, truss manufacturing operation and warehouse operation in Sun City was closed and relocated to Bell Housing. All materials including lumber, appliances and light fixtures were purchased directly by Bell Housing. Completed wall assemblies with siding, insulation, electrical and drywall were tried without success due to field erection problems mostly by union field workers. A precut lumber package with preassembled corners and headers was then developed and used thereafter. When the 1974 model complex featuring flat roof systems did not sell as expected, it mandated field built homes with conventional framed roofs for the foreseeable future.

Negotiations with the various unions for reduced residential field construction rates failed, and DEVCO made the decision to go non union with its field workers in 1976. DEVCO stayed with the union contract at Bell Housing Plant with wage rates that were still below the new lowered field non union labor rates. As Sun City West sales progressed, it became apparent that component baths would not work on the larger model homes because of bathroom configuration requirements. Bell Housing played a major role in holding construction costs in line and controlling materials handling to the job site.

DEVCO received excellent input from the Recreation Centers' representatives when designing the various facilities after the master agreement was executed. In fact, anything that appeared to cost extra operating funds was frowned upon by them. Sometimes it took a bit of selling as was the case on the indoor swimming pool at Sundial and the tennis courts at Lakeview. Once the design and structural concept was locked in by DEVCO and the Recreation Centers, an in house architect with commercial experience was assigned to handle the outside architectural firm. This step was taken to ensure not only economical design standards, but also to make sure all approved conceptual layouts were properly included. DEVCO found that most cost savings were attained during the

design stage and not by just hoping for a low bid from subcontractors. Change orders were held to a minimum.

The first subdivision single family lot widths were 60 feet for single carport and 70 feet for double carport homes. Five feet sideyards were standard, and north and south facing lots were planned whenever possible. Golf courses presented a problem in this effort. The varying lot sizes became a selection problem for buyers, and all lots were then increased to 70 feet in width. Later on in response to buyer requests, the 5 feet sideyards were increased to 7 1/2 feet which further increased the lot widths to 75 feet and eliminated the shoe horned-in look of houses being so close together. Also, wider or so-called premium lots were included in subsequent subdivision layouts to provide even more added spacing and were sold for additional cost. Golf course lot depths were increased 10 feet for setback purposes.

Based on Phase I planning and use, a neighborhood village concept was used in Phase II and Phase III of Sun City and Phase I of Sun City West. The village concept with the shopping center and recreation center as neighborhood hubs was a very effective sales tool. DEVCO really found out the importance of this concept when the Marinette Recreation Center in Phase III of Sun City was eliminated by the Recreation Centers Board and DEVCO when Bell Recreation Center was planned, but it was not removed from sales maps. A minimum type facility was built by DEVCO after the fact because of resident pressure, but in later years other facilities had to be added to Marinette by the Recreation Centers group because of need. Residents also requested DEVCO to build the planned shopping center at Union Hills and 99th Avenue, but DEVCO was unable to interest a grocery store at that location without a subsidy or other inducement. Since most units in the neighborhood area were already sold, the DEVCO Board elected not to underwrite a grocery store at this location. Since sales had already shifted to Sun City West, the DEVCO Board felt any negative resident feedback would not affect sales.

Another unfortunate incident occurred when Lincoln Thrift, which had several Sun City branches, went out of business in the Valley. Many residents lost some of their deposits with this firm. DEVCO had had Lincoln

Thrift supposedly checked out thoroughly before leasing to them, but when the crash came, there really wasn't any valid deposit insurance as had been claimed by the owner. This did not cause any backlash to DEVCO.

Church sites were planned and sold in Phase I on an as needed basis. Moderate sales prices were asked since it was to DEVCO's benefit to have as many denominations represented as possible. The first churches that were erected in Phase I were very plain and never quite had enough money left in the building fund to do landscaping. To overcome this, DEVCO made a \$2 for \$1 spent offer on landscaping costs. This gave the particular church group up to a maximum of \$30,000 by DEVCO and with their \$15,000 a decent landscape budget. Every church site sold thereafter opted to exercise this option. DEVCO simply added the \$30,000 to the sales price, and the end result was fully landscaped churches especially in Phase II of Sun City at no additional expense to DEVCO. The church designs also improved greatly in Phase II and again became an even better sales tool for DEVCO.

Marketing

There was a noticeable increase in sales traffic to 196,066 with the 1970 opening of the Lakeview Recreation Center in Phase II. In fact, sales traffic through the models averaged almost 221,000 people per year from 1968 to 1981. However, a traffic and sales drop off occurred during the 1974-75 energy crisis and recession but picked right back up the following years with a record high in 1978 of 293,999. Another more severe traffic and sales decline occurred in Sun City West during the 1980-82 recession, and traffic and sales did not reach pre-recession levels after the economic recovery.

Beginning in 1966 the only national advertising under the direction of Harvey Shahan consisted of Vacation Special newspaper and magazine ads. Initially all three Sun City projects were featured in the ads, but Sun City, California and Sun City, Florida, were discontinued because of their poor response. Once the ad itself was fine tuned, it was never allowed to be changed because it produced results. All ad insertions were keyed so response in certain areas or magazines could be measured. Occasionally

DEVCO received some static from certain states because it did not have their approval to advertise. Most notable were Iowa, New York, Ohio and California. In the case of California, they wanted a fee for every recorded subdivision lot, so DEVCO found other ways of getting to California prospects for the Vacation Special program. Magazines were used almost exclusively for advertising. Those with national or regional circulation did not require individual state approval. New York required a yearly visit by an official with expenses paid for by DEVCO.

The results of the Vacation Special program speaks for itself. Since its inception in 1967 through 1977, 10,182 or 50 percent of sales were made out of the 20,315 sales recorded during that period for Sun City.

Local advertising was mostly through the *Arizona Republic* on Mondays in the news front section. At the beginning the ads were run on Sunday in the housing section, but most of the time they received very poor location and small response. The shift was made to Monday, and the response increased immediately. Several different campaigns were used including an establishment ad usually full page featuring pictures of the various facilities built in Sun City. Also a progress ad featuring pictures of new projects being built and housing underway with dollar volume figures was used. Very little advertising featuring just houses and floor plans was done because DEVCO wasn't selling just houses but a way of life, and this set Sun City apart from Leisure World, Sun Lakes and Sunland Village because they didn't have any establishment other than recreation centers and golf courses. They specifically lacked shopping centers, churches and resident involvement programs (spending money on resident programs), and thus they were just 200 sales per year operations. Sun Lakes did not build a major neighborhood shopping center until ten years or so after it opened.

The Sun Bowl Celebrity Series and the Lecture Series were announced in the entertainment sections of the newspapers.

Television and radio were used only during special events because of cost and response.

Billboards and poster boards were used mostly as directional signs to Sun City.

DEVCO found that the various ad agencies involved were contributing

little or no creativity to the marketing program and would only produce with strong direction, and it was apparent they really didn't understand the Sun City concept and tried to treat it as though it were a low priced manufactured product. They leaned to the Madison Avenue approach, i.e. slick ads, and surveys indicated that this approach turned off most adult buyer prospects. With this in mind the film "**The Story of Arizona and Sun City**" was produced in house in 1972 and became another sales tool for Sun City even though most of the film was selling Arizona, Maricopa County and Phoenix. In 1974 a companion film titled "**Del Webb's Sun City**" on Sun City's establishment was completed and shown along with "The Story of Arizona and Sun City" film at the sales complex.

With about 20 percent of sales being golf oriented, brochures featuring the many other available activities and establishment were implemented.

Implementation of sales procedures, training and controls developed by Sales Manager Ken Parker and DEVCO management allowed the sales force to handle the 2,000 - 3,000 sales volume per year consistently without major problems. A majority of valid prospects were more than two years from relocating, and this required a thorough follow up communication program by salesmen with these prospects. This, along with the PPR program when in use, produced substantial sales volume.

Since residents were Sun City's best salesmen, it was very important to keep them enthused by changing models every two or three years. This also re-invigorated the sales force even though most new models were updated versions of older ones. The model home decorating showing the latest drapery and window treatments, furnishings, accessories and innovative landscape designs were strong attractions to Valley residents as well. The residents really looked forward to the special Grand Opening events held just for them. The previous models were sold promptly fully furnished at appreciated prices with some discounts only on landscaping and drapes.

The first 2,500 sq. ft. home was introduced in 1971 and proved to be a very good merchandising tool as expected in selling the 1,500 sq. ft. to 2,000 sq. ft. size homes offered because they also included most of the same features at a lower per square foot sales price. In three years this model set

sold over 7,000 homes, second only to the 1976 "**Heritage Collection**" models that sold more than 8,000 homes in three years in Sun City and Sun City West.

Community Relations

DEVCO made its commitment to become more involved with residents for one very simple reason: to sell more houses. With prospects making several visits before buying and resident contact inevitable, it was imperative to make present residents enthusiastic spokespersons for the Sun City Way of Life. This naturally meant spending money on a variety of activities to promote companionship, happiness and security beyond the expenditures for those physical facilities already provided by the recreation centers, golf courses and shopping centers. DEVCO's direct and indirect involvement gave real meaning to the word "active" in the Active Retirement advertising slogan with the following community investments:

- Walter O. Boswell Acute Care Hospital and nearby medical office buildings
- Sun Bowl featuring the Celebrity Series of name entertainers, States Days picnics, Strawberry Festival, Root Beer Bust, Massing of the Colors, Easter Sunrise Services, Anniversary Shows, major political speakers and other free local talent shows
- Affordably priced church sites
- Free Grape Picking Festival
- Sunshine Services rent free in home care equipment operation
- Bus service throughout the community
- Fire District established with hydrants and fire stations thereby reducing fire insurance rates
- Recreation Centers merger
- Sun City Stadium featuring major League Baseball Spring Training, semi-professional women's softball, resident men's softball and Fourth of July Fireworks display
- Promotion of active participation in recreation center club activities
- Newcomers coffees

- Sheriffs Posse Volunteer program
- Moving the Spurr cattle feeding operation
- Sponsoring of the 65-piece Symphony Orchestra
- Sponsoring of the Lecture Series featuring nationally known speakers
- Rent free space for community college courses, free Dental Clinic and Boswell Hospital Auxiliary Gift Shop
- Sun City Prides
- Art Museum land donation
- Gas repipe program
- Liberty Bell metals drive
- Del E. Webb Statue fund raiser
- Lakes Club Social and Dining club
- Private Golf and Country Clubs
- Resident volunteer programs within and outside of Sun City
- Establishment of an unorganized school district resulting in lower property taxes
- Picnic and shooting range at the Heading ranch

It took the constant efforts of Public Relations personnel Jerry Svendsen and Don Tuffs to keep the year round resident involvement programs and esprit de corps ongoing. Their excellent work made the program a resounding success, especially when residents were complaining about being too busy in Sun City to write to their family and friends back home. Many residents looked upon these young men like their own sons and let DEVCO management know that they really appreciated their efforts, bad jokes and all, in no uncertain terms.

Two-way communications with residents was encouraged. Meetings were held on a regular basis to keep resident leaders informed on DEVCO plans both present and future. Resident input determined the Sun Bowl Celebrity Series entertainers and Lecture Series speakers.

Paid resident advisors were instrumental in solving the recreation centers merger, the formation of the Boswell Hospital, volunteer fire districts in both Sun Cities, unorganized school districts for both Sun Cities,

and legislative liaison resulting in a law allowing counties to issue tax free bonds on non-profit hospitals thereby benefitting Boswell Hospital. Other tax laws were clarified legislatively that benefitted DEVCO. A yearly golf tournament and luncheon for legislators, Sun City leaders and DEVCO management was held on various Sun City Golf Courses.

Politicians became very sensitive to Sun City issues because of their voting power and consistently high voter turnout for elections. In fact, Senator Barry Goldwater was losing in his last Senate re-election bid until the last precincts to report included Sun City which he carried decisively primarily due to his many speaking visits to Sun City.

Use of resident hostesses and entertainers for the Vacation Special Program were instrumental in the success of this program. They really proved to be great spokespersons for the Sun City Way of Life.

The church site sales program resulted in churches being built much earlier because the low land costs allowed resident church members to concentrate on raising building funds. This, of course, helped DEVCO's marketing because churches were under construction or organizing while sales were on going in the area rather than after build out.

Sun City West

By 1971 it became evident to DEVCO management that sales were going to continue at or above the 2,000 houses per year level, and more land would be required with planning and infrastructure in place to continue sales when Sun City sold out in the next six to seven years. After studies of various contiguous properties, the DEVCO Board approved the repurchase of a portion of the Santa Fe Ranch, Lobdell and Agua Fria Farm properties from Boswell on terms. A decision was also made to purchase the Wetzler property containing the "Lizard Acres" cattle feeding operation and miscellaneous other infill parcels in Phase I. Additional acquisitions were made in Phase II on a case by case basis over the next several years, bringing the total acreage acquired through 1979 to 12,611 acres for a total original purchase price of \$12,214,176 or \$969 per acre. Interest was capitalized yearly until the land was ready for use.

Preliminary planning began in 1974 but was later discontinued

because of the ensuing 1974 to 1975 recession. It was resumed in 1976 after the Webb and Boswell companies gave their approval to proceed with the development of Phase I of the Sun City West property with an anticipated model opening in 1980 with site work to begin in early 1979. However, the 1977 Sun City sales explosion pushed the schedule up a full year, causing the letter of intent program to be implemented in August, 1977, because Sun City West recorded plats were not available. Over 3,900 sales resulted from the 11,000 letters of intent through 1981 with home deliveries beginning in the fourth quarter of 1978.

In retrospect, this was very fortunate because it gave Sun City West enough establishment to weather the severe 1980-1982 recession. Had new models opened as planned in early 1980, the recession may have made it extremely difficult to reach an appreciable sales level in an all-new project and thereby creating a potential severe cash flow problem with the large startup investment that was required, particularly with interest rates at more than 20 percent.

The R.H. Johnson Recreation Center design featured a resort campus type setting similar to the successful Bell Recreation Center in Sun City, except that it had more grade separation and overlooked the sunken emerald green Hillcrest Golf Course for merchandising purposes. A Lakes Club type facility was also planned to overlook the Hillcrest Golf Course with a large lake in between. This facility was envisioned to be a theater style facility to entertain resident members and Vacation Special visitors.

A commercial core was planned with area for a community size shopping center and surrounding service sites similar to the Metro Center Regional Shopping Center located at Peoria Avenue and I-17 except on a much smaller scale. This core area was sized to serve both Phase I and Phase II.

The neighborhood village concept within easy golf cart or bicycle access was used for the satellite recreation centers and shopping centers with construction to commence with completions in the respective areas. It was anticipated that it would take incentives to obtain a grocery store in each of these centers. Free rent until 5,000 move-ins were reached had to be given to Safeway in order to get them to lease space in the Sundome

Shopping Center which opened in September, 1980. In Sun City there are six grocery stores offering a choice of four different merchants; there is one store for every 4,300 homes or so still operating, indicating that there is need, or all of them would not be open for business fourteen years after the last house was built.

The Sundome Performing Arts Center was an outgrowth of the Sun Bowl and theater that did not get built at the Bell Recreation Center in Sun City. It was planned to provide low cost entertainment of various types for Sun City and Sun City West Phase I and future Phase II residents as well as the entire Valley area. In addition, it was planned for resident celebrations such as States Days, Massing of the Colors, Easter Services, Strawberry Festivals, Root Beer Busts and other resident oriented events. It was anticipated that it would become a major traffic draw to the Model Homes sales complex with Sunday afternoon programs.

A Final Word

Mr. Webb's contribution to the success of Sun City was felt at the very outset when he selected the "Sun City" name from the final list of 20 or so contest entries. Other names were being considered by the contest judges along with Webb personnel, and the name Sun City was not even a finalist. However, when Mr. Webb said he liked Sun City, that was it.

Webb's national name recognition because of his New York Yankee ownership was also very beneficial with the many newspaper, magazine and other media doing favorable stories on the Sun City retirement concept culminating with his picture on the cover of *Time Magazine* and accompanying story in the August 3, 1962 issue. Even with the favorable publicity, it still took several years and a lot of advertising to fully overcome prospects' resistance to living in an all adult community.

Mr. Webb's picture was prominently displayed in the first Sun City brochures with his prophetic quote: "Concrete, steel and lumber can make the buildings, but people make the community. Together we can realize a Way-of-Life unprecedented in America." This was used until his passing in 1974.

When he spoke before the Women's Club at Town Hall in 1961 to the

residents, it was the beginning of a very long and positive relationship. The local newspaper story headlines on his talk was "Love at First Site". There was a special feeling on the part of many residents that he personally built their home and would take care of any problems. DEVCO's timely policy change to resident involvement really added to this legend, particularly with his many visits to the project as new facilities were added over the years. Actually he played no part in the decision making process since most decisions were left up to DEVCO management. Beginning in 1965, R.H. Johnson and Jim Boswell attended all quarterly or special Board meetings, and their willingness to go along with the various new programs presented by DEVCO management allowed Sun City to become the world's most successful and famous retirement community.

Credit must go to L.C. Jacobson, Joe Ashton and Tom Breen for putting the Sun City concept together (i.e. build the amenities first and then sell the homes) and implementing it in a timely manner once the land deal was consummated with Boswell. However, some of their original ideas did not work out over time. One such concept, that most buyers would want the lowest possible priced home, faded after the local market was absorbed, and it took buyers with financial stability to relocate from their present home in another state. These prospects wanted larger and finely appointed homes that included as standard double carports or garages, lots of storage and refrigerated air conditioning. When the models offered these features, sales began a steady increase. Home design proved to be a continuing challenge over the years in trying to offer a product that met the ever changing buyer profile. Another concept that did not work out was the decision to remain uninvolved with residents after close of sale. DEVCO's involvement in the community beginning in 1965 became a most powerful sales tool.

The magnitude of J.G. Boswell's contribution cannot be overstated. He made the Walter O. Boswell Hospital a reality with \$4,900,000 in matching fund grants through 1981. Had he not stepped forward, Sun City would have ended up with a mediocre hospital facility at best. He also allowed retained earnings to be used for work-in-progress and even loaned \$5,000,000 to DEVCO until it was able to reach the capability to borrow substantial funds to met the demands of increased sales. He participated actively in the

procurement of the infill properties acquired for Sun City West; took a keen interest in Sun City's growth and was a very strong supporter of DEVCO's management and its efforts to make Sun City a financial as well as physical success.

Webb Corporation President and later Chairman Robert H. Johnson took an active role on the DEVCO Board commencing in 1965 and attended all Board meetings thereafter. He agreed with Boswell on using retained earnings for work-in-progress which of course allowed DEVCO to continue with its growth. However, he was apprehensive about building the lakes and upgraded resort style recreation center in Phase II because of costs. Also, when crossing Grand Avenue, there was a big element of risk because it was almost like starting a completely new project. Both Johnson and DEVCO management were very relieved when sales jumped to the 1900 per year level in 1969 and sustained it in the following years. His support of DEVCO management during the change to non union forces during the 1976 strike was the contributing factor to a successful conclusion. The Webb Corporation Contracting Division remained unionized, and when the unions applied pressure in various ways, Johnson remained steadfast in his commitment to DEVCO. He supported the Sun City West land acquisition and ultimate construction of the project which required a substantial long term investment.

The DEVCO management team was headed by John W. Meeker from 1965 through 1981 during which time \$164,678,000 in pre tax profit was earned on 21,794 home sales in Sun City and \$8,935,000 in pre tax profit was earned and 4385 homes were sold in Sun City West. He was named Vice President in charge of all Sun City Community Development in 1965 and was named President of DEVCO in 1966. Prior to that he directed all housing, recreation center, golf course and commercial building design and remained active in these activities through 1981 as well as the master planning with Tom Ryan and Jim Winans for Sun City West. He moved from the Webb Corporate offices to Sun City in 1970 when the Webb Corporation made the decision to sell Sun City, California, and Sun City, Florida. From 1965 to 1981, he served on the DEVCO Board with R.H. Johnson and Owen Childress from the Webb Corporation, and J.G. Boswell and Henry S.

Raymond from the Boswell Company.

When Owen Childress came on board as Project Manager in 1966, his presence was felt immediately with improved resident relations followed by the recreation centers merger. He was an enthusiastic supporter of the many new programs implemented by DEVCO management, and his efforts were a major factor in making them work. He arranged the \$45,000,000 open line financing in 1972, the largest loan of this type made in Arizona, and later negotiated an increase to \$75,000,000. He was named Executive Vice President of DEVCO in the early 1970's. He moved to the Webb Corporate Offices as Treasurer in 1974 but remained active on the DEVCO Board and continued to handle all financing arrangements for DEVCO. Joe S. Aubin succeeded Childress as Executive Vice President.

Ken Parker directed the sale of more than 26,000 homes through 1981. He retained his positive attitude even with deterrents such as the cattle feed pen odor problem, recessions, Watergate, gas shortages, high interest rates and flat roof model homes. In the early years he spent many hours successfully reassuring buyers one on one that they made the right decision to live in Sun City. Sales procedures under his direction allowed the 3485 record sales in 1977 to be accomplished in just eight months without a problems of any kind. He was a major contributor to the success of Sun City.

Another major contributor to Sun City's success was Tom Ryan who directed site development in a most dependable and professional manner for Sun City and Sun City West. His extensive responsibilities included planning, zoning, subdivision maps, surveying, golf course design and construction, sewer and water design and construction, mass site grading and drainage, street improvements, dry utility installation and the Sun City West Master Plan and its approval. His duties were extremely sensitive to sales, and scheduling was a constant challenge. During a rate hearing for Citizens Utilities a resident complained that DEVCO was charging excessive fees for water and sewer work. A subsequent Corporation Commission investigation found that DEVCO charges were 25 to 30 percent lower than those of other utilities in the State, which was quite a compliment.

Key people who were major players on the DEVCO team are as follows:

Residential Sales	Ken Parker, Chuck Ferrell, Mike Molchan
First Salesman	Jack Hayden
Marketing	Harvey Shahan, Jim Handley, Donna Wooley
Public Relations	Jerry Svendsen, Don Tuffs, Graham Smith
Site Development	Jeff Hardin, Tom Ryan, Jim Winans, Greg Nash
Construction Operations	Tom Rittenhouse, Walt Thibeau, Bob Cannon, Leroy Hanneman
Construction Superintendents	Jack McPhee, Tom Gilbreath, Wally Britton, Billy Heavlin
Customer Relations	Tex Geiger, Raleigh Campbell
First Keyman	Les Parry
Bell Housing	Tom Rittenhouse, Charley Mills
Architecture	Wes Matthews, Curtis Copeland George Flagler
Interior Decorating/Color Selection	Mary Jane Hawkins, Bessie Boore Pat Pawlak
Controller/Accounting	Loren Krumweide, Mary Arp
Commercial Land Sales & Leasing	Joe Bulkeley, Phil Brandt
Lakes Club	George Beall
Kings Inn	Ed Kerns, Gordon Sharpe
Vacation Apartment Reservations	Billy Graves
Property Management	Gaylen Bartlett, Mike Britt
Cemetery Operations	Dick Dodson, John Richardson, Cliff Harris

Golf Course Professionals	Fielding Abbott, Bud Sower, Larry Parker, Tom Lambie
Resident Sales Hostesses	Garnet Burnham, Garnette O'Bryant Lilly Reynolds
Legal	Bill Barnes, Don Middleton, Gerald Williams
Resident Advisors	Bill Chapman, John Byrne, Mike Komar

The residents of Phase I were truly pioneers and gave of themselves to make a truism of Mr. Webb's statement in part, "...together we can realize a Way-of-Life unprecedented in America." They endured the dust, cotton bugs, feed lot odors, recreation centers Berlin Wall situation, school bond elections, and lack of a major hospital and related medical facilities. When DEVCO invoked its resident involvement program, these pioneers were willing and ready to take on the challenge to take Sun City to a level beyond mediocrity and to a resounding sociological success.

Some of these successes that were very beneficial to the growth of Sun City were:

- It was located near dynamic Phoenix with its warm weather and long time notoriety as a destination winter tourist resort.
- Vacation Special Program
- 60-day warranty program, quality materials and construction
- Walter O. Boswell Hospital and medical offices
- Resident involvement programs including the Sun Bowl and Sun City Stadium
- Completed or organizing churches available for most denominations
- Low property taxes
- Low cost golf
- Neighborhood shopping centers including a choice of grocery stores
- Continued inclusion of new and different activities and facilities within

each new recreation center as they were added

- Lakes Club Social and Dining Facility

Some 20/20 hindsight items are as follows:

- The Marinette Recreation Center situation should never have been allowed to happen.
- The Sun State Insulation Plant should not have been built.
- Lack of communication with the Republic and Gazette newspapers editorial boards re: Luke Field and school bond elections
- Inclusion of contemporary flat roof designs on single family homes in 1974 model complex to accommodate plant built components
- Industrial zoning for most of Phase II by Corporate planners could have been disastrous.
- More recreation facilities and activities for women should have been included.
- DEVCO should have pushed harder for incorporation. The tax money that Sun City would have received exceeded the cost by a substantial figure. This excess money could certainly be used today to solve some of the social problems of an aging community.
- When the 1980 recession hit, DEVCO abruptly cut back on the Sun City West Vacation Special program in 1981 which was producing 50 percent of its sales. This may have affected sales in the following years.
- The lack of a Lakes Club type facility in Sun City West at the outset for use by vacation visitors may have also adversely impacted sales.

Sun City, Arizona, not only changed America's viewpoint on retirement living, but became its most successful and largest retirement development. In fact, it surpassed the 17,000-unit conventional housing Levittown project in New York as the country's largest development by a single builder with more than 25,500 homes and earning \$171,000,000 in pre tax profits through 1981. This was accomplished by the dedication of a team of caring DEVCO employees, plus the courage of the Webb Corporation and Boswell Company to put their money on the line and a commitment to invest in

resident involvement projects which in turn created a sales force second to none.

The foregoing is how Sun City, Arizona, became the “**Standard of the World**” for resort retirement development.

Appendix Index

Volume I

1. Sun City, Arizona Land Purchases
Marinette Ranch - Heading Ranch - Bard Ranch
Santa Fe Ranches - Lobdell - Agua Fria Farms - Smith
Vicinity Maps
2. Sun City Subdivision Unit Map with Major Facilities Enumerated
3. Sun City West Land Purchases
4. Sun City West Phase I Development - 1993 with Major Facilities Enumerated
5. Del E. Webb *Time Magazine* Story
6. 1970 Webb Spinner - Sun City 10th Anniversary Issue
7. Summary of Earnings 1960 - 1982
Sales Traffic and Vacation Special Sales 1960-1982
Average Sale Price by Year
8. 1960-1982 Sales Closings and Mortgage Interest Rates Graph
9. 1960-1982 Sales by Month and Year
10. 1978 *Phoenix Magazine*

Volume II

11. Boswell-Webb Agreements
12. 1960-1982 Summary of Operations and Consolidated Statements of Earnings and Retained Earnings
13. 1971 Land Review by Walt Winius
14. 1974 *Arizona Highways Magazine*
15. 1977 Project Review by DEVCO Management
16. 1960-1982 House Plan Sizes and Names
17. Vacation Special Advertisement
18. Sun City, Arizona, Brochures and Inserts

19. Sun City, Arizona, Miscellaneous Information and Master Plan
20. Sun City, Florida, Miscellaneous Information and Master Plan
21. Sun City, California, Miscellaneous Information and Master Plan

Sun City - A Look Back - 1959

- On February 5, 1959, R. H. Johnson, Senior Vice President in charge of the Los Angeles Contracting Division, sent a memo to Del Webb about a telephone call from J. G. Boswell of the Boswell Cotton Company. Johnson and Boswell were members of Annandale Country Club as well as members of an investment group and had known each other for about four years. Boswell stated that he understood the Webb Company was buying the Arrowhead Ranch properties in Deer Valley and proceeded to talk about their Marinette Ranch around Marinette, a very small farming community at 99th Avenue and Grand Avenue. Boswell advised that some time ago he was approached by some promoters in the Peoria area and sold them approximately 480 acres which they called Youngtown and on which they constructed some 700 houses for retired people. He stated that the Youngtown developers had received some 18,000 firm inquiries and at the present time were receiving them at the rate of 210 inquiries per day. He had been selling acreage to Elmer Johns, the developer, at a rate of \$1,500 per acre. The Marinette Ranch property consisted of 10,000 acres around the Marinette area and bordered this development on three sides. While the ranch was not necessarily for sale, Boswell advised that he had been approached by several promoters wanting to buy it. He heard of Webb's purchasing the Arrowhead Ranch and thought that in the event Webb was still in the market, he might discuss the sale of the Marinette property if Webb were interested. Boswell's plans were to ultimately dispose of all their Arizona farming properties and then lease it back on a rental basis. Terms were discussed, and a price was mentioned of six or seven hundred dollars per acre. A meeting was tentatively set to discuss it further on Boswell's next visit to Phoenix.
- **Youngtown**, located near 111th Avenue and Grand Avenue, began in 1954 as an age restricted retirement community. More than 700 homes priced under \$10,000 were sold in five years with just a small lake and meeting hall as the only amenities. The NBC Today Show with Dave Garaway did a short segment on the development, and ultimately 50,000 inquiries were received, indicating a sizeable potential market for an age restricted retirement community. See *Appendix No. 2.1*
- A meeting of Jim Boswell and Webb representatives Executive Vice President L. C. Jacobson and Senior Vice President J. R. Ashton was held in Litchfield on March 25, and a memorandum agreement was reached for a joint venture, 50 percent owned by Boswell and 50 percent owned by Webb, to purchase not only the 9,000 acre **Marinette Ranch** and 998 acre **Heading Ranch**, but the 10,000 acre **Santa Fe Ranch** as well. The Santa Fe Ranch was located from two to four miles west of the Marinette Ranch and the Heading Ranch was three miles north of the Marinette Ranch. A total sales price of

that it would not work because old people wanted to live in family communities, and eventually more people would die than move in. The review panel included nationally known commercial and residential developers Dave Bohanon, Morris Read, J. W. York, Angus Wynne, Robert Nahas and Roy Drachman. Most other geriatrics experts advised isolating older people from their families wouldn't work. Florida had many lot sale communities attracting retirement prospects, but research indicated the amenities offered were nothing more than signs indicating future golf course, future shopping center, etc. This plus Youngtown's success without amenities convinced Webb that building the amenities before selling homes would ensure a better chance of success. **Active Retirement Living** became the advertising theme.

- After several meetings to solve various tax implications, an **Agreement of Trust** was executed by Boswell and DEVCO on July 17, and closed on July 22. This agreement called for the \$15,000,000 purchase price to be paid for as follows:

- (a) One million dollars (\$1,000,000) or more, on or before five years.
- (b) An additional four million dollars (\$4,000,000) or more, on or before ten (10) years.
- (c) An additional five million dollars (\$5,000,000) or more, on or before fifteen (15) years.
- (d) A additional five million dollars (\$5,000,000) or more, on or before twenty (20) years.

The 998.49 acre Heading Ranch and the 8253.39 acre Marinette Ranch together were priced at \$10,000,000, and the 10,191.42 acre Santa Fe Ranch was priced at \$5,000,000. Release prices for the Heading Ranch were scheduled at \$250 per acre, \$1,000 per acre for 4961.54 acres and \$1,500 per acre for 3191.85 acres at Marinette Ranch. Release prices on the Santa Fe Ranch varied from \$400 per acre to \$805 per acre. *See Appendix No. 1*

A lease dated July 17 was signed giving the Boswell Company the right to farm the land until required for development. The rental was to be the aggregate of all taxes, assessments, special assessments including but not limited to water district assessments, and all other impositions of every kind or nature. *See Appendix No. 10*

- A public announcement of the purchase was made.
- Domestic water or sewer was not available to the property, and discussions were held with the City of Phoenix to extend their water and sewer service to the proposed project. The city referred the issue to a blue ribbon committee of Phoenix business people for its recommendation. The recommendation was made to proceed with an agreement to serve, but an Assistant City Manager named Charles

Esser overrode the committee's decision because he didn't think the project would ever amount to anything.

- DEVCO elected to form its own **Sunburst Water Company** and **Marinette Sanitation Company**. An experienced utility operator named Irving Jennings of Phoenix was retained, and a franchise for domestic water from the Arizona Corporation Commission was obtained to serve the entire 20,000 acres. The Corporation Commission did not claim jurisdiction over private sewer companies at that time. A decision was made to use temporary oxidation ponds for sewer treatment to serve approximately 2,500 homes. A County use permit was obtained for two ponds located on 111th Avenue south of Peoria Avenue. A permanent plant site was to be selected at a later date. A Certificate of Convenience and Necessity was received from the Corporation to serve water to the franchised area. Water plant storage sites and wells as per engineers' recommendations were scattered throughout the project. Civil Engineer Jeff Hardin was retained to supervise water and sewer installation.
- John Meeker was assigned as Operations Manager and Owen Childress was in charge of sales and administration. Jack McPhee was named General Construction Superintendent. Mr. McPhee was Webb's top superintendent with diversified experience in housing, commercial, hospitals and heavy construction. He started his Webb career in the 1940's. Tom Gibreath was named Housing Superintendent. Other Webb operations personnel assisted on the commercial construction projects.
- Planner Ken Mitchell presented his master plan concept for review. He became enamored with the water well sites throughout the project and proposed a series of Venice, Italy-type canals. DEVCO passed on him and began its own plans featuring golf courses and community facilities. The planning of the first phase known as **Newlife Unit One** was completed and submitted to the County for zoning approval. The County engineer required all section line roads to be built on the section line with only the access roads installed, with the County building the main roadway when traffic warranted. This was a bad idea and was eventually done away with. The wide medians on 107th Avenue from Grand Avenue south are a result of this poor planning. The zoning process took about three months and grading on the nine-hole golf course began in early July. Milt Coggins, a local golf professional with some experience in building golf courses, was retained to do the traps, mounds, lake, tees and green designs. The golf course route plan was developed by Webb personnel along with Sparling Engineering. The models, shopping center, Hiway House Motor Hotel, Union Oil service station, and 18 rental apartments were also started with a scheduled opening of January 1, 1960. See *Appendix No. 2*

- The **Marinette Ranch** was divided into three phases for planning purposes. Phase I included the area south of Grand Avenue, Phase II included the area north of Grand Avenue to Bell Road, and Phase III all of the area north of Bell Road.
- A lease with Safeway Stores was signed for a store in the **Grand Shopping Center**. It gave them first right of refusal on future sites for taking the gamble on the success of Sun City. Boswell was a Safeway board member at the time and was instrumental in getting them to sign. *See Appendix No. 2.5*
- Maricopa County did not have a building code per se, and a building permit for proper zoning was the only requirement.
- The golf course quick coupler sprinkler system introduced to the Valley the use of PVC plastic pipe laterals with asbestos cement pipe main lines.
- Fielding Abbott, former pro at the Payson Golf Course and teaching pro at Paradise Valley Country Club, was hired as the golf professional for the Sun City North Golf Course.
- Golf course fairways were planted with rye grass and greens with bent grass. The fairways were overseeded the following summer with Bermuda grass.
- Mature palm trees were imported from Indio, California, for the golf course and main entrance treatment.
- In October, a temporary sales information office, 8 feet by 12 feet, was opened to keep inquisitive visitors away from the various construction sites. By opening day, Jack Hayden, DEVCO sales representative, had received more than 400 reservation checks for homes in the yet unnamed retirement community.
- Garland Advertising Agency of Phoenix was selected.
- A "Name the City" contest was held prior to opening, and **Sun City** was chosen by Mr. Webb as its official name over the objections of the Ruben H. Donnely Company, professional contest judges. Five entries were submitted with the Sun City name, and a drawing was held to determine the first and second place prize winners. Mr. and Mrs. E. A. Britton of Eugene, Oregon, won the \$8,750 home given away for the first place, and Sally Benson of Youngtown, Arizona, won the lot.
- Lot improvements including overhead power and telephone, gas water, sewer, paving and sidewalks commenced, and planning for the second nine golf course and surrounding 675 unit subdivision known as **Sun City Unit I** was completed and submitted for zoning approval.

This decision was based on apparent acceptance of this new way of life for active adult living. *See Appendix No. 2*

- In December, the Boswell Company exercised its option to purchase a 49 percent interest in DEVCO for \$49,000, and the guarantee of a \$900,000 open line of credit from First National Bank. It was also determined that it would take four votes of the DEVCO board to declare a dividend and to sell or finance any transaction of \$250,000 or more. Webb was to have three members and Boswell two members on the board. No Webb Corporate main office overhead was to be charged to DEVCO.
- A construction yard was established on the southeast corner of 99th Avenue and Grand Avenue near the former Marinette Gin site with agricultural facilities for residents directly west along Grand Avenue.
- A white board and rail type fence was erected along Grand Avenue west of the shopping center and between the motor hotel and construction yard. Alfalfa was planted to give a very green lush landscape look.
- Rainy weather throughout the fall and especially in December threatened completion schedules. In order to get ready for the January 1 opening, the entryway was paved over wet base material knowing that it would have to be replaced at a later date.
- Peoria at that time was a small farming town, and nearby El Mirage and Surprise were little more than migrant farm worker camps.
- **DEVCO** was originally formed by the Webb Company in 1953 to develop and build homes in the small Arizona communities of Tempe, Eloy, Coolidge, Casa Grande, Yuma and Brawley, California. This operation was managed by Jim Paul with Tom Breen as sales manager. The operation was discontinued because of poor sales and profit. A Phoenix area operation was set up under the direction of J. R. Ashton with Tom Breen as General Manager. Several hundred homes were sold in various locations from 1954 through 1959. John Meeker handled the building operations and Owen Childress financing, sales and advertising. Conventional housing projects were also undertaken in San Diego, California, and Cedar Rapids, Iowa, under the direction of Community Development Chief of Operations Jack Ford and Community Development Manager Tom Breen. Webb acted as builder on the San Diego Clairmont Estates project put on by San Diego realtor developer Clair Burgener. 650 homes were sold and built from 1954 to 1957. Webb also developed and built 350 homes in Cedar Rapids, Iowa, in 1956 and 1957. This project was discontinued due to slow sales and poor acceptance of homes built by an out-of-state builder using out-of-state subcontractors and offering models with slab on grade and no basements.

**7-1-59**

Marinette Ranch Phase I looking east. Youngtown is located at lower right and the Boswell Marinette Gin site at middle left.

**7-30-59**

Clearing, grading and lake construction is commenced on the North Golf Course.

**9-2-59**

The golf course lake is filled and the sprinkler system is being completed. Mature trees are also being planted.

**10-5-59**

The golf course is planted with rye grass and the models, recreation center and shopping center are underway. The temporary sales office is moved into place.



11-6-59

The Hiway House Coffee Shop, 20 motel units, rental apartments, entry treatment and golf pro shop are started. Work continues on the models, recreation center and shopping center.



12-4-59

The Union Oil service station on the corner of 107th Avenue and Grand Avenue is started.



1-1-60

The Grand Opening is held with all facilities opened for business except for the Union Service Station.



James G. Boswell III and Del E. Webb execute the final documents on July 17th for DEVCO's purchase of the 20,000 acre Marinette, Heading, and Santa Fe Ranches.



Webb, Senior Vice President J.R. Ashton, Executive Vice President L.C. Jacobson and Community Development Manager T.E. Breen visit the job site.



Golf Professional Fielding Abbott, Manager of Project Operations John Meeker and General Superintendent Jack McPhee at the North Golf Course.



Financing and Sales Administration Manager Owen Childress at the first sales office from which more than 400 sales were made in three months before opening by salesman Jack Hayden.



This sign was used in conjunction with the "Name the City" ad on the following page.



Community Development Manager Tom Breen with the Sun City name contest winners Mr. and Mrs. E. A. Britton.



10-26-59

Recreation Center pool and cabana area.



11-6-59

Recreation Center Arts and Crafts Building

1959



10-29-59

5 single family model homes
under construction.



11-6-59

Progress photo of model homes.



1-1-60

5 model homes are landscaped,
furnished and open for visitors.



11-6-59

Hiway House Coffee Shop
foundation and under floor
preparation.



11-6-59

Landscaped entryway island
with palm trees from Indio,
California.



11-21-59

North Golf Course Pro Shop.



11-21-59

Eighteen Rental Apartments.



11-21-59

Grand Shopping Center.

Sun City - A Look Back - 1960

The **Sun City Grand Opening** was held January 1, 1960, as scheduled, featuring the following:

Del Webb's Hiway House Motor Inn with coffee shop, bar, 12 hotel rooms and 18 one-bedroom rental apartments, all open for business. *See Appendix No. 2.10*

A 30,000 square foot **Grand Shopping Center** with the Safeway grocery store opened, with drug and variety stores to follow in April. The Union Oil service station was ready for business at a later date.

The first nine holes of the **North Golf Course** were ready for play. A small pro shop, cart storage and maintenance facility were also completed. Outside weekend play at substantially higher than resident rates was encouraged to hold resident rates down. A policy was established to keep green fee rates on a breakeven basis against operating costs. *See Appendix 2.8*

The **Oakmont Recreation Center** consisted of a 250-seat multi-purpose auditorium, outdoor pavilion, swimming pool with cabana, sewing room, arts, crafts and ceramics room, lapidary shop, shuffleboard courts and lawn bowling green ready for visitors. *See Appendix N. 2.6*

Five detached fully landscaped single family furnished model homes were offered from 947 sq. ft. two bedrooms one bath with single carport and storage room at \$8,500 or \$8.98 per sq. ft. to 1600 sq. ft. three bedrooms two baths with Arizona room, single carport and storage at \$11,300 or \$7.06 per sq. ft. Covered patios, termed *lanais*, were included as standard on all plans except the lowest priced model. Evaporative coolers and single carports were standard on a 60 ft. by 100 ft. lot. Double carports on 70 ft. by 100 ft. lots were available as well as refrigerated air conditioning, dishwashers, and golf course view lots in both lot sizes. A premium was charged for corner lots.

Construction features consisted of 8x4x16 concrete block exterior walls with voids filled with vermiculite insulation. The interior side of exterior walls were left exposed masonry. Top of the line Frigidaire ovens, cook tops, ash kitchen cabinets in choice of colored finish, and ceramic tile counters were standard. Kitchen and bath floors were asphalt tile, and the balance was also asphalt tile except a credit was given if buyer had carpet installed. A gold plated deluxe shower head, single lever tub and shower controls and marble seat in the shower were all standard. White asphalt roof shingles were installed over 2x4 trussed roofs with exposed 3 feet plywood overhangs. Air conditioning ducts were designed to accept either evaporative or refrigerated air conditioning mounted on the side of the house; however, most buyers took the refrigeration option. *See Appendix No. 2.7*

Garden Court Apartments were sold initially from plans. Models opened in May across 107th Avenue and directly south of the Hiway House. 785 sq. ft. one bedroom and bath and 1158 sq. ft. two bedroom two bath units priced at \$8,000 and \$10,000 were offered. The one bedroom units were grouped in a garden court arrangement with a rear single carport off a paved alley drive. The two bedroom units were built as fourplexes with front drives to single carports and were available on golf course lots. Complete landscaping with sprinkler systems were included. Refrigerated air conditioning was optional, and again most buyers took this option. A new type of apartment zoning was proposed by DEVCO and accepted by the County. It gave apartment and duplex owners fee title to the property the unit was built on and a share of the common area. It also allowed each individual unit to be taxed separately. *See Appendix 2.9*

- **Opening ceremonies** were held at the 107th Avenue and Grand Avenue welcome sign and fountain. However, the water in the fountain froze during the night, and a slight thaw delay was necessary. Mr. Webb and other dignitaries participated with local and national media present. Mr. Webb, in his usual quiet way, turned to Ashton and Breen and said, "I sure hope you fellows know what you are doing."
- The sales office building was located between the Oakmont Recreation Center and first model home. This facility was ultimately made a part of the recreation center.
- An estimated 100,000 people visited Sun City during the opening weekend. Traffic backed up on Grand Avenue almost to Glendale. Even though an intensive all media advertising campaign was put on announcing the Grand Opening, the response was unexpectedly overwhelming.
- Prior to opening a sales policy of selling to a couple with one person at least 50 years of age with children 18 years or older was established. This was not included in the deed restrictions on advice of counsel because of potential legal and enforcement problems.
- FHA and conventional financing were made available, but cash sales soon exceeded 70 percent. FHA was dropped eventually due to low buyer preference and their reluctance to allow a private sewer company to serve the community.
- Production housing started with Webb unionized forces performing all carpentry, concrete, and water and sewer installation. Union subcontractors performed the balance. Overhead power, telephone, and underground natural gas were provided by the respective utility companies.

1960

- Delivery of homes began in April.
- Tom Austin became Recreation Center Director of Activities, and club organizations proceeded as home deliveries began.
- A national advertising campaign was launched with costs to be spread over five years.
- DEVCO sponsored Mel Larson, a local driver on National Stock Car Race tour.
- Sun City residents formed an AARP chapter.
- Men's and Women's Golf Associations were formed.
- **Rural Metro Fire Company** built a station at 111th Avenue and Grand Avenue to serve the community for an annual fee of \$12. A pumper truck was provided and manned on a 24-hour basis. Fire hydrants were not installed. *See Appendix No. 2.2*
- A street light district was not formed for Newlife Unit One and Sun City Units 1, 2, 3 and 4, but was on all subsequent subdivisions. The residents of these units eventually formed a district. The cost per household was \$11 per year. *See Appendix No. 2*
- A movie called "**The Beginning**" was completed by the Garland Ad Agency using professional actors and local Sun City residents to tell the Sun City story of active retirement living. This film was sent to large companies for showing to future retirees and to television stations to be used as fill in for local programming. It was effective for several years, and Public Relations estimated it reached more than 24,000,000 viewers.
- A post office contract substation was opened by Webb in the shopping center without home delivery. However, home delivery was approved in October, and residents voted for door to door delivery. Delivery was made out of the Youngtown facility after it was made a part of the Phoenix Office.
- The *Youngtown News* weekly newspaper was sold and moved to the Grand Shopping Center in Sun City and was renamed the *News-Sun*. Weekly publication was initiated in lieu of bi-monthly issues. A one year subscription rate was \$3.
- A tree storage yard for mature palms was located near the agricultural plots to hold trees for future use on golf courses and medians. Trees were gathered from the Valley as well as California on a continuing basis because no source was available for mature trees.

- The Marinette Ranch was part of Electrical District No. 7, and its Board proposed a tax for administrative purposes that would have cost homeowners \$14.10 a year. This was later rescinded and voted out of existence by the County Board of Supervisors.
- An agreement was reached with Arizona Public Service to sell the Marinette Ranch Electric Cooperative electrical lines and equipment to them.
- A medical building was built near the Grand Shopping Center, and part was leased to First National Bank for a temporary branch office. Dr. Stump, a general practitioner, was persuaded to move from Phoenix to Sun City and open an office. Valley National Bank opened a branch in Youngtown.
- DEVCO had an air conditioning service man move to Sun City to take care of emergency calls. However, this person had two small children, and Dr. Stump had a grandson living with him. When the school bus stopped in the fall to pick them up, all hell broke loose. Threats were made against the bus driver and children. The service man moved, but Dr. Stump was sorely needed. While sorting out this crisis, one of the anti-children ringleader's wife had a heart attack, and of course Dr. Stump saved her, and the crisis was soon over. He stayed. This was an indication of the strong attitude of older people toward children. Seniors are happy to see them come for a visit and just as happy to see them leave.
- Many sociologists and gerontologists decried the separation of older people from family living, but simply did not understand how strong the feelings of seniors living around children fulltime were.
- Trans World Airlines quickie vacation writers visited Sun City in early January. Mr. Webb and other company dignitaries hosted a luncheon and tour of Sun City, and the resulting comments were very positive.
- Stories by nationally syndicated writers began appearing extolling the new way of life Sun City offered. Television comedians had a field day, and Sun City became synonymous nationally with retirement living.
- Buyers were very skeptical and had to be continually reassured by the color selection department, bankers, service shops and local contacts that Sun City and Del Webb were for real.
- The DEVCO Board approved the sale of 2,368 acres of Santa Fe Ranch to a joint venture called Del Pete. This property was located on the southwestern most part of the ranch. *See Appendix No. 1*
- DEVCO, upon recommendations of Joe Ashton and Tom Breen, agreed to purchase the 1,352 acre Lobdell Ranch property for

\$1,352,471 on terms. This property was located by the Santa Fe Ranch. *See Appendix No. 1*

- The second nine holes of the **North Golf Course** opened in December. *See Appendix No. 2.8*
- Watering problems cropped up on golf course fairways surrounding graveled yards caused by wind and the quick coupler sprinkler system.
- Woolly worms from the surrounding cotton fields invaded the new homes area. Many remedies were tried, and an aluminum foil strip proved the most effective in keeping them in the cotton fields. The Boswell Company continued to grow cotton in Phase I and II.
- Youngtown voted for incorporation by a 2 to 1 margin.
- The **Grand Shopping Center** size was doubled from 30,000 sq. ft. to 60,000 sq. ft., adding furniture and hardware stores plus 13 other businesses. *See Appendix No. 2.5*
- Republicans outnumbered Democratic registration by a 2 to 1 ratio.
- General Superintendent Jack McPhee transferred to Hawaii and was replaced by Tom Gilbreath. Gilbreath served as Project Superintendent on various Webb housing developments from 1953 to 1959 around the Phoenix area, Cedar Rapids, Iowa, sale housing project and the Colorado Springs Housing Project for the United States Air Force.
- Telephone rates were reduced 75 cents per month in the Sun City area.
- APS reduced natural gas rates 15 percent to Sun City residents.
- Del E. Webb Construction Company went public as the **Del E. Webb Corporation** on the over the counter stock exchange.
- Stockdale Development Corporation, a joint venture between the Webb Corporation and Kern County Land Company, was formed to build a retirement community patterned after Sun City and named **Kern City**. George Montgomery, Chairman of Kern County Land Company and an acquaintance of Mr. Webb, talked the Webb Company into doing the project without any marketing survey. Kern County Land was also involved in a major urban renewal project in Santa Monica, which Webb was supposed to build for them, and may have influenced Webb's undertaking of the Kern City project. The development also included a conventional housing lot sale program and a 900-acre industrial park. The Webb Company was 67 percent owner of the development entity with Kern County Land Company providing all land and

financing for the remaining share.

The 6,000 acre project was located on the outskirts of Bakersfield, California, and the same personnel who started Sun City participated in its initial planning and building of facilities including six single family and two garden apartment model homes, priced from \$10,650 to \$17,550, a recreation center complex, nine-hole golf course and neighborhood shopping center. Even with the addition of conventional housing at a later date, this project was not successful because most Californians have a low opinion of Bakersfield with its oil refinery odor, Thule fog and high summer time heat. The Webb Company sold its interest to Kern County Land Company in 1965. Only 214 retirement homes and less than 100 conventional homes were sold.

- Additional Sun City retirement community sites near Riverside, California, (14,000 acres) and Tampa, Florida, (12,000 acres) were being negotiated. A site in Sarasota, on the Gulf Coast of Florida, with infrastructure and some amenities in place and Gulf of Mexico water access, was turned down by Webb because it was only 5,000 acres. Webb management became overly enthusiastic because of Sun City, Arizona's apparent success, and really did not do any indepth site location marketing research. Rather, they assumed that the Sun City name would be enough to sell a project so long as it was located in the Sunbelt states of Arizona, Florida and California. *See Appendix No. 20 and No. 21*
- The **Oakmont Recreation Center** in Sun City, Arizona, was designed to serve the first two subdivisions, and homes were sold without a facilities agreement requiring mandatory dues being signed. DEVCO paid for all operating costs. A Civic Association was formed to take over operation of the Recreation Center January 1, 1961, with DEVCO paying the operating costs for one more year.
- **Sun City Shop Lifter** transit service using an open air covered trailer pulled by a jeep was instituted. It was sponsored by the Grand Shopping Center Merchants Association.
- New models and the second recreation center were under construction with opening set for early 1961.
- DEVCO renewed the \$900,000 loan and borrowed an additional \$250,000 from First National Bank.

1960

- Hourly wage rates were as follows:

Carpenters	\$3.80
Laborers	2.74
Cement Finishers	3.65
Teamsters	2.825

- A total of 1,301 sales were recorded for the first year, and 1,228 profit units were booked for a pre tax profit of \$1,784,000. At that time accounting methods allowed profit units to be recorded on a percentage of completion basis. A majority of sales came from Arizona and California. See Appendix No. 7 and No. 8



2-3-60

Production housing is underway.



4-1-60

Rural Fire Station is completed middle lower part of picture.



5-2-60

One and two bedroom Garden Apartments are started.



6-1-60

Second nine holes of golf course is started.



7-1-60

Home construction is started on the second nine holes.



8-1-60

Second nine holes lake is filled.



9-2-60

Second nine holes is planted.



12-2-60

Second nine holes is opened for play.

P1

P4



Opening weekend drew more than 100,000 visitors to Sun City, Arizona.



Webb Executive Vice President L.C. Jacobson and James G. Boswell II attend the opening.



L.C. Jacobson left and J.G. Boswell right show Glendale Mayor Byron Peck, Peoria Mayor Don Wagner, Phoenix Mayor Sam Mardian and Governor Paul Fannin around the project.



Strolling mariachi band entertains model home visitors.

1960



Webb's L.C. Jacobson and Governor Paul Fannin are interviewed during opening by local radio stations.



Barbershop singers entertain at the Oakmont Recreation Center during opening weekend.



The 18 rental apartments are opened.



Carved Tiki Head at Oakmont Recreation Center.



Oakmont Recreation Center featured a 250-seat auditorium, outdoor dance pavilion, outdoor swimming pool with cabanas, arts and crafts building, shuffleboard courts and lawn bowling.



Grand Shopping Center is opened with Safeway Grocery Store and Greenway Drugs as anchors.



Privately operated Rural Fire Department served Sun City on a yearly fee basis.



Sun City's first medical building housed Dr. Stump and the First National Bank while its Grand Center Branch was under construction.

Dr. Robert M. Stump



Mel Larson was sponsored on the Nascar circuit by Sun City in 1960.



Union Oil opened the first service station in Sun City on 2-9-60 at Grand Avenue and 107th Avenue.

1960



TWA sponsored a newspaper writers quickie vacation to Phoenix with a visit to Sun City on 1-9-60. Many positive stories were written on the Sun City concept.



Keyman Les Parry and Sun City's first salesman Jack Hayden present keys to early residents.



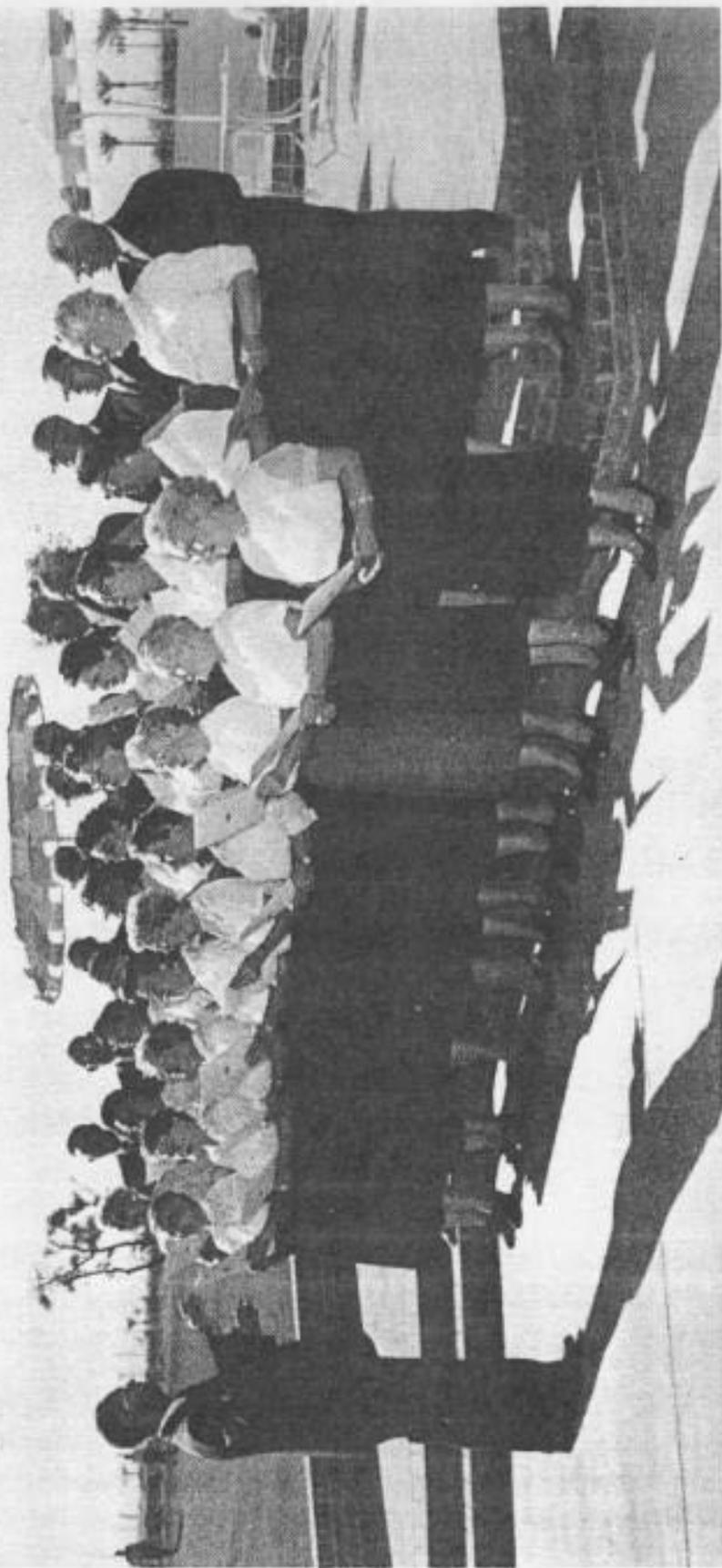
Cotton picking machines and surveyors cross paths in Phase I.

1960



First Lions Club meeting at Greenway Drugstore, September 7, 1960

1960



Otto Higbfield leads the group at the first Christmas concert, December 1960

Sun City - A Look Back - 1961

• In January, the Grand Opening of a second recreation center known as **Town Hall** took place. Located at 107th Avenue and Peoria Avenue, it featured an 800-seat auditorium with full stage and dressing rooms, carillon chimes, outdoor terraced Greek Theater, lawn bowling, shuffleboard, swimming pool with cabana area, library, woodworking, handicrafts, silvercrafts, ceramic, lapidary, art and sewing. A separate building was used as the sales office and was converted to meeting or club rooms when DEVCO moved out. The facility overlooked the South Golf Course which did not open until December, 1962. The area was planted with grass and maintained until construction of the course began in the fall. Horse corrals were added west of 111th Avenue and south of Peoria Avenue for resident horse owners to board and ride their horses. The Town Hall recreation facility was designed to serve approximately 1,500 homes. A community facilities agreement was instituted requiring mandatory yearly dues for each resident. The dues were set at \$12 per person. DEVCO retained control until enough move-ins covered operating expenses. More than 30,000 people attended the Grand Opening over the weekend. A catchy song written and produced by the Garland Advertising Agency called "**Wake Up and Live in Sun City**" was introduced during the Grand Opening advertising campaign, and many thousands of the 33 1/3 rpm records were given away during the weekend. *See Appendix No. 2.12*

• Six new furnished and landscaped single family model homes opened which included three of the models previously offered. All offered three exterior elevations. Prices were from \$9750 for a 1014 sq. ft. two bedroom one bath unit with single carport to \$15,350 for a 1635 sq. ft. three bedroom two bath home with Arizona Room and single carport. Refrigerated air conditioning, double carports, dishwasher and lanai screening were optional. All models had front porches and covered lanais or concrete patios, and carports had decorative side fences. American Standard bath fixtures were introduced with elongated toilets featured. A FHA Schedule I landscaping package that included three five-gallon trees, five five-gallon shrubs, 15 one-gallon shrubs and entire yard seeded was also included. Three Garden Apartments were offered with a two bedroom one bath model being introduced. Prices for these units were \$8,750 for one bedroom one bath, \$12,250 for a two bedroom one bath unit and \$15,250 for a two bedroom two bath unit. Refrigerated air conditioning was optional. *See Appendix No. 2.13*

Later on in the year **Fairway Court** 1188 sq. ft. two-story two bedroom two bath covered patio units with covered parking, storage and six elevators to serve 120 units all overlooking the South Golf Course opened for sale at \$15,900 including air conditioning. These units were featured on the cover of the *Professional Builder's Magazine*. It was very difficult to sell this complex out. Two-story condominium

living apparently was not so acceptable at that time. See Appendix 2.14

- **Oakmont Recreation Center**, the first recreation facility serving approximately 1,200 homes, was offered to the residents and accepted by a vote of 1051 to 54. Dues were on a voluntary basis, and when the Recreation Center Board raised dues to \$40 from \$12 to cover some remodeling costs, about 50 percent of the affected residents objected and would not pay. The problem was corrected only when all recreation centers were merged in 1968. Until the merger was approved, cross use of facilities was not allowed by the two boards involved, and a mini Berlin Wall situation began.
- The IRS declared an \$8 tax on recreation center dues claiming it was a for profit organization the same as a country club. It took several years to overcome this ruling.
- Board approval was received to negotiate with Roy Rogers for a western type Frontierland on 300 acres of Santa Fe Ranch land on the south side of Grand Avenue. A deal was not completed.
- *Life Magazine* did a picture story on Sun City featuring various resident activities.
- 70 travel writers visited Sun City again in conjunction with a Phoenix Chamber of Commerce and Trans World Airlines "Arizona Holiday" promotion.
- A syndicated television golf show produced by Peter Demet's Allstar Golf Series chose the North Golf Course for filming. Gary Player, Jimmy Demaret, Doug Sanders, and other top name golf professionals were featured. Sun City received much publicity, and the residents enjoyed the free show immensely.
- Dave Marr, a young touring PGA golf professional, was signed to play out of Sun City for a nominal monthly fee. Del Webb and John Meeker talked with Arnold Palmer, a personal friend of Webb's, about playing out of Sun City, but Palmer's fee requirements were considered excessive by DEVCO.
- When Del Webb spoke before the Women's Club at Town Hall, the newspaper story headlines were: "It's Love at First Site." The people really responded to him.
- The first Memorial Day celebration featured Arizona Governor Fannin as the main speaker at Town Hall where he spoke to over 500 people.
- A mobile home park was discussed with residents for the 160 acre parcel located at 99th Avenue and Grand Avenue. The residents were

strongly opposed to mixing mobile homes with Sun City homes, and this idea was dropped.

- DEVCO sponsored the Sun City Special race car driven by Roger Ward in the Indianapolis 500 mile race. He qualified on the inside second row and finished third. Sun City received extensive publicity from this endeavor.
- DEVCO, on the recommendation of Senior Vice President J. R. Ashton and Community Development Vice President Tom Breen, approved the purchase of Agua Fria Farm from Oscar Recker. The property was located by the Santa Fe Ranch and contained 438 acres for a price of \$452,987 with terms. *See Appendix No. 1*
- DEVCO purchased from the State on a bid basis 320 acres of leased land located on 99th avenue and Grand Avenue. The total price with terms was \$524,175 or \$1607 per acre. The DEVCO board had authorized a bid of up to \$3,200,000 because of its strategic location. *See Appendix No. 1*
- Letter carriers began working out of the Sun City Post Office branch instead of the Youngtown facility.
- Utilities General Manager Irv Jennings was authorized to negotiate with Lehman Brothers, investment bankers, with approval of the Arizona Corporation Commission, for financing of Sun City Water Company and Marinette Sanitation Company.
- El Paso Natural Gas Company was given a 30 ft. easement by Boswell in the early 1950s for a high pressure gas transmission line along the westerly border of the Marinette Ranch. They wanted houses to be built as far away as possible from this line for safety reasons. It was located under the already paved 111th Avenue from Peoria to Grand Avenue and near finished and occupied homes all the way. After many heated arguments DEVCO agreed to move the 111th Avenue right of way from Peoria south to Olive, provided El Paso Natural Gas paid for the installation of curb on both sides of the easement with decomposed granite and maintained the same. It was kept outside the building areas north of Grand Avenue.
- An **Industrial Park** was approved by the DEVCO board north of Grand Avenue between 103rd Avenue and 99th Avenue. Construction was planned to start the next year. A 690-acre plan was devised by the Corporate Planning and Research Department. *See Appendix No. 2-42*
- A second service station was leased to Gulf Oil on 111th Avenue and Grand Avenue.

- First National Bank opened its first permanent branch office in the Grand Shopping Center.
- The Grand Shopping Center merchants put on a Western Days celebration in November which became an annual event.
- Sun City Civic Association published the first annual telephone directory and sold it for one dollar.
- Community Development Vice President Tom Breen announced in a speech to residents that Sun City could reach a potential of 150,000 people on all 20,000 acres.
- Local and national advertising continued to point out the advantages of retirement community life styles.
- Sun City continued to receive much favorable publicity from various media sources.
- *Look Magazine* featured a story on a Sun City couple, Lou and Harvey Leisy, and their life in a retirement community.
- Organization of clubs began at Town Hall.
- Parking was added in the Peoria Avenue median to accommodate sales visitors and residents using Town Hall.
- Newcomers coffees hosted by DEVCO became a monthly event explaining the many activities available to new residents and answering various questions.
- Webb staff did the planning and construction of facilities for retirement communities in Sun City, Florida, and Sun City, California.
- Palm City, California, opened between Palm Springs and Indio and pretty much duplicated Sun City, Arizona's amenities except for the shopping center. This project was developed by Nels Severin, either past or present president of the National Home Builders Association at that time. The project failed in a few years.
- Dreamland Villa in east Mesa, later known as Sunland Village by Farnsworth Development Company, opened a low priced retirement housing project with spartan type facilities and no golf course. It has had marginal success.
- Borrowed \$1,000,000 on the Grand Shopping Center and Hiway House Motor Hotel at 6 1/2 percent for 20 years from an insurance company.

1961

- A second shopping center at 107th Avenue and Peoria Avenue was announced.
- Renewed the \$900,000 loan from First National Bank, and was guaranteed by Boswell for one year.
- Jerry Svendsen came on board as Public Relations Director late in the year.
- DEVCO cosponsored hydroplane boat races held at Lake Pleasant with about 1000 people attending.
- The Hiway House Motor Hotel added 34 rooms.
- Memory Lane Restaurant seating 70 people opened in Grand Shopping Center.
- Sites were sold to the United Church and Catholic Church groups. See *Appendix No. 2.15 and No. 2.16*
- The Construction Sales and Status Report was developed.
- The Boswell Company continued to farm cotton south of Peoria Avenue and in Phase II north of Grand Avenue.
- Late in the year Marinette Sanitation Company sent a letter to all residents announcing it was raising sewer rates 90 cents a month effective July 1, 1962. This caused a loud outcry by the residents, and they began pushing for lower water rates as well.
- 907 new sales were made and 873 profit units were booked for a pre tax profit of \$1,052,000. The decline in new sales was attributed to absorption of the local market demand. California continued to provide the most sales with the Midwest gaining. See *Appendix No. 7 and No. 8*

1961



The second set of 6 model homes and Town Hall Recreation Center are opened for viewing. The second 18-hole golf course is underway.



More than 30,000 people visited the project on the January 29th opening weekend. The two story Fairway Court Apartments are underway. Cotton was being grown directly across from the models and recreation center.



Artists display their work at the Oakmont Recreation Center.



Much photographed carved Tiki at the Town Hall Recreation Center.



Shuffleboard players try out the Town Hall Recreation Center courts.



The first group of resident hostesses. Garnette O'Bryant second from right continued working as a hostess until the early 1990's.



The "Wake Up and Live in Sun City" song is played for visitors at Town Hall Recreation Center.



The first annual Easter Sunrise Service is held on the patio at Town Hall Recreation Center. See program on following page.



Del Webb makes his first Sun City speech at the 800-seat Town Hall Recreation Center and the newspaper proclaimed "It's Love at First Site."

1961

FIRST ANNUAL EASTER - 1961 ✓ SUNRISE SERVICE

Del Webb's Sun City TOWN HALL

6:15 A.M.
(on Patio, weather permitting)

ORGAN PRELUDE
Easter Selections

TRUMPETEERS
Lindy Kiser, Craig Wacker, Jim Wagoner

Call to Worship All Standing
"Praise God From Whom All Blessings Flow"

INVOCATION
The Rev. E. Duane Thistlewaite All Standing

CHORUS
"Teach Us to Pray" Daniel H. Johnson

WELCOME
Mr. T. G. Austin
"Hallelujah, Christ Arose" Bonar-Lowry
Mrs. Mamie Hite, Mrs. Otis Ferrell and Chorus

SCRIPTURE READING
Dr. S. A. Allen
"I Know That My Redeemer Liveth" Handel's "Messiah"
Mrs. Eugene Gilbert
"Because He Rose" by Peter Marshall
Pastor Albert B. Schwartz
"In the End of the Sabbath" Oley Speaks
Mrs. Stephen Quayle and Chorus

SERMON
By the Dawn's Early Light The Rev. Walter W. Witt

CHORUS
"Christ Our Passover" Daniel H. Johnson
Closing Prayer (All Standing) BENEDICTION

POSTLUDE
Director of Chorus - Otto Highfield
Organist - Mrs. Albert B. Schwartz Pianist - Mrs. Otto Highfield



U.S. Gypsum Officials take a trolley tour of Sun City. USG furnished the drywall for the project.



The Grand Opening of the Grand Shopping Center addition was well attended. A Wurlitzer organ was given away.



First National Bank opened the first bank in Sun City at Grand Shopping Center.



Photographers from *Life* Magazine attract a large group of residents to Oakmont Recreation Center.



Residents take to their lawn chairs on a neighborhood street for another aerial shot by *Life* Magazine.



Resident swimmers at the Town Hall Recreation Center pose for *Life* Magazine pictures.



Phoenix area antique car buffs show off their cars to Sun City residents and visitors.



Race car owner Robert Wilke and mechanic-car builder A.J. Watson visit Sun City to give residents a first hand look at the "Sun City Special" on their way to the Indianapolis 500 mile race.



Official racetrack picture shows car driver Roger War, Robert Wilke and A.J. Watson. Ward finished third behind A.J. Foyt and Eddie Sachs.



Nebraska newspaperman Lyle Sweet writes his "Kick in Sun City" column from his Sun City home.



Sun City residents Lou and Harvey Leisy were featured in a *Look* magazine article on retirement.



Grand Avenue Sun City billboard located in Peoria.



Golf Association officers, September 1961.



Sun City's PGA Tour representative Dave Marr talks golf with Sun City Pro fielding Abbott.

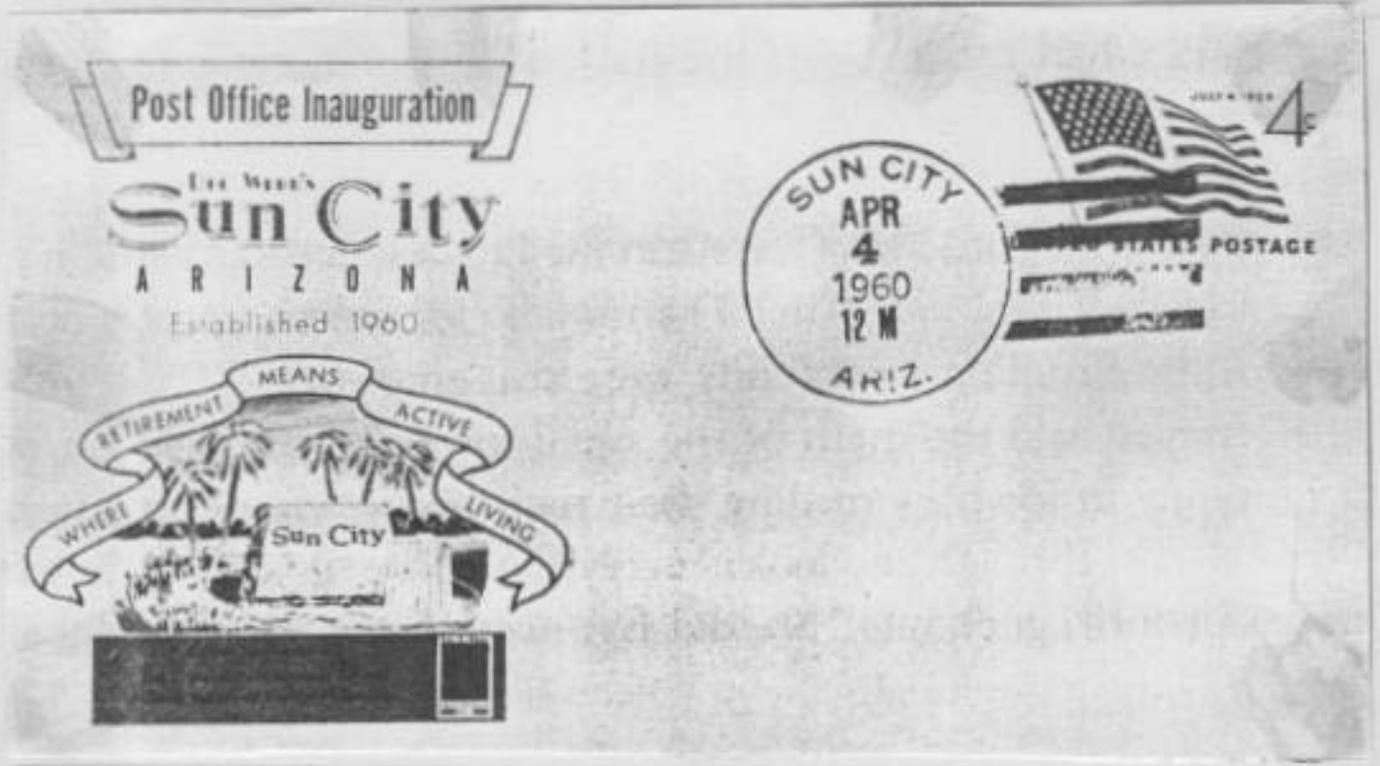


Allstar golf commentator Jimmy Demaret interviews pro golfer Peter Thomason during filming of the television series.



Golf professionals Gary Player and Jerry Barber tee it up for their match.

1961



Sun City received its own postmark for the contract postal substation in the Grand Shopping Center on April 4, 1960.



Sun City's first mail clerk Mary Garretson at work.



Curbside mail delivery was begun initially but was soon changed to door to door delivery due to resident pressure.

1961

*San Antonio Road & Parkers
5-13-61*

the Coffee Brake

MENU



One reason why "the good old days" . . .

1961

Coffee Brabe a la Carte Appetizers

TOMATO, ORANGE, GRAPEFRUIT, PINEAPPLE, PRUNE JUICE 25	LARGE 45
HALF GRAPEFRUIT, MARASCHINO CHERRY 30	STEWED PRUNES 25
KADOTA FIGS 30	SOUP DU JOUR Cap. 20 — Bowl 30
FRUIT COCKTAIL 30	SHRIMP COCKTAIL 90

Coffee Brabe a la Carte Dinners

CHOPPED SIRLOIN STEAK, Mushroom Sauce	1.65
FRENCH FRIED SHRIMP, Cocktail Sauce	1.55
PAN FRIED 3/4 CHICKEN — Southern Style	1.75
SAUTEED VEAL CUTLET, Cream Sauce	1.65
FISHERMAN'S PLATTER, Tartar Sauce	1.55
FRENCH FRIED SCALLOPS, Tartar Sauce	1.55
GRILLED NORTHERN HALIBUT STEAK, Lemon Butter	1.65
FILET OF SOLE, Lemon Wedge, Tartar Sauce	1.60
SWORD FISH STEAK, Lemon Butter	1.75
BROILED TOP SIRLOIN STEAK	2.45
BROILED CHOICE FILET MIGNON	2.45

Entrees Include

TOSSED SALAD, CHOICE OF POTATOES, ROLLS AND BUTTER

Salads

CHEF'S SALAD BOWL, Choice of Dressing	1.25
Julienne Strips of Baked Ham, Breast of Turkey, Cold Roast Beef, Garnished with Olives, Tomato, Boiled Egg, Carrot Curls	
CHILLED FRUIT PLATE, Cottage Center	1.25
TOMATO STUFFED WITH CHICKEN SALAD	1.25
SHRIMP SALAD Bowl, Garnished	1.25
TOSSED GREEN SALAD, Choice of Dressing . . . . .	.65

Sandwiches

BACON, LETTUCE AND TOMATO . . . . .	.75	GRILLED CHEESE . . . . .	.65
SLICED CHICKEN . . . . .	.85	COMBINATION HAM AND CHEESE . . . . .	.75
HAMBURGER . . . . .	.65	CHEESEBURGER . . . . .	.75
CLUB HOUSE	1.10	ROAST BEEF . . . . .	.65
BAKED HAM . . . . .	.65	CHICKEN SALAD . . . . .	.65
PEANUT BUTTER . . . . .	.45	TUNA SALAD . . . . .	.65
HAMBURGER DELUXE . . . . .	.85	HOT BEEF Sandwich, Gravy and Mashed Potatoes	1.25
BROILED TENDERLOIN STEAK SANDWICH, FRENCH FRIES AND RELISH	2.25		

Desserts

FRUIT PIES . . . . .	.25	ICE CREAM or SHERBET . . . . .	.20
CHEESE PIE . . . . .	.35	CUP CUSTARD . . . . .	.20
CHOCOLATE, CARAMEL or PINEAPPLE SUNDAE . . . . .	.35	FRUIT JELLO . . . . .	.20

Beverages

COFFEE . . . . .	.10	MILK . . . . .	.15	POSTUM . . . . .	.15
HOT TEA . . . . .	.15	BUTTERMILK . . . . .	.15	SANKA . . . . .	.15
ICED TEA . . . . .	.15	HOT CHOCOLATE . . . . .	.20	COCA COLA . . . . .	.15
MALTS . . . . .	.35	MILK SHAKES . . . . .	.35		

... were really "the good old days"

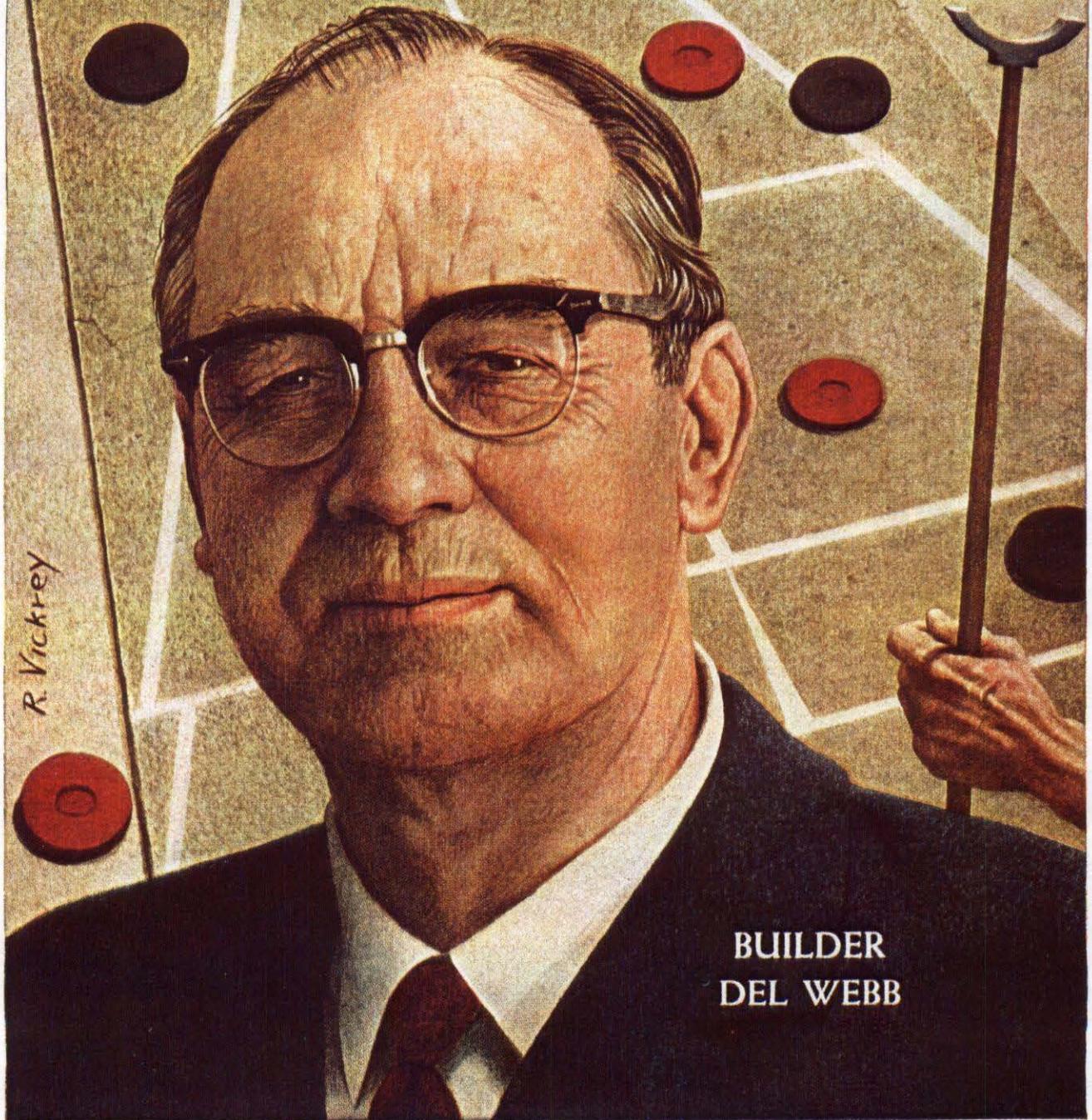
Sun City - A Look Back - 1962

- DEVCO Board authorized the sale of Sunburst Water Company and Marinette Sanitation Company to **Citizens Utilities Company** of Stamford, Connecticut. DEVCO agreed to do all construction for actual cost primarily to protect housing delivery dates. The total price received was \$1,800,000. Citizens pursued the announced sewer rate increase scheduled for July. The Corporation Commission claimed jurisdiction and set a hearing date. Residents hired an attorney who claimed that DEVCO sold the sewer and water company facilities that belonged to the residents because DEVCO stated in its brochure that utilities were in and paid for. He was overruled, and the higher rate was allowed to take effect. Some residents urged a strike against paying the higher rate. A Superior Court ruled later that the Corporation Commission did not have jurisdiction over sewer companies. It took legislative action and State Referendum approval to finally achieve Corporation Commission control.
- Upon sale of the utilities, Jeff Hardin was named Utilities and Site Development Manager.
- Wayne Doran was named Project Manager located on the project. Jim Welsh was made Sales Manager. Tom Breen previously functioned as Project Manager. Jay Greene was brought in to be head of marketing for all projects. Kelley Snow, a national known housing expert, was hired as a consultant for marketing and sales.
- Mr. Webb was featured on the cover of *Time Magazine* along with the Sun City story. Many other magazines also did stories on Sun City style retirement living. See page 20 for the cover. *For the story, see Appendix No. 5*
- Executive Vice President L. C. Jacobson was named President of the Del E. Webb Corporation. Webb remained Chairman.
- Arizona Senator Barry Goldwater spoke at Town Hall.
- **Sunland Memorial Cemetery**, located north of Grand Avenue on 107th Avenue, was approved for construction. 107th Avenue was a dirt road at that time. *See Appendix No. 2.76*
- DEVCO dedicated right of way along Rheems Road in Santa Fe Ranch to Maricopa County.
- DEVCO acquired 40 acres from the State for \$17,343 at the Heading Ranch.

THE RETIREMENT CITY
A New Way of Life for the Old

TIME

THE WEEKLY NEWSMAGAZINE



R. Vickrey

**BUILDER
DEL WEBB**

- The Marinette Gin site on Grand Avenue and 103rd Avenue was acquired from the Boswell Company for use as a construction yard and storage. DEVCO paid \$82,687 for the gin relocation plus the normal \$1,500 per acre release price or \$35,250.
- 31 rooms were added to the Hiway House Motor Hotel.
- A. J. Bayless, a large local grocery store chain, opened a store in Youngtown.
- The Industrial Park was put off until additional funds were available.
- A radio station was leased in the Grand Shopping Center. However, it lasted only six months. The antenna remained and was put back into use in 1975 when another radio station gave it a try.
- The possible construction of a convalescent home within Sun City was discussed by the DEVCO Board.
- **Sunshine Services**, a volunteer organization, was formed by the Civic Association to assist residents in need, primarily those who could not pay their \$40 per year recreation center dues. However, only one person needed assistance, and their efforts were then directed toward sick room equipment. Reverend Duane Thistlethwaite, a retired minister, headed up what would later become one of the largest Abbey Rents-type facilities in the country, with one major difference. The equipment was rented without charge.
- **South Golf Course** opened and featured irrigated berms along the fairway perimeters to prevent sprinkler overspray on residents' gravel yards. Again public play was offered on weekends to offset operating losses. It was found that it took almost three years from opening for a golf course to reach its full revenue capacity. *See Appendix No. 2.18*
- A group of Sun City men organized to play softball on weekends. DEVCO furnished a field west of Grand Shopping Center with minimum facilities.
- A permanent full service **Post Office** was opened in Sun City to serve both Sun City and Youngtown. *See Appendix No. 2.40*
- Mr. Webb attended a Newcomers Coffee in December.
- DEVCO began giving a flag and standard to every home buyer at closing. Sun City later received national recognition for having more flags flying on the July 4th holiday than any other city.
- The wooly worm war continued as the Boswell Company continued cotton farming in Phase I and II, and the separatism between

recreation centers grew more intense.

- Goldwaters, a major local department store, put on a fashion show at Town Hall using 22 models.
- The Allstar Golf Series for television returned for another filming segment, and residents again were invited to observe the contest.
- Dave Marr, playing out of Sun City, won the Azalea and Seattle Open PGA golf tournaments. In January, Dave Ragan, representing Sun City, Florida, Lionel Hebert playing out of Kern City, California, and Dave Marr put on a well-attended golf clinic for Sun City residents during the Phoenix Open Tournament.
- Sun City, Florida, negotiations began under the direction of Webb consultant A. J. Littman in 1960 and were consummated with Universal Marion Corporation of Florida on January 24, 1961, for the acquisition of 12,000 acres 20 miles south of Tampa for a total price of \$8,950,000 with \$500,000 down and principal payments of \$112,500 in 1961, \$150,000 in 1962, and \$225,000 per year until 1981. Release price was \$750 per acre plus \$37.50 per year interest in minimum of 50 acre releases.

The model complex was opened for sale in January, and between 1962 and 1970 approximately 1,400 acres were released by Webb with 1,550 homes plus an additional 426 improved lots, an 18-hole golf course, shopping center, medical buildings, Kings Inn and Restaurant and 42 rental apartments being built.

On July 13, 1970, Webb reconveyed all unreleased land back to Universal Marion Corporation, and sales were suspended pending a review of the project. Another golf course and additional recreation facilities were needed to continue sales.

Under the direction of Webb Executive Vice President F. P. Kuentz, an agreement was reached on January 13, 1972, with the Walter-Gould Corporation to sell all of the aforementioned equity properties, developed lots and 444 acres of undeveloped land for a total price of \$4,395,855. Webb received \$100,770 cash down payment and a \$2,139,908 note. The balance was for mortgage assumptions and other miscellaneous costs. Walter-Gould assumed Webb's position with residents on the golf course and recreation center and also received from Webb all right, title and interest in and to the name "Sun City Center" and all variations thereof in the State of Florida. It cannot be ascertained what or if any write downs were taken by Webb at the time of this sale or if any and all monies were ultimately collected from the Walter-Gould Corporation before it filed for bankruptcy. *See Appendix No. 20*

Sun City, California, opened in June, and response was very good with 1173 homes sold from April through December. 956 sales were recorded in 1963, but late in the year a protracted carpenters' strike of more than seven months caused hundreds of cancellations due to non-delivery. Only 304 homes were sold in 1964 taking the cancellations into account. The national and California economic downturn also affected sales in 1964 and 1965, and the project never regained any momentum. Also Rancho Bernado opened a retirement community some 30 miles closer to San Diego and may have taken away some potential purchasers due to the bulk of buyers coming from within the State. It became a less than 200 sales per year operation in spite of the many Southern California promotions and resident programs to generate sales traffic. The low sales volume was not enough to offset land purchase carrying costs, allocated national advertising expense and main office costs.

The original 1961 land acquisition was handled by Clair Burgener Realty of San Diego acting for Webb under the direction of A. J. Littman, a Webb consultant. An assemblage of 13, 588 acres was put together on 35 different properties for \$13,292,430 or \$978 an acre. An additional disputed 276 acre parcel was acquired later at an unknown price, bringing the total land acquisition to 13,864 acres. Webb borrowed \$6,000,000 from Sixty Trust (a Henry Crown entity) at 6 percent interest only for five years. For making the loan, Webb gave Sixty Trust an option to purchase an undefined 3,500 acres at \$912 per acre until December 29, 1974.

\$3,645,925 of the loan was used for land down payment, and the remainder was used for development purposes. The land purchase agreement required principal and interest payments of \$2,057,998 in 1962, \$1,538,920 in 1963, \$1,454,680 in 1964, \$1,390,000 in 1965, \$1,474,820 in 1966, \$809,590 in 1967 and \$730,900 in 1968. Due to housing sales not meeting expectations, Webb made three land sales beginning in 1964 of 3,033 acres, 4,602 acres in 1966 and 816 acres in 1967, totaling 8,456 acres, to FOM Investment Corporation, an entity of the Carlsberg Group, a major Los Angeles land syndicator for a total price of \$12,535,084 or \$1,482 per acre. Webb received a \$1,795,140 cash down payment, and FOM assumed Webb's position on \$3,177,650 in outstanding mortgages on the property. Webb took back 10 year notes in a first position for the \$7,562,294 balance from the 216 FOM purchasers. The notes provided for low annual principal payments and 6 percent annual interest payments. A large principal balloon payment was due in the tenth year. The Sixty Trust loan was paid off in 1964 in order to sell the land to FOM. Sun City Development borrowed \$6,000,000 from Bank of America with a partial Webb Corporate guarantee. The term of the loan was for 18 months.

Due to the 1974 and 1975 recession and with the large balloon principal payments coming due, Webb gave five year extensions with certain conditions rather than foreclose on property at a book price in excess of the existing market values. The balloon payments were eliminated, and quarterly payments of principal and an interest rate of 10 percent substituted over the five year period. If a purchaser paid 20 percent of the principal at the time of the extension, the interest rate was reduced to 8 percent.

In 1966 Mr. Webb personally loaned \$5,975,881 to Sun City Development Corporation to pay off the Bank of America loan that came due. The duration of this secured loan was 20 months to give the Webb Corporation time to find other sources of financing.

The 1969-1970 recession affected sales even further, and in 1970 the Webb corporation made a decision to cease operations and sell all remaining assets. The Kings Inn, shopping center and golf courses were sold to private operators, and the few remaining acres left for development in Sun City proper was sold to the Presley Development Corporation of California.

Also in 1970 Webb reached an agreement with the Sixty Trust group to sell or trade the undeveloped 3,541 acres under option by them. Crown used another entity called Realty Income Trust for this transaction which included the assumption of \$590,250 land mortgage, forgiveness of the \$1,846,609 mortgage balance on the Webb owned Fresno Office Building and adjustments on the Webb owned Albuquerque Office building mortgage held by Crown. Webb also received two eastern located office buildings. The total value of the exchanges was placed at \$4,694,448 or \$1,325 per acre. Webb then borrowed \$1,500,000 from the Crown group using the land sale notes from FOM (Carlsberg) as collateral. This loan was paid off in 1976. *See Appendix No. 21*

- A joint venture between Webb and Humble Oil Company was formed to build Clear Lake City, a 15,000 acre development, located near NASA on the outskirts of Houston. It was a conventional housing community along with light industrial development. Union problems promptly surfaced since Webb built with union labor, and Texas was very antiunion. Also, Texas politicians and local governmental agencies were not accommodating to an out-of-state developer. The only way for Webb to make any money was through the construction of homes, and when home sales did not materialize, the project became a lot sale program to local builders with Humble Oil running the operation. Humble later changed its name to Exxon.

- Demand for two-story Fairway Court Apartments continued to slow.

- Leisure World opened in Seal Beach, California, with emphasis on complete medical coverage insurance and included buyers regardless of age or ailments. Since Medicare had not been approved yet, this program attracted a lot of attention. They were moderately successful.
- Golden Hills, a development put on by First Federal Savings and Loan and Western Savings, opened in east Mesa as a retirement community with a golf course and some recreational facilities. Various successful local builders including Dell Traylor could not make a success of the project. It later was taken over by Western Savings in 1971 and changed to Leisure World. Western Savings finally sold the project to an ex-employee in the late 1970's.
- School taxes were lowered to \$159 for a typical \$10,000 home, but a school bond issue was turned down by district voters.
- Borrowed \$700,000 from First National Bank.
- 691 units were sold and 679 profit units were recognized. A pre tax profit of \$1,038,000 was shown. *See Appendix No. 7 and No. 8*

1962



Second post office dedication July 1, 1962



Volunteers at Child Care Center, El Mirage



Leland Cornell worked with Boy Scouts in 1962



Rotary Club 1962 program for Dysart boys



S.C. Coordinators supported projects for handicapped

1962



**IN 1962...
 WHERE MAGAZINES WERE READ
 THE DEL WEBB STORY WAS BEING TOLD!**

P-4

P-4

Sun City - A Look Back - 1964

- Six new furnished and landscaped **30 Series** single family model homes were introduced. Three were all new plans with three updated plans from the previous models being kept due to good sales. Brick veneer was introduced for the first time along with masonite siding on front elevations. Golf cart storage along with double carport was standard on the largest single family home. Top of the line Frigidaire Flair electric ranges and ovens were also featured on the more expensive homes. Home prices were \$11,250 for the 1000 sq. ft. two bedroom one bath single carport model and \$18,995 for the 1625 sq. ft. three bedroom, two bath, Arizona Room and double carport model. Double carports, dishwashers and refrigerated air conditioning was optional on most plans. 80 feet wide lots and corner lots were \$300 extra. Golf course view lots went for \$2450 extra.

Duplex Units were introduced for the first time with a 1148 sq. ft. two bedroom two bath unit for a total price of \$15,250 including refrigerated air conditioning and landscaping.

Garden Court Apartments were updated with brick veneer, and some dual story Fairway View Apartments were still available. Sales traffic was not up to expectations. *See Appendix No. 2.19*
- Twenty-two new apartments on Peoria Avenue were used as a sales promotion called the Try Buy Vacation Program which consisted of a special rental rate of \$150 per month or \$50 per week with credit at the close of escrow of up to one month's rent depending on length of stay.
- The offering of a lease option on certain completed units was discussed.
- A **Resale Division** was set up under the direction of Hal James and worked out of Grand Shopping Center. Two hundred fifty total resales in the community were estimated for the year.
- Sun City, Arizona Project Manager, Wayne Doran, expressed the opinion that in a few more years, resales would surpass new sales.
- Kings Inn was refurbished, and the exterior was repainted.
- A chapel, mortuary and administrative buildings were completed in **Sunland Memorial Park**. The Chapel and Mortuary were leased to Lundbergh Mortuary of Youngtown and Glendale. DEVCO received 10 percent of the gross price of all funeral services held in either Youngtown or Sunland Chapel. 107th Avenue was paved from Grand Avenue to the entrance of Sunland. *See Appendix No. 2.76*

- A six acre park in Unit Six was considered but not built due to resident resistance to paying the maintenance costs.
- **Sun Valley Lodge** nursing home construction was started by the United Church Group. Discussions were also held with them regarding a hospital near this facility. *See Appendix No. 2.39*
- All overhead utilities were henceforth installed underground.
- The Phoenix metropolitan area had 31 golf courses open for play.
- The national economy was adversely affected by the commencement of the Vietnam War.
- Safeway's expansion was approved for Grand Shopping Center.
- Tony Kohl, a long time Webb employee and Sun City Project Office Manager, was named as Project Manager upon Wayne Doran's reassignment to the Oak Brook Project in Chicago, Illinois.
- **Town Hall Recreation Center** turnover to residents was agreed to by its residents on a vote of almost two to one. The Berlin Wall condition remained an issue.
- DEVCO agreed to donate land for a civic center and build the building at cost if incorporation passed.
- Incorporation was voted on by residents and was rejected by 2558 against to 1036 for.
- School tax rates were \$1.74 per hundred dollars of assessed valuation, making it the lowest in the County.
- The Boswell Company continued to grow cotton in Phase II.
- Wally Britton was named Housing Construction Superintendent upon Tom Gilbreath's transfer to Sun City, California. Britton previously served as DEVCO Framing Superintendent from 1960.
- A site was sold to the First Methodist Church. *See Appendix No. 2.29*
- The **Industrial Park** was opened for sale north of Grand Avenue between 99th Avenue and 103rd Avenue.
- Austerity measures forced the cancellation of the agreement with Dave Marr as Sun City's representative on the PGA tour. He later went on to win a major title, the PGA Tournament, and became a golf analyst for ABC Television for many years.

1964

- A research home was built for resident comments. Prizes were given for various answers. Response was excellent.
- Borrowed \$59,211 against the Gulf Oil Service Station.
- Borrowed \$1,000,000 from Arizona Title with payback set at \$1500 per lot on closing.
- Sales fell to 433 for the year, and 544 profit units were booked for a pre tax profit of \$772,000. *See Appendix No. 7 and No. 8*

1964



Home construction crosses south of Peoria Avenue. Note the Spur cattle feed pens in the upper right hand corner.



Housing Division Operations Vice President Jack Ford and Superintendent Tom Gilbreath.



Boswell picking machines at work in Phase II.

Sun City - A Look Back - 1965

- ❁ **Town Hall Recreation Center** was deeded to Phase II homeowners. Yearly dues increased to \$20 per person. DEVCO agreed to build some additions and another swimming pool. This facility was now to serve 3,050 dwelling units. Animosity continued with Oakmont Center residents.
- ❁ Mr. Webb spoke to the Men's Club at Town Hall.
- ❁ The national economy continued to falter.
- ❁ The Sun City fifth anniversary celebration party and parade was attended by Mr. Webb.
- ❁ Two-story **Mediterranean-style Apartments** were introduced in Unit No. 5. The initial reaction was positive. *See Appendix No. 2*
- ❁ Snyder Transfer and Storage building was completed in the revised Industrial Park area just north of the Santa Fe Railroad Tracks. *See Appendix No. 2.42*
- ❁ The construction compound and offices moved across Grand Avenue to 103rd Avenue immediately north of the Snyder Warehouse.
- ❁ Agriculture area and trailer storage moved to Sunland Memorial Park future expansion area.
- ❁ The Webb Corporation top management was reorganized with Mr. Webb taking over presidential duties while continuing as chairman. President L. C. Jacobson, Executive Vice Presidents J. R. Ashton and A. A. McCollum and Senior Vice President Tom Breen were gone.
- ❁ John Meeker was named Corporate Vice President of Community Development including responsibility for all Sun City projects. A new philosophy of involvement with Sun City residents to make Sun City the ultimate resort retirement community became the standard instead of just "sell the house and forget them". Also instituted was a new positive attitude of "How can we?" instead of how many ways it can't be done.
- ❁ Tom Rittenhouse was named Manager of Operations. He previously served as operations manager on various Webb projects from 1951.
- ❁ The Retirement Housing Marketing Department at the corporate offices with more than 50 personnel was replaced by three people headed by new Marketing Manager Harvey Shahan.

1965

- Dick Dodson was assigned as Housing Sales Manager. He formerly served as Sunland Memorial Park Sales Manager. Sun City, Florida, Sales Manager Ken Parker transferred to Sun City, Arizona, as Resale Sales Manager.
- All project union field workers were on strike for 69 days.
- **Sun City Professional Building** located at 103rd Avenue and Grand Avenue was completed with DEVCO administrative offices occupying about 50 percent of the space. The balance was leased to third party tenants. *See Appendix No. 2.41*
- **Plaza Del Sol Shopping Center** at Peoria and 107th Avenues opened with a second Safeway store, Walgreens Drugs and other tenants. *See Appendix No. 2.21*
- Phase II property north of Grand Avenue was considered by the Atomic Energy Commission as a site for an underground super collider and was a finalist. A site in Illinois eventually was chosen near the University of Chicago.
- The first annual Radio-Press-Television Golf Tournament held at the North Golf Course generated much favorable publicity for Sun City.
- A group of residents approached DEVCO about building a private country club and golf course. DEVCO Board approved, and golf course construction commenced. The group had to sell 250 proprietary memberships at \$1,000 each and 150 social memberships in order to take over. This facility added a new dimension to the Sun City way of life. *See Appendix No. 2.26*
- A traffic signal was installed by the State at 107th Avenue and Grand Avenue.
- The seven churches in Sun City united for a Good Friday Service.
- Try buy Vacation Apartments located on Peoria Avenue were offered for sale with the Kings Inn to serve this function for the time being.
- DEVCO put on a successful Sun City Christmas card promotion with residents sending cards to their friends.
- ABC TV filmed a special documentary series "This Proud Land" featuring Robert Preston in Arizona. Sun City was featured and received much publicity. Also a TV special on "America" featured Sun City and an interview with Del Webb with host Jack Douglas.
- A softball field was built west of Grand Shopping Center, and a local women's team called the "Ramblers" played their home games there.

They drew crowds as high as 1,000 people with rented bleachers. The Grand Shopping Center Merchants Association became their sponsor.

- Bell Road was now paved from Del Webb Boulevard east to Scottsdale Road.
- A manufacturing plant for Revlon Cosmetics was considered in the Industrial Park. They decided to go to an industrial park on West Buckeye Road. After many studies and meetings with residents, it was determined residents did not wish to work in such an environment.
- First National Bank opened a second branch at 107th Avenue and Peoria Avenue.
- Spurr Feed Lot odors became a noticeable problem.
- Tom Austin resigned as Activities Coordinator to manage the Sun Valley Lodge nursing home.
- The Boswell Company still farmed cotton in Phase II.
- DEVCO Board approved the Sun Bowl concept, and it was offered to the Homeowners Association to own and operate. They accepted but decided later that due to the complexity of the operation, it would be better handled directly by DEVCO.
- Vice President John Meeker announced the Sun Bowl and Rancho Estates concepts in a speech to residents. They were also advised that DEVCO was truly interested in the happiness of all Sun City residents. DEVCO further pledged to lend its best efforts toward the installation of fire hydrants throughout Sun City.
- School tax rates were raised to \$2.24 per \$100 of assessed valuation.
- A hospital was discussed with the United Church group as operators with land donated by DEVCO.
- Reverend Thistlethwaite's carport did not have room for any more equipment, so the Sunshine Services building was built at cost by DEVCO with money raised by donations and support of various organizations, and the Reverend regained the use of his carport. DEVCO also donated the land.
- Medicare was approved by Congress and signed into law.
- A twenty bed private hospital opened in Youngtown and was later put on probation by the State for poor practices.

1965

- The Board agreed to go ahead with plans for "rancheros" or "country gentlemen" lots west of 111th Avenue. A limitation was to be placed on the number of horses and other animals. It was felt that the development of these lots would reach a market that had heretofore been untouched by the sales program and would be located in the least desirable area for higher density subdivision development.
- Borrowed \$1,000,000 from Arizona Title Insurance and Trust Company, with payback at \$1500 per lot.
- Borrowed \$245,000 permanent financing from National Fidelity Life Insurance Companies of Kansas City and \$200,000 from First National Bank for interim financing on Sun City Office Buildings.
- Borrowed \$595,000 from Munson Mortgage and Investment Company as take out financing and \$525,000 interim financing from First National Bank for Plaza Del Sol Shopping Center.
- A total of only 395 homes were sold making a total of 4,322 homes sold to date. 288 profit units were recognized for the year, and a \$513,000 profit was shown. DEVCO resales totaled 134 out of 210 sold in Sun City. Sales traffic for the third and fourth quarters totaled 9,980 and was estimated at less than 30,000 total for the year. See *Appendix No. 7 and No. 8*

1965



Home building continues toward Olive Avenue. Note sewer oxidation ponds relocated in lower right corner.



Plaza Del Sol, Sun City's second shopping center, is completed.



Sun City Professional Building opened with DEVCO Administrative Offices occupying 50 percent of the leaseable space.

1965



National Geographic films the "Rhythm Ramblers Band" at Town Hall Recreation Center.



Actor Robert Preston takes a dip at Oakmont Recreation Center swimming pool during filming of Sun City for an ABC-TV series "This Proud Land".



Public Broadcasting Television NET-TV filmed a segment on Sun City.

1965



Host Jack Douglas of a television special series on "America" interviews Del Webb on the Sun City story.



Residents show off their vegetables grown in the Sun City agricultural center.



Snyder Warehouse Building was opened in the industrial area of Phase II north of Grand Avenue. It had rail service that also served the construction yard immediately north of this facility.

Sun City - A Look Back - 1966

- A January Grand Opening was held for the **40 Series** model complex located at 105th Avenue and Peoria Avenue. These models featured six single family homes, three duplex models plus one garden apartment and introduced five new Mediterranean Villas. The single family units were updated versions of the previous models except with all new exterior elevations. A two bath version of the popular 42 plan was added later because of demand. Two all new duplex floor plans with entry courtyards were added making a total of three different plans available. The same one bedroom one bath garden apartment continued to be offered with new exterior elevations. The new Mediterranean Apartments featuring optional second story plans on two of the five units added a new dimension to the Sun City life style. See Appendix No. 2.20

Some new features on the homes included soffited overhangs, redwood fascia and posts to eliminate cracking problems, Formica kitchen counter tops, one piece fiber glass shower units as manufactured locally by Universal Rundle, wallpaper in baths in choice of patterns, choice of cast iron or stainless steel kitchen sink, kitchen cabinets with choice of door style and color glazed finish, double entry doors on some plans, illuminated house numbers, prewired telephone jacks and TV jack, shoe racks in walk-in closets, and cart storage on the plan 46 single family home.

Sales price for the 981 sq. ft. single carport Plan 41 without refrigerated air conditioning was \$12,590 or \$12.83 per sq. ft. and \$23,490 or \$13.15 per sq. ft. for the 1786 sq. ft. 46-M Plan including refrigerated air conditioning and double carport. The duplexes ranged in size from 1162 to 1553 sq. ft. and sold from \$16,490 to \$19,990. The garden apartment was offered for \$10,590 with single carport and evaporative cooling. The new **Mediterranean Villas** were priced including refrigerated air conditioning and double carports from \$15,390 to \$23,990. Conventional financing was available with 5 3/4 to 6 1/4 percent interest. Golf course lots continued to be offered for \$2450 extra.

- Preliminary site, floor plan and renderings were prepared by architects for a 61-bed **Sun City Community Hospital** at DEVCO's expense. A hospital district as means of financing was explored. The United Church group was no longer involved in the hospital project due to residents not wishing to have a church group operate the hospital. A non-profit corporation was formed with residents and DEVCO representatives meeting to further explore the building and operation of a community hospital.
- Youngtown Hospital was increased to 55 beds.

- Additional parking in the Peoria Avenue median was installed at the Town Hall Recreation Center.
- Resident George Meade discovered Sun City could be the beneficiary of tax funds from the County if a fire district were formed. The **Sun City Fire District** was voted in by a vote of 1,375 to 80, and a board was elected. The Fire District eventually entered into a contract with Rural Metro Fire Department to manage day to day operations rather than hire personnel directly. The savings from the pension plan required by municipalities legislation was substantial.
- Fire hydrants were installed throughout Sun City with the Fire District agreeing to pay rental on a per hydrant basis. The fire rating was reduced to Category 6 from a Category 8, resulting in a substantial fire insurance premium savings for all residents.
- Completed the Chrysler Test Facility in the Industrial Park.
- John Schlee, an assistant golf professional at Moon Valley County Club, signed to represent Sun City on the PGA Tour. He was named Rookie of the Year and received a lot of press.
- Spurr Feed lot move was estimated by a study to cost \$750,000.
- Arthur Lambert of Youngtown obtained a bus franchise from the Corporation Commission to operate a bus system in Sun City. DEVCO purchased a bus and leased it to him, and service began.
- The fourth annual Strawberry Festival was held on Mother's Day and again was sponsored by the Sun City Merchants Association.
- John Meeker was named President of DEVCO.
- Owen Childress replaced Tony Kohl as Project Manager to overcome the existing negative atmosphere and change it to a positive one with both employees and residents.
- Ken Parker, former Sun City Resale Sales Manager, was named Sales Manager of Sun City, Arizona.
- DEVCO opted to provide expensive door prizes through the Public Relations Department to attract residents to become more involved in their various club activities and with each other. The program proved to be very effective. In one particular case, only ten people attended, and one received a color television set. Next month 150 people showed up, and once they came and got involved and found companionship, it became a habit.

- A Watermelon Whing Ding and Sing was sponsored by DEVCO at Town Hall featuring Dolan Ellis of the New Christy Minstrels.
- **States Days** promotions began with entertainment and refreshments underwritten by DEVCO, and they were immediately successful in drawing people together. These promotions were put on by DEVCO until the late 1970s.
- First annual **Father's Day Root Beer Bust** was sponsored by DEVCO. Attendance was excellent, and the event was held yearly through 1980 in the Sun Bowl.
- The Town Hall group was approached by DEVCO to take ownership of the proposed **Mountainview Recreation** facility upon completion. It was put to a vote of the membership and passed by a 23 to 1 margin. Groundbreaking took place on November 14 with completion set for mid-1967. This united the second and third recreation centers and covered all remaining lots in Phase I. *See Appendix No. 2.27*
- A new advertising logo was developed featuring a sunburst in red and gold colors. More than 350 designs were submitted before the final selection was made. The design was used on all print media and billboards.
- 62 Vacation Special Apartments were approved and built for fall occupancy. This new program under the direction of Graham Smith of Public Relations called for respondents to receive a free round of golf, a Western type dinner with entertainment provided by various resident groups and a tour of the Valley. No high pressure sales tactics were permitted. Salesmen were assigned to each visitor and gave them a slide presentation on Sun City, golf passes and a box of cactus jellies was presented as a gift. Resident hostesses under the direction of resident Head Hostess Garnett Burnham were assigned to the busses used for transportation and became highly effective Sun City representatives. A nationwide sales campaign for all three Sun City projects with a very simple ad was used offering rental rates of \$50 per week for two people through April 15, 1967. Unfortunately, the following winter was extremely severe, and some cancellations resulted. Production type two bedroom two bath apartments were built strategically located near the Kings Inn in the event the program did not work out, the units could easily be sold. Only one bedroom was furnished with the other carpeted and draped. When these units were sold, an appreciated sales price was received due to their location. *See Appendix No. 2.11 and No. 17*
- Building costs including landscaping, land and improvements, financing, and sales and advertising totaled \$12.41 per sq. ft. of liveable area for One Bedroom Garden Apartments with carport, patio and storage. Hourly wage rates were as follows:

Carpenters	\$4.505
Laborers	3.36
Cement Finishers	4.38
Teamsters	3.485

- The **Sun Bowl** opened to the residents in November, and 3,000 showed up with their chairs for a free local talent variety show with Mr. Webb attending. Liberace was scheduled to officially open the facility to the public next January. *See Appendix No. 2.23*
- A Dixie Day Celebration in July drew 1,000 people.
- The inaugural free Grape Picking Festival was held at Webb owned Arrowhead Ranch vineyards. Free cold drinks were provided as well as clippers and assistance. More than 2,000 people picked grapes over a weekend.
- An improvement holding job was established to ascertain that all upfront improvement costs were properly charged to working job numbers.
- Perimeter fencing was installed along Olive and 99th Avenue prior to selling or building homes. It was very effective saleswise, even though the Spurr Feed lot odor problem persisted. This tactic was used in the development of Phase II and III and in Sun City West.
- Sun City hosted a New Mexico, Southern California and Arizona Amateur Rose Growers' Show. There were more than 1,000 entries with 5,000 people attending the events.
- Automatic sprinklers were installed on the greens of both golf courses. Fairways followed.
- **Sun City Country Club** sold out its membership and took possession in November. *See Appendix No. 2.26*
- Bell Road was paved from Del Webb Boulevard to Grand Avenue, and the Agua Fria Bridge opened to traffic.
- Cotton was still being grown by the Boswell Company in Phase II.
- DEVCO purchased 124 improved lots from the Webb Corporation located around the Moon Valley Country Club in northwest Phoenix. These lots were sold to individuals and custom builders. The Webb Corporation purchased 726 plotted lots from a local investor group headed by Bob Goldwater and Gray Madison in 1960 and continued with the lot improvements and a sales program to custom builders. The golf course and clubhouse were sold via memberships by the

previous owners.

- A Sun City Community Fund was organized.
- The planned Industrial Park size was reduced to only a 200 feet deep strip along Santa Fe Boulevard from 99th Avenue to 103rd Avenue.
- A par 3 golf course surrounding the driving range on the South Golf Course was planned but never built.
- A second experimental home was built for resident comments.
- Women's softball team name was changed from the Ramblers to the Sun City Saints as high resident interest continued.
- A concrete drainage channel was installed in the median of 107th Avenue from Peoria Avenue south to Olive Avenue.
- School tax rates again were the lowest in the County at \$1.66 per \$100 of assessed valuation.
- *Reader's Digest Magazine* with a worldwide circulation of 26,000,000 featured Sun City, Arizona, and other retirement towns in a January article titled "Where Life Begins at 65".
- A church site was sold to the Church of Christ Scientist.
- Sites were sold to Arizona Bank, Howard Johnson's Restaurant and Doctor Minturn.
- Sold back to Boswell all of the Santa Fe Ranch property and Del Pete property plus the Lobdell Ranch, and Agua Fria Farms that were purchased from other sellers. Webb Corporate management felt there would not be a need for this property in the foreseeable future. DEVCO sustained a book loss of \$812,000. *See Appendix No. 1*
- A 60 day special warranty program was put into effect. It required that homeowners keep a list of defects, particularly damage by movers and carpet layers, for 60 days, and DEVCO would do all the repairs at one time regardless of who caused the damage. Electrical, plumbing and air conditioning were all considered emergencies, and these repairs were promptly completed when reported. When all 60 day special service work was completed, residents were advised no further repaint work would be done unless required by any structural repairs. Prior to implementing this program, some homeowners expected a new paint job inside and outside after two years. This program commanded direct attention of top management at all times to make sure that this and other warranty work was kept current. This program did not eliminate the normal two year protection period

required by the Registrar of Contractors. According to various firms that did marketing studies for other builders in Sun City, this program made residents more supportive of DEVCO than any other and proved to be a very effective sales tool.

- All salesmen were required to give a slide presentation in order to protect his commission on a sale. If there was no slide presentation, the prospect was fair game for any salesmen who signed them to a contract. Sales commissions were reworked with an emphasis on standing inventory. A sales manual was also completed, and a sales training program on new procedures was initiated.
- Borrowed \$900,000 from Arizona Title Insurance and Trust Company with payback at \$1500 per lot on closing.
- 602 houses were sold, bringing the total to date of 4,921 sales. There were 470 profit units booked with before tax profit of only \$260,000 because of the reconveyance for a book loss of \$812,000 of land to Boswell. 132 resales were sold by DEVCO out of 210 total sold in the community. *See Appendix No. 7 and No. 8*



1966

Spurr has added another feed pen closer to Olive Avenue and Sun City at mid left.

P-1

1966



DEVCO sponsored an Amateur Rose Growers show in Sun City with 1,000 entrants from New Mexico, Southern California and Arizona.



Sun City Country Club, a private membership clubhouse and golf course, took possession in November.



Rancho Estates opened with fenced 1 acre lots primarily for horses.

1966



Del Webb and Webb Corporation Executive Vice President Fred Kuentz are given a tour of the new models by DEVCO President John Meeker and Project Manager Tony Kohl.



Visitors tour the Mediterranean style single family model home Plan 46-M.



New style Mediterranean Villas were introduced featuring an optional second story retreat or bedroom.

1966



Burr Welch (left) and Dr. Deissler examine a gift check



Michael Bross (left) and Dr. Friske hold early plans



September 1, 1966 — First Board of Directors (Burr Welch, Louella Leisy, Michael Bross, John W. Meeker, W.A. Warriner).

P-4

Sun City - A Look Back - 1967

- TV personality and pianist Liberace kicked off the major Sun Bowl events program to a standing room only audience of more than 7,000 people. Guy Lombardo followed Liberace to another sold out audience. Programs featuring many more national entertainment figures were presented during yearly programs through 1979. This facility was designed to attract Valley residents to Sun City as well as provide entertainment for the residents. Most programs were held in the afternoon during the fall and winter season so that visitors could view the models after the show. The facility was also used for political rallies during election years. Prior to that, the North Golf Course driving range was used for this purpose, particularly when Arizona Senator Barry Goldwater ran for President and spoke to a political rally. Sales traffic began to increase noticeably on Mondays following a program. DEVCO decided to retain ownership and operation of this facility with concurrence of the Homeowners Association.
- A February Grand Opening was held for the **50 Series** models located on Mountainview next to Mountainview Recreation Facility under construction and overlooking Sun City Country Club Golf Course. Two all new single family homes were included in the six floor plans offered. The others all had new exterior elevations. Another new floor plan was offered for sale later from plans along with the 52X Plan. Three updated duplex units were originally shown, with another four floor plans sold only from plans added at a later date. An updated one bedroom one bath Garden Apartment model continued to be offered. The Mediterranean Villas exteriors were replaced by Spanish tile mansard roofs and were renamed **Spanish Villas**. Vaulted ceiling, Jacuzzi baths and Spanish tile roofs were optional where available. Mortgages were available for a 6 1/2 percent interest rate. Golf course lots were set at \$2,750 and raised on June 1, 1968, to \$3,490. Most single family buyers purchased double carports if available, and all speculative units were built with double carports as permitted by plans and lot size. *See Appendix No. 2.28*
- Sales Manager Ken Parker publicly thanked residents for referring more than half of all sales made in 1966.
- **Rancho Estates** opened for sale of one acre lots with horse privileges and special fencing. *See Appendix No. 2.25*
- The main entrance on 107th and Grand Avenue was revamped.
- El Paso Natural Gas Company gas line easement work was completed from Peoria Avenue to Olive Avenue.
- The Boswell Foundation offered to donate \$1,200,000 toward the building of a hospital on a matching fund basis with three provisions:

that it serve the entire northwest valley area; that it be a landmark building and offer the finest medical facilities possible; and that it be named Walter O. Boswell Memorial Hospital.

- DEVCO enthusiastically accepted the Boswell Foundation offer and donated a 10.6 acre site. *See Appendix No. 2.49*
- DEVCO hired a professional fund-raising organization to direct the resident volunteers in this effort. More than \$1,000,000 was pledged, and \$800,000 was collected through 1968.
- Mr. Webb and longtime friend Doctor Bayard Horton of Mayo Clinic arranged for the hospital group to visit the Mayo Clinic and Hospital facilities as designed by Ellerbe Architects of St. Paul, Minnesota. Ellerbe was hired along with local architects Bricker and Hoyt under the direction of DEVCO, and planning began. DEVCO paid for initial architectural fees and was later reimbursed when fund-raising was completed.
- Although hospital approval was not legally required at that time, the plans were presented to County agencies, and a major effort was mounted against the Boswell hospital to protect the existing hospitals' service areas in the Phoenix Metro area. When the agencies were advised the Boswell hospital would be constructed with or without their approval, they reluctantly endorsed it. The plans featured the new radial nursing unit design pioneered by Mayo Clinic after many years of research. Perhaps this bothered the locals more than was anticipated.
- DEVCO retained an attorney with feed lot odor nuisance experience to seek an injunction to prevent Spurr Feed Lot operators from feeding additional cattle. Resident lawsuits against Spurr now totaled more than \$4,700,000. DEVCO offered to buy the feed lot land but was turned down. Spurr countered by piling more than 58,000 tons of manure along Olive Avenue west of 111th Avenue. A trial date was set for March 31, 1969.
- A Fire District agreement with Rural Metro Fire Company was finally settled.
- Unification of the community facilities was discussed, and DEVCO directly entered the negotiations.
- Sun City Merchants Association again sponsored the Mother's Day Strawberry Festival.
- R. H. Johnson was named President of Del E. Webb Corporation with Mr. Webb continuing as Chairman.

- A July grand opening of the **Mountainview Recreation** facilities was held. Del Webb, R. H. Johnson and John Meeker participated in the ribbon cutting ceremony before a very large crowd. It featured a large single level auditorium seating 1200 people, sunken swimming pool and cabana area, exercise room, therapy pool, meeting rooms, lawn bowling and shuffleboard. Mini golf and tennis courts were added in later years because of their popularity at the Lakeview Center opened in 1970. *See Appendix No. 2.27*
- A third experimental home was built for residents' review featuring all frame with masonite siding material.
- Sewage disposal plant negotiations began with Glendale and Peoria to handle Sun City sewage. The County extended the oxidation ponds permit for one more year. When it became evident negotiations weren't getting anywhere, a permanent plant site was set at 99th Avenue and Olive Avenue, and the planning and permit process began. Glendale announced it would oppose the plant.
- North and South Golf Course greens were changed to tiff green grass from bent grass due to the inability to keep bent grass green through the summer heat.
- The free Grape Festival was moved to Boswell's Cactus Lane Ranch vineyards located on Cotton Lane between Olive Avenue and Peoria Avenue. Due to weather and market conditions, plenty of grapes were always available after regular harvesting. The residents were up for this event, and it was almost like the Oklahoma Land Rush as several thousand all tried to come at one time. They got sorted out, and cold drinks were served by DEVCO executives. A standby ambulance was available in case of heat stroke. The residents really enjoyed this event for many years. It was discontinued in the late seventies because so many people came, they just couldn't be accommodated.
- Automatic sprinkler systems were completed on both golf course fairways.
- A traffic signal was installed at 103rd Avenue and Grand Avenue.
- George Boutell, a local golf professional, was signed to replace John Schlee on the PGA Tour.
- A Howard Johnson Restaurant was opened on Grand Avenue west of 103rd Avenue.
- Arizona Public Service Office Building was completed in the Grand Shopping Center.
- Phone rates were lowered another 75 cents per month.

- DEVCO Board discussed the necessity to commence the building program north of Grand Avenue with a golf course, recreation complex and new models. A concern about lots not sold on the southern portion was discussed. This proved not to be a problem. When the feed lot was shut down, all houses available were sold except for Rancho Estate Lots.
- **Sunland Memorial Park** received the "Most Beautiful Cemetery in Maricopa County Award" by the National Association of Cemetery Operators.
- The J. G. Boswell Company farmed cotton in Phase II for the last year.
- Del Webb was named Grand Marshall of the Roarin' 20's Day Parade sponsored by the Sun City Merchants Association.
- Response to the Vacation Special advertising for all Sun Cities had Arizona at 50 percent, Florida at 40 percent, and California at 10 percent. This further indicated that California was a local market, and subsequent advertising was geared this way. Sales to date were substantially all from California except for a few buyers from Oregon, Washington and Idaho. Further research indicated that there was very little in-migration of retirement age people to California as a whole. *See Appendix No. 17*
- Plans on the area north of Grand Avenue known as Phase II were submitted for zoning approval with most of the existing industrial zoning eliminated.
- *Arizona Highways Magazine* did a story on Sun City, and the sales department used it in their mailing program.
- 737 homes were sold in Phase I in spite of the feed lot odor problem, and 662 profit units were booked for a pre tax profit of \$1,348,000. This increase in sales was contributed to the new sales procedures, a determined sales force, complete coordination of all departments and the Vacation Special Program. 224 sales were attributed directly to the Vacation Special Apartment program. 115 resales were also made by DEVCO out of the estimated 230 resales made in all of Sun City. *See Appendix No. 7 and No. 8*



1967

Home building moves closer to Olive Avenue and the Spurr Feed pens. Spurr began piling manure next to Olive Avenue in lower left.

P-1

1967



Del Webb dedicated the Sun Bowl. A free show followed.



Entertainer pianist Liberace followed, playing to a sold-out audience of more than 7,000 people.



The Lawrence Welk Band played to a sold-out audience and became a yearly fixture along with various solo members of his band.

1967



Another set of new models were opened in January next to the Mountainview Recreation Center and featured Spanish Style Villas.



Mountainview Recreation Center featured a large auditorium with seating for 1,200. A therapy pool was offered for the first time along with an exercise area.



Sunken swimming pool.



Grand Marshall Del Webb in the Roaring Twenties Parade.



Golf professional George Boutell center is welcomed by John Meeker and Del Webb as Sun City's representative on the PGA Tour.



Truss operation.



Finishing concrete sidewalk.



Mason laying face brick.



Lumber carrier transporting trusses.



Sewer line trenching.

Sun City - A Look Back - 1968

- First dividend of \$2,000,000 was declared by DEVCO.
- An agreement was reached with the City of Glendale and the City of Peoria to transport Sun City sewage during off hours through their lines to the TriCities sewer treatment plant at 99th Avenue and the Salt River. A holding pond was constructed at 99th Avenue and Olive Avenue along with a pumping station tied to Peoria's main line via a low pressure pipe system. The oxidation ponds were eliminated. Rates were raised 72 cents per month.
- Liberace returned to a sellout performance at the Sun Bowl.
- Guy Lombardo underwent emergency heart surgery just before his scheduled appearance at the Sun Bowl. His band played without him to an enthusiastic crowd.
- An addition to the Plaza Del Sol Shopping Center was approved and construction completed and was named the **Sun Bowl Plaza**. See *Appendix No. 2.22*
- A 60,000 sq. ft. shopping center was built just outside of Sun City at 99th Avenue and Peoria Avenue and featured Lucky Market and Sprouse-Reitz variety.
- T. G. & Y. was expanded in the Grand Shopping Center.
- Spurr Feed Lot problem languished in court with the trial date moved to December. However, the Superior Court Judge did refuse Spurr's request to dismiss the odor suits filed by residents. Spurr did move the manure piled up along Olive Avenue when ordered to do so by the County Health Department. 30,000 head of cattle were still being fed by Spurr.
- Luke Field Air Force planes continued their low noisy flights over Sun City with the Air Force claiming all air rights over Sun City and other contiguous land. The various title companies got more than a little excited on this claim, and it disappeared due to lack of substance. Luke Field brass tried to cooperate by moving flight patterns over the Agua Fria River, and the problem began to subside.
- JoAnn Castle provided the entertainment for more than 7000 people attending the eighth anniversary celebration at the Sun Bowl on January 11th.
- More than 1,000 residents participated in a Massing of Colors program at the Sun Bowl before a large crowd and received wide local television coverage.

- The recreation centers were united with DEVCO agreeing to spend a small amount of money on Oakmont Center. This was accomplished by a very dedicated group of recreation center leaders working with Project Manager Owen Childress. This paved the way for Sun City's new recreation facilities to be used by all of its residents and became a tremendous sales tool and made all of the residents very happy with the mini Berlin wall situation removed. The residents then voted 2,206 to 271 to add Lakeview Recreation Center.
- Sewer and Water Engineer Tom Ryan was employed by DEVCO as Assistant Site Development Manager with responsibility for planning, sewer and water design. From 1959-1966 he was responsible for the water and sewer systems' design for Sun City while employed by Henningson, Durham and Richardson Engineers.
- A general plan for Phase II featuring off section line major arterial roads including Arizona's first manmade lake subdivision was given approval by the County. A new circular subdivision design was introduced around the **Lakes West and Lakes East Golf Courses**. A mass grading system was employed for the first time. Excavation from the lake was used for the hospital pad as well as surrounding subdivision lots and elevated park in the Lakeview Recreation Center.
- Lot improvement work was completed on the model complex, single family, duplex, patio home and garden apartment areas, and construction followed.
- **Lakes West Golf Course** was completed and ready for play. This course was designed by in house personnel. *See Appendix No. 2.71*
- The lake was designed to be filled with well water via a stream system through the golf course and pumped back to the golf course sprinkler system for circulation purposes and to prevent algae growth. The stream concept and design were by Site Development Manager Jeff Hardin and was used on several subsequent golf courses.
- The 65 piece Sun City Symphony Orchestra was formed, and the first concert was held at Mountainview Recreation Center. These programs were underwritten by DEVCO. However, no major costs were incurred due to strong resident support.
- DEVCO was successful bidder on 40 acres of State Lease Land put up for sale on the Heading Ranch. *See Appendix No. 1.*
- The first stock brokerage firm opened in Plaza Del Sol Shopping Center.
- Sites were sold to the First National Bank and Union Oil Company.

- Kansas City Royals baseball team and the California Angels considered Sun City as a spring training site. Kansas City opted for Florida, and the Angels for Yuma and Palm Springs.
- Some Sun City couples were selected to be interviewed by CBS-TV during the Apollo 11 landing on the moon.
- *Arizona Republic* real estate editor Henry Fuller continued to write very favorable stories on the Sun City lifestyle and growth.
- An electronic marquee sign was installed on the north side of Grand Avenue and 107th Avenue to primarily announce Sun Bowl events.
- A Fourth of July fireworks display was put on at the softball park by Grand Shopping Center.
- Boswell leased land above Bell Road for winter sheep grazing.
- The Peoria school tax was lowered to \$1.09 per \$100 of assessed valuation.
- The Vacation Special Apartment program continued to produce good response, and the 97 Kings Inn rooms had to be put into use during the winter season. 96 Vacation Apartments were added in the fall next to the existing units bringing the total to 158 units. *See Appendix 2.11*
- Borrowed \$1,200,000 from Arizona Title with payback of \$1,500 per lot at closing.
- Late in the year Phase II was opened for sale at higher prices to help sell Phase I out. A water skiing and parachute show in the lake highlighted model opening festivities.
- 1,175 homes were sold although the feed lot odor problem persisted. 931 profit units were recognized for a pre tax profit of \$2,569,000. Also, 156 resales were made by DEVCO from the estimated 350 resales made in Sun City. Momentum was definitely up due to the Vacation Special program with 392 sales this year attributed to it, Sun Bowl activities, opening of sales in Phase II and settlement of the recreation center fuss. *See Appendix No. 7 and No. 8*



1968

Work has started in Phase II north of Grand Avenue with Viewpoint Lake and circular subdivision design. Spurr was ordered to remove the manure piled along Olive Avenue in lower left.

P-1

1968



Del Webb Boulevard with planted median and models in background under construction.



Fall model Grand Opening in Phase II featured a water skiing show on Viewpoint Lake.



"Exposition for Living" models featured a stream and heavy landscaping with wide sidewalks and a new style sales rotunda.



Sun City Flag at entry.



Massing of Colors program at the Sun Bowl.



Webb and Boswell officials dedicate Hospital site.



Sun City logo key rings.



Bicycle riders travel in groups.



Running water stream was introduced at Lakes West Golf Course.

Sun City - A Look Back - 1969

In January the Grand Opening of the "Exposition for Living" 60 Series model homes offering 4 modes of living and 18 models overlooking the 33 acre Viewpoint Lake took place. It also introduced the use of a sales rotunda with portable sales offices and administration offices around the periphery. The sales complex was designed to allow three sets of models to be offered without relocation. However, only two sets were ultimately used. The modes of living were as follows:

Mode 1 - Single Family Homes

Seven new-idea single family floor plans each with four distinctive exterior elevations with a wide variety of genuine face brick veneer and many custom options available including fireplaces.

Plan 61

Liveable
2-1-69 S.P.

981 SF
\$17,590
\$17.93 SF

Updated version of Plan 51 •

2 Bedrooms • 2 Baths • Dining room •
Rear patio • Refrigeration • Utility room •
Single carport

Plan 62

Liveable
2-1-69 S.P.

1144 SF
\$19,990
\$17.40 SF

Updated version of Plan 52X •

2 Bedrooms • 2 Baths • Dining area •
Breakfast space • Refrigeration
Utility and storage • Covered lanai •
Single carport

Plan 63

Liveable
2-1-69 S.P.

1326 SF
\$22,790
\$17.19 SF

Updated version of Plan 53 •

2 Bedrooms • 2 Baths • Dining room •
Breakfast space • Refrigeration
Entrance gallery • Covered lanai •
Large storage and utility • Covered lanai •
Double carport with golf cart storage

Plan 64

Liveable
2-1-69 S.P.

1494 SF
\$23,390
\$15.66 SF

Revised Plan 54 •

3 Bedrooms • 2 Baths • Dining room •
Breakfast space • Refrigeration •
Entrance foyer • Covered lanai •
Built-in wardrobe closets •
Double carport with golf cart storage

Plan 65

Liveable
2-1-69 S.P.

1650 SF
\$25,990
\$15.75 SF

Revised Plan 57 •

3 Bedrooms • 2 Baths • Leisure room •
Dining room • Refrigeration •
Double door entry • Entrance courtyard •
Covered lanai with pass-through window
Built-in wardrobe closets • Double garage

Plan 66
Liveable
2-1-69 S.P.

1860 SF
\$28,390
\$15.26 SF

Revised Plan 55 with two master suites •
2 Bedrooms • 2 and one-half Baths •
Dining room • Breakfast space •
Leisure Room • Refrigeration •
Dressing area • Utility Room •
Entrance courtyard • Double door entry •
Covered lanai with pass-through window
Double garage with golf cart storage •
Built-in wardrobe closets

Plan 67
Liveable
2-1-69 S.P.

1895 SF
\$27,990
\$14.77 SF

New split bedroom Plan •
3 Bedrooms • 2 Baths • Dining room •
Leisure room • Refrigeration •
Double entry doors • Dressing area •
Entrance courtyard •
Covered lanai with pass-through window
Built-in wardrobe closets •
Double garage with golf cart storage

Plans 65 and 67 sales were affected by lack of a breakfast space and adequate storage space. Optional features included special floor coverings and carpet; wood paneling; central vacuum cleaner system; electronic air filter; cold water tap at refrigerator; and remote control garage door opener.

Mode 2 - Garden Apartments

Four all new garden apartments featuring the same high quality materials and features found in the largest houses including refrigerated air conditioning as a standard item plus rear drive single carports, rear walled garden and heavily landscaped common area courtyards with decorative courtyard brick fence and entry gates. These units were aimed at the thrifty buyer.

GA-101
Liveable
2-1-69 S.P.

842 SF
\$15,390
\$18.28 SF

1 Bedroom • 1 Bath • Dining room •
Breakfast space • Separate utility and
storage room • Covered lanai

GA-201
Liveable
2-1-69 S.P.

1034 SF
\$16,390
\$15.85 SF

2 Bedrooms • 1 Bath • Dining area •
Breakfast space • Separate utility and
storage room • Covered lanai

GA-202
Liveable
2-1-69 S.P.

1108 SF
\$17,390
\$15.69 SF

2 Bedrooms • 2 Baths • Dining room •
Breakfast space • Separate utility and
storage room • Covered lanai

GA-301Liveable
2-1-69 S.P.**1254 SF**
\$18,390
\$14.66 SF**3 Bedrooms • 2 Baths • Dining room •
Breakfast space •** Separate utility and
storage room • Covered lanai**Mode 3 - Duplexes**

Four new look duplexes featuring liveable floor plans completely landscaped plus the no yard or exterior maintenance arrangement, all for Country Squire living.

Plan D-32Liveable
2-1-69 S.P.**1068 SF**
\$20,690
\$19.37 SF**Revised Plan D-22 •****2 Bedrooms • 2 Baths • Dining room •
Refrigeration •** Rear patio •
Single carport**Plan D-35**Liveable
2-1-69 S.P.**1420 SF**
\$24,290
\$17.10 SF**Revised Plan D-25 •****2 Bedrooms • 2 Baths • Dining room •
Breakfast space •** Refrigeration •
Entrance courtyard • Dressing room •
Covered lanai • Double carport with golf
cart storage • Built-in wardrobe closets**Plan D-36**Liveable
2-1-69 S.P.**1504 SF**
\$24,690
\$16.41 SF**All new floor plan with atrium entry •
3 Bedrooms • 2 Baths • Dining room •
Breakfast space • Leisure room •
Dressing room •** Rear patio •
Double carport with golf cart storage •
Built-in wardrobe closet**Plan D-38**Liveable
2-1-69 S.P.**1450 SF**
\$24,290
\$16.75 SF**All new floor plan with split bedrooms •
2 Bedrooms • 2 Baths • Dining room •
Leisure room •** Refrigeration •
Entrance courtyard •
Covered lanai with pass-through window
Double garage with golf cart storage •
Built-in wardrobe closet**Mode 4 - Patio Houses**

The all new patio houses offered true indoor living with a maximum of privacy and security. These units were built in a super block arrangement with fully landscaped front garden and rear sun patios.

Plan PH-100Liveable
2-1-69 S.P.**1920 SF**
\$29,990
\$15.57 SF**2 Bedrooms • 2 Baths • Arizona room •
Dining room • Breakfast space •
Refrigeration •** Utility room •
Front garden patio with pass-through
window • Rear sun patio •
Double garage with golf cart storage

Plan PH-200Liveable
2-1-69 S.P.**1852 SF**
\$30,990
\$16.73 SF**2 Bedrooms • 2 Baths • Arizona room •
Dining room • Breakfast space •
Refrigeration • Utility room • Atrium •
Front garden patio • Rear sun patio •
Double garage with golf cart storage****Plan PH-300**Liveable
2-1-69 S.P.**1880 SF**
\$31,990
\$17.02 SF**3 Bedrooms • 2 Baths • Arizona room •
Dining room • Breakfast space •
Refrigeration • Utility room •
Front garden patio • Rear sun patio with
pass-through window •
Double garage with golf cart storage**

The Patio Homes did not sell very well due to lack of visitor parking space. The garage setbacks were less than ten feet.

Golf course lots were \$5,990 extra. Lake lots were \$8,000 to \$17,000 extra. Rancho Estate lots were \$6,890 extra. *See Appendix No. 2.57*

- Harry James and Rich Little were among the artists performing at the Sun Bowl.
- On January 29, groundbreaking for the 99-bed **Walter O. Boswell Hospital** was officiated by Del Webb and William Boswell. The hospital design featured flexibility by allowing expansion up to 1000 beds. The lower two levels included supply, storage and administration with the radial nursing units above for easy service access. The mechanical building was located to the side to allow for the expected expansion. The first phase included two towers with necessary ancillary facilities for 99 beds and shelled in space for 120 additional beds. Ultimately 355 beds with a total of four towers were built through 1982. More than 300 people attended the groundbreaking ceremonies on a cold and windy day with Mr. Webb spending much time talking with residents one-on-one. Fund raising efforts continued and reached their goal of over \$1,000,000.
- The hospital construction, expected to cost \$4,500,000, was financed by residents and Boswell Foundation and was performed by Del E. Webb Corporation, Contracting Division, at cost without any fees. The first patient moved in November 16, 1970. DEVCO guaranteed a \$5,000,000 loan from Security Pacific Bank for the hospital to start construction.
- The Boswell Hospital Auxiliary was formed to provide voluntary assistance to the hospital's operation including the residents gallery and many other services. More than 1,700 men and women serve as volunteers and have saved the hospital many millions.

- New home sales reached 1,000 in the first five months. Sales in seven months of 1,512 surpassed the entire year's goal of 1,500.
- 192,225 rounds of golf were played on the North, South and Lakes West courses.
- Awaiting the court date set to hear the Spurr Feed Lot case. The odor problem persisted.
- Maricopa County enacted a new zoning and building code requiring inspection during course of construction.
- A study was approved for a mobile home park layout on the Heading Ranch.
- DEVCO proceeded with a study of prospects for construction of life care facilities in Sun City.
- 107th Avenue north from Grand Avenue was changed to Del Webb Boulevard.
- A street light district was approved by residents of Newlife Unit 1, and Sun City Units 1, 2, 3, and 4. *See Appendix No. 2*
- Three free fall shows were announced for the Sun Bowl.
- The Methodists Church group bought a second church site in Phase II. *See Appendix No. 2.47*
- A school bond issue in the amount of \$895,000 was passed, and the tax rate was raised to \$1.75 from \$1.09 for each \$100 of assessed valuation.
- A credit line was received from First National Bank.
- First National Bank opened its third branch in Sun City.
- Boswell continued to lease land in the northern portion of Marinette Ranch for winter sheep grazing.
- Borrowed \$1,500,000 from Arizona Title Insurance and Trust Company with payback of \$1,500 per lot out of closing.
- Pre Planned Retirement known as PPR was introduced. This allowed purchasers to buy for delivery as long as one year from date of purchase. The pricing structure on all homes had to be adjusted to cover inflation and expected increases for this one year period.

- Hourly wage rates were as follows:

Carpenters	\$5.075
Laborers	3.755
Cement Finishers	4.95
Teamsters	3.905

- The opening year record of 1,301 sales was surpassed in the first six months and totaled a record of 1,902 by year's end with 180,569 visitors to the sales complex. 1,629 profit units were realized and a pre tax profit of \$6,823,000 was booked. The Vacation Apartment Special program continued to show good results with 630 new sales. The Midwestern states were beginning to produce strong response and sales. The Kings Inn still had to be used even with the 96 Vacation Apartment units that were added. A total of 136 resales were made by DEVCO out of a total of 398 resales sold in the entire community. *See Appendix No. 7 and No. 8*



1969

The second lake was excavated in Phase II, and Lakes West Golf Course was completed. Lakes East Golf Course was started. Only a few homes remain to be built on the southwesterly portion of Phase I. The sewer oxidation ponds were removed with hookup to the Glendale and Peoria sewer system.

P-1

1969



The Grand Opening of eighteen new models was held in January to a large turnout of visitors.



Electronic marquee sign at Phase II entry.



Model home featured a landscaped sunken backyard with swimming pool.



Model featured entry courtyard with tile roof and desert landscaped front yard.



Phase II duplex construction.



Poster Board featuring "It's All Here Now" campaign.

Sun City - A Look Back - 1970

- The Grand Opening of the **Lakeview Recreation Center** was held for residents and later the public. The design was a drastic departure from the institutional look to a more resort oriented type facility. The main two-story building was a circular design around an outdoor pool and cabana area with ramps and no steps. It contained meeting rooms, club room, arts and crafts, ceramics, clay free form, exercise room, therapy pools, lapidary, sewing and woodworking. Lawn bowling and covered shuffleboard were also included. Since it overlooked Viewpoint Lake, it also offered boating and fishing from a specially designed pier projecting out into the lake. A raised park approximately 50 feet high with many Arizona native trees and plants included a serpentine walkway system without steps leading to the trellised gazebo and waterfall on top. Water was pumped from the lake to the top and cascaded down a manmade rock waterfall to lower ponds designed for ducks and fish breeding. A mid level viewing platform was included. A heavily landscaped picnic area with tables and bar-be-ques were installed around the pond area. Mini golf was introduced with an elaborate 18 hole astro turf carpeted facility. Needless to say, the response to the entire complex by residents, Vacation Special visitors and prospects were beyond expectations. An impressive aerial photo of this facility was prominently featured in the local advertising campaign. A record 196,066 people visited the sales office during the year. *See Appendix No. 2.52*
- The DEVCO Board held a special meeting to discuss the problems of continuing and accelerating the momentum now existing in Sun City. Detailed discussion developed the obvious need for approximately \$15,000,000 of non-housing funds for such projects as shopping centers, office buildings, Vacation Apartments, a social club, a second motel, home service center, Lakes East Golf Course, medical building and a country club. Also an additional \$5,000,000 interim financing for production housing was required caused by increased housing sales. Boswell suggested the two major stockholder corporations contribute additional cash of \$5,000,000 each. Another meeting was to be called when the Del E. Webb Corporation made its policy decision on this matter.
- During a subsequent DEVCO Board meeting Boswell offered to provide DEVCO \$5,000,000 backup interim financing. No decision was made. The board did agree to a priority list of projects that included the medical center, Lakes Club, shopping center and Vacation Apartments.
- The golf courses, for the first time in history, were operating in the black.
- **Lakes East Executive Golf Course** was opened for play in the fall. It was designed in house. Nationally known golf course designer George

Fazio consulted on Riverview. Fazio and his nephew assistant Tom also designed and built the Sahara Tahoe Edgewater Golf Course and the Kulima Resort Hotel course in Hawaii. Meeker was involved as Webb's consultant on these designs. Mr. Webb had known Fazio for a number of years. Residents were allowed to play free for one week on Lakes East before it officially opened. *See Appendix No. 2.70 and No. 2.77*

- Plans were studied to construct a combination bowling alley and billiards parlor either as part of the Community Facilities or as a commercial operation.
- DEVCO President John Meeker moved his offices along with Land Planning, Engineering and Architectural Departments to Sun City in August. The Sun City, California, and Sun City, Florida, projects were sold the following year.
- The construction of Dawn Lake, the companion to Viewpoint Lake, was completed. *See Appendix No. 2.63*
- Housing production was increased from 9 to 12 units per day.
- Arizona Public Service advised that natural gas would no longer be available in the near future due to forecasted supply shortages. APS requested that DEVCO change to all electric, and this change was implemented.
- The estimated population in Sun City reached 14,882.
- A lengthy masonry strike entered its 68th day, and when DEVCO announced it was switching to exterior frame and siding construction, the strike ended four days later. However, when DEVCO contacted eleven hundred buyers waiting for their homes giving them a choice of frame or waiting for masonry, only one buyer opted for masonry. The decision was made to stay with frame construction from that point on.
- There was concern about selling homes next to Sunland Memorial Park Cemetery. However, a six foot high masonry wall was installed on a two foot high berm around the perimeter, and all lots were promptly sold.
- The 10,000th Sun City home was sold during this year.
- The Moon Valley lot sales operation was closed as only seven lots remained. A total profit of \$254,797 was realized from this operation by DEVCO on the 124 lots purchased.
- A decision on the Spurr Feed Lot was issued after a trial in DEVCO's favor with Spurr being ordered to phase out its operation within nine months, and the odor situation was on the way to being permanently

resolved at last.

- The Boswell Hospital was dedicated with more than 5,000 residents attending. It received Medicare approval prior to its opening.
- 4,000 to 5,000 people participated in the free Grape Festival.
- A church site was sold to the United Church of Christ in Phase II. *See Appendix No. 2.69*
- Jim Boswell requested the August 18 Board meeting minutes reflect the Boswell Company's appreciation for the manner in which Del E. Webb Development Company was being managed and for the results being shown.
- Sun City became the 12th largest city in the State and celebrated its tenth anniversary. It was featured in "The Webb Spinner". *See Appendix No. 6*
- Borrowed \$1,100,000 from Valley National Bank for construction of the first phase of Lakeview Medical Arts Center located next to the Walter O. Boswell Hospital.
- Borrowed \$2,500,000 from Great Western Bank and \$2,382,440 from First Federal Savings and Loan Association.
- 1,916 homes were sold with 601 coming from Vacation Special prospects. 1,836 profit units were recorded in spite of the strike delay and national recession. \$8,392,000 pre tax profit was shown for the year. 246 new home sales were made to residents. Also, there were 579 resales by various realty companies and residents in Sun City proper of which 156 were sold by DEVCO. *See Appendix No. 7 and No. 8*



1970

Dawn Lake is filled and homebuilding continues in Phase II. Lakes East Golf Course was completed, and grading was started on Palmbrook golf course.

P-1

1970



Resort style Lakeview Recreation Center is introduced.



Port-a-cochere entry to Lakeview Recreation Center.



Raised park featured waterfalls and picnic area.



Bocce and mini golf were introduced with astro turf playing surfaces.



Large therapy pool had space for 12 people at a time.



Colorful shade screen covered cabanas surround the circular swimming pool.

P. 2

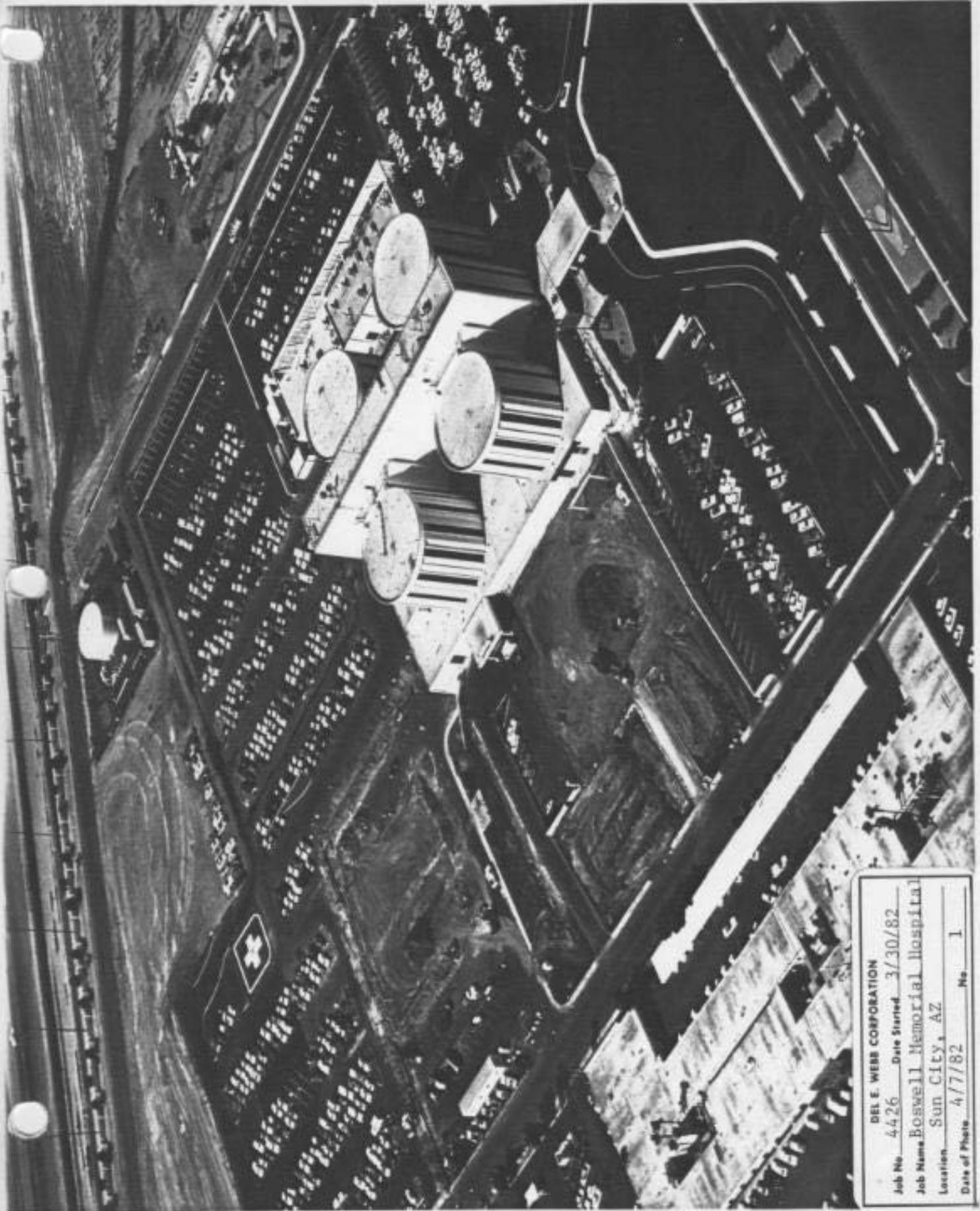
P-2



Walter O. Boswell Hospital built by the Del E. Webb Corporation Contracting Division was completed with 99 beds ready for occupancy in November.

Volunteers began making items to be sold in the auxiliary gift shops at the hospital as well as Plaza Del Sol Shopping Center.

Webb Corporation President R. H. Johnson and Arizona U. S. Senator Paul Fannin speak at the 10th anniversary Sun Bowl festivities.



DEL E. WEBB CORPORATION
Job No. 4426 Date Started 3/30/82
Job Name Boswell Memorial Hospital
Location Sun City, AZ
Date of Photo 4/7/82 No. 1

Sun City - A Look Back - 1971

A January Grand Opening was held for "It's Showtime", the **70 Series**, featuring seven single family home models, four duplex models, four garden apartment models, and introducing two all new patio apartment models. All models featured refrigeration and garages with golf cart storage at no additional cost except garden apartments. All were decorated in the latest furniture, carpet and drapery fashions as well as dramatic landscaping. The Plan H-78 model featured a dock extending from the patio out into the lake, and visitors to this model upon entering could easily view the dock and lake through the living and Arizona rooms. Flat roof elevations were introduced on the single family homes along with the conventional pitched roof exteriors. This was done to test customer acceptance in case DEVCO was forced to switch to this style due to anticipated high union field labor costs. Flat roof panels could be manufactured at much lower cost on a production line in a plant or construction yard in lieu of the present field stick building method. Acceptance of the flat roofs was mixed. However, this model set went on to sell 7,068 homes in three years. Also, a record 247,753 people visited the new models during the year.

Quality features and products included in the basic price included electrically operated garage door with remote control • pre-wired television outlets with roof jack • rough-in piping for ice maker refrigerator • plastic clad cabinet faces throughout • fiber glass tub-shower unit with integral ceiling • wide choice of genuine face brick veneer.

Golf course view lots sold for \$5,490, and lake lots were from \$8,000 to \$17,000 extra. *See Appendix No. 2.58*

The Four Modes of Living were as follows:

Mode 1 - Single Family Homes

Seven all new single family floor plans, each with four entirely different front exteriors. The flat roof elevations featured raised ceilings in specified areas. Standard items included double garages with cart storage space and special door molding designs.

Plan H-70

Liveable
1-31-71 S.P.

1092 SF
\$23,490
\$21.51 SF

2 Bedrooms • 1 Bath • Dining area •

Pass-through window • Pantry •
Rear patio

Plan H-71

Liveable
1-31-71 S.P.

1164 SF
\$25,490
\$21.90 SF

2 Bedrooms • 2 Baths • Dining area •

Pass-through window • Pantry •
Rear patio

Plan H-72Liveable
1-31-71 S.P.**1465 SF**
\$27,490
\$18.76 SF**3 Bedrooms • 2 Baths • Breakfast space • Arizona room •** Pass-through window • Pantry • Rear patio**Plan H-73**Liveable
1-31-71 S.P.**1646 SF**
\$29,990
\$18.23 SF**2 Bedrooms • 2 Baths • Dining room • Breakfast space • Arizona room •** Pantry • Planning desk • Ceiling of light • Dressing area with walk-in closet • Rear patio • Entrance courtyard**Plan H-74**Liveable
1-31-71 S.P.**1622 SF**
\$29,990
\$18.50 SF**2 Bedrooms • 2 Baths • Dining room • Breakfast space •** Pantry • Ceiling of light • Dressing area with walk-in closet • Built-in wardrobe closet • Rear patio • Double entry doors and foyer • Front courtyard**Plan H-75**Liveable
1-31-71 S.P.**1833 SF**
\$31,490
\$17.18 SF**2 Bedrooms • 2 Baths • Den • Dining room • Breakfast space • Arizona room •** Pantry • Ceiling of light • rear patio • Dressing area with walk-in closet • Built-in wardrobe closets**Plan H-76**Liveable
1-31-71 S.P.**1880 SF**
\$35,490
\$18.88 SF**2 Bedrooms • 2 Baths • Dining room • Breakfast space •** Island work table • Double oven • Dishwasher • Soffit lighting • Roman tub in master bath • Dressing area with walk-in closet • Built-in wardrobe closet • Rear patio • Entrance gallery • Entrance courtyard**Plan H-77**Liveable
1-31-71 S.P.**2137 SF**
\$37,490
\$17.54 SF**2 Bedrooms • 2 Baths • Dining room • Breakfast space • Arizona room •** Pantry • Dishwasher • Double oven • Soffit lighting • Island work table • Pass-through window • Dressing area with walk-in closet • Rear patio • Double entry doors with foyer**Plan H-78**Liveable
1-31-71 S.P.**2479 SF**
\$49,490
\$19.96 SF**2 separate master suites with dressing area and walk-in closet • 2 Baths • Arizona room • Dining room • Breakfast space •** Pantry • Roman tub in one bath • Triple sink • Dishwasher • Double oven • Ceiling of light • Rear patio • Double entry doors • Atrium • Valance lighting in living room and Arizona room • Wet bar • Two-way fireplace

Mode 2 - Duplexes

Four new look duplexes featuring garages with special door moldings, completely landscaped yards with the exterior building maintenance and garden care, for a nominal monthly cost, the responsibility of others.

Plan D-40

Liveable
1-31-71 S.P.

1055 SF
\$23,990
\$22.74 SF

All new plan with single garage •

2 Bedrooms • 2 Baths • Dining room •
Pass-through window • Pantry •
Rear patio

Plan D-41

Liveable
1-31-71 S.P.

1152 SF
\$26,490
\$22.99 SF

Revised plan D-32 with single garage •

2 Bedrooms • 2 Baths • Dining room •
Pantry • Pass-through window •
Rear patio

Plan D-42

Liveable
1-31-71 S.P.

1667 SF
\$33,990
\$20.38 SF

Revised plan D-35 with double garage •

2 Bedrooms • 2 Baths • Arizona room •
Dining room • Breakfast space • Pantry •
Double oven • Ceiling of light •
Dishwasher • Roman tub in master bath •
Dressing area with walk-in closet •
Built-in wardrobe closet • Front and rear
patios • Entrance courtyard

Plan D-43

Liveable
1-31-71 S.P.

1661 SF
\$33,990
\$20.46 SF

All new plan with double garage and

split bedrooms • 2 Baths • Arizona room •
Dining room • Breakfast space • Pantry •
Dishwasher • Ceiling of light •
Pass-through window • Curved vanity and
Roman tub • Dressing area with walk-in
closet • Built- in wardrobe • Covered lanai
Entrance courtyard

Mode 3 - Garden Apartments

Four redesigned Garden Apartments with single garages and rear drives, rear walled garden, air conditioning, landscaped common area, courtyards with decorative courtyard brick fence and entry gates, exterior building maintenance and garden care, for a nominal monthly cost, the responsibility of others.

Plan GA-101

Liveable
1-31-71 S.P.

876 SF
\$19,990
\$22.82 SF

1 Bedroom • 1 Bath • Dining room •

Utility and storage area • Covered lanai

Plan GA-201

Liveable **1034 SF**
 1-31-71 S.P. \$21,490
 \$20.78 SF

2 Bedrooms • 1 Bath • Dining room •
 Utility and storage area • Covered lanai

Plan GA-202

Liveable **1108 SF**
 1-31-71 S.P. \$22,990
 \$20.75 SF

2 Bedrooms • 2 Baths • Dining room •
 Utility and storage area • Covered lanai

Plan GA-301

Liveable **1255 SF**
 1-31-71 S.P. \$24,990
 \$19.91 SF

3 Bedrooms • 2 Baths • Dining room •
 Utility and storage area • Covered lanai

Mode 4 - Patio Apartments

A new concept featuring two deluxe patio apartments with rear drive, double garages and golf cart storage, private walled garden area and air conditioning standard. These units were designed to appeal to buyers wanting the advantages of a larger home with the convenience and security of apartment living as well as exterior building maintenance and garden care by others for a nominal monthly fee.

Plan PA-1

Liveable **1700 SF**
 1-31-71 S.P. \$37,490
 \$22.05 SF

2 Bedrooms • 2 Baths • Dining room •
Breakfast space • Utility room • Pantry •
 Dishwasher • Triple sink • Ceiling of light
 Roman tub in master bath • Dressing area
 with walk-in closet • Covered patio •
 Built-in wardrobe closet •
 Double entry doors • Foyer

Plan PA-2

Liveable **2051 SF**
 1-31-71 S.P. \$39,990
 \$19.49 SF

2 Bedrooms • 2 Baths • Arizona room •
 Dining room • Breakfast space • Pantry •
 Utility room • Dishwasher • Triple sink •
 Ceiling of light • Roman tub in master
 bath • Dressing area with walk-in closet •
 Built-in wardrobe closet • Covered patio •
 Double entry doors • Foyer

At this time there were over 125 social, cultural, hobby, travel and service organizations in Sun City with participation voluntary. There were ten churches and facilities for worship of all faiths, four Recreation Centers, seven golf courses (two private), four shopping centers with 214 businesses, 99-bed Boswell Hospital, medical offices, 11 banks, seven savings and loans, three brokerage houses, two newspapers, 16 restaurants and a 97-bed motel.

Special venting in garages was installed to prevent carbon monoxide from building up in case a car was accidentally or otherwise left

running.

- Jimmy Durante was among the featured entertainers at the Sun Bowl.
- DEVCO produced a movie titled "**The Story of Arizona and Sun City**", and it was shown to sales complex visitors in a small theatre. It was narrated by Arizona Senator Barry Goldwater and was a bit corny, but it was very well received.
- Sun City became the 9th largest city in Arizona.
- A joint venture of Leisure World and Western Savings announced a new gated retirement project on the failed Golden Hills property. An intensive advertising program featuring television personality Arthur Godfrey was aired on television, radio, in newspapers, and on billboards with words to the effect: "Sure, visit Sun City, but then come to Leisure World and buy." It was the best free advertising Sun City ever received. There really wasn't any comparison between the two projects except in Gary Driggs' mind. Mr. Driggs was the executive vice president of Western Savings. Also, Ross Cortese began a paid column in the Sun City newspaper advertising Leisure World benefits such as safety.
- Ahwatukee was also opened as a combination retirement and conventional housing development on I-10 south of Tempe. This project was developed by the Presley Company out of Southern California. Initially retirement was the main focus but was not very successful, and it was subsequently phased out with only conventional housing being offered.
- Sun Lakes opened a mobile home retirement community late in the year south of Chandler one mile east of I-10. Lots were sold along with manufactured mobile homes around a circular golf course copied after Lakes West in Sun City. After the first subdivision was nearly sold out, mobile homes were dropped, and stick-built homes were offered. They continued to sell lots separately with the restriction that a home had to be constructed within certain time limits by Sun Lakes at prevailing prices.
- 107,600 sq. ft. **La Ronde Shopping Center** opened with El Rancho Market, Mayo's Home Furnishings, Revco Drug Store and Alco Movie Theatre. DEVCO made rental and other concessions to obtain the theatre, a highly requested facility, for the enjoyment of the Sun City residents. *See Appendix No. 2.72*
- Del E. Webb Corporation Contracting Division was approved to build all future commercial and recreation buildings for cost plus a five percent fee. DEVCO previously did all of this work with its own forces.

- **Palmbrook Country Club** was formed to sell memberships. 405 golf memberships were offered at \$3,500 each and 350 social for \$300 each. The golf course was opened to the public for fall play, and the Club House opened early 1972. *See Appendix No. 2.66*
- DEVCO guaranteed a \$4,500,000 loan to the Walter O. Boswell Hospital from Valley National Bank.
- The 99-bed capacity was reached during the winter at Boswell Hospital. Patients had to be turned away and elective surgery rescheduled.
- In lieu of building a facility and having it operated by a tenant rent free, DEVCO built a 16-lane bowling alley and billiards parlor as a part of the Lakeview Recreation Complex. It introduced the first electronic scoring machines in Arizona lease-purchased from Brunswick on a per line basis. The facility was turned over to the Sun City Recreation Centers with the provision it could not be used to subsidize other operations. The per line rate would have to be set to cover costs only and not make added revenue for other uses. However, this did not keep the Sun City Recreation Centers Board from giving it a try before resident bowlers shot them down. The popularity of this activity required an additional eight more lanes in 1979 by the Recreation Center even though 16 lanes were included in Bell Recreation Center which opened in 1976. *See Appendix No. 2.53*
- **Lakeview Medical Arts Phase I** located adjacent to Walter O. Boswell Hospital was built and leased. The building contained a total of 40,106 sq. ft. Rental rates started at \$7.00 per sq. ft. *See Appendix No. 2.48*
- Traffic signals were installed by the State at 99th Avenue and 111th Avenue and Grand Avenue.
- A tree nursery was established by the Boswell Company on Santa Fe Ranch for DEVCO to grow various types of trees for use throughout the project.
- A 12 year old Scottsdale boy performed as piano soloist with the Sun City Symphony Orchestra and received several standing ovations.
- 129 additional **Vacation Apartments** were built west of the Grand Shopping Center bringing the total in use to 287 units. The units featured component baths and roof systems, and all had two bedrooms and two baths for resale purposes. *See Appendix No. 2.3*
- **Suntowner Coffee Shop Restaurant** was built near the new Vacation Apartments to serve their needs as the Kings Inn was already swamped trying to handle the requirements of the existing 158 Vacation Apartments and its own 97 rooms. *See Appendix No. 2.4*

- The first lecture series at Town Hall auditorium was inaugurated under DEVCO sponsorship and featured actor Sebastian Cabot, comedy writer Goodman Ace, explorer Jon Lindbergh, commentator Fulton Lewis Jr. and noted psychologist Dr. Murray Banks.
- DEVCO declared a \$2,000,000 dividend.
- **Sun City Stadium** opened July 4 with the first annual fireworks display and watermelon bust to a capacity resident crowd. The field was designed for both softball and baseball with an electronic score board and concession stands. The Sun City Saints opened their schedule the following week to crowds of more than 2,000. Mr. Webb attended and threw out the first ball to the delight of the fans. This facility cost \$670,502 and was written off as a part of the recreation center expense. *See Appendix No. 2.62*
- The ready mix concrete supplier abruptly raised the price on concrete by \$4.00 per cubic yard. Consideration was given to a joint venture with a local builder to operate a concrete ready mix plant. The idea was dropped when prices were rolled back to a reasonable level.
- DEVCO Board authorized the purchase of the 1,236 acre Bard Ranch, located next to the Marinette property, from Boswell for a total price of \$1,759,000 with terms. 542 acres were used for homes in Sun City and the balance located near the Agua Fria River bottom was held for future use or sale. *See Appendix No. 1*
- DEVCO purchased 63 acres from Mr. and Mrs. Emery A. Barany for \$201,600 with terms. This property was purchased to infill the Bard Ranch purchase from Boswell and was located on the western boundary immediately north of Bell Road. *See Appendix No. 1*
- Del E. Webb Corporation borrowed \$1,000,000 from DEVCO via an unsecured promissory note.
- Coots discovered **Viewpoint Lake**, and it became extremely difficult to get them to move on. The addition of **Dawn Lake** didn't help matters. The golf course greens in the vicinity became a little slippery from the coot poot, and golfers soon learned never to stand behind a coot while it was eating grass. Trapping and removing them to Alamo Lake near Parker, Arizona, finally got the job partially done.
- **Lakes Club** construction started with completion scheduled for February, 1972. A non-proprietary membership drive was begun. George Beall was hired as general Manager.
- In just 15 months more than 85,000 rounds were recorded for the mini golf at Lakeview Recreation Center.

- Meetings were held with the various TriTrades unions in Washington, D. C., for an agreement to cover workers in the proposed Sun City Housing Component plant.
- Consideration was given to having Holiday Inn or Ramada construct a facility in Sun City.
- First National Bank opened its fourth branch and Arizona Bank a third branch in Sun City.
- The effects of a price freeze issued by the federal government was discussed.
- Sales Manager Ken Parker advised that he felt DEVCO was missing a substantial share of the market by not having a lower priced product than presently offered. Chalet Apartments, attached one bedroom one bath, two bedroom one bath, and two bedroom two bath apartment units with detached covered parking, were built in Unit 28. Despite the substantially lower prices offered, sales did not measure up to expectations, and these units were discontinued. *See Appendix No. 2.65*
- DEVCO honored new home salesman Keith Winston for selling homes worth more than \$7,000,000 during the year.
- The Spurr Feed Lot issue was prolonged by appeals and finally was settled with DEVCO agreeing to pay for Spurr's move in 1974 rather than appealing to the U. S. Supreme Court. The total price was \$1,224,000. This ended up being a landmark case and is used by many law schools as an example of odor nuisance law with many questioning why DEVCO did not proceed with appeals to the U.S. Supreme Court. Lawyers estimated costs for this from \$1,500,000 to \$2,000,000 with no assurance that the Supreme Court would even hear the case.
- The Kings Inn coffee shop area was remodeled and expanded.
- An extended discussion was held in regard to the future of Sun City by DEVCO Board. It was reported that on the basis of projected sales, there was only sufficient land for five or six years. Meeker and Childress recommended that DEVCO should proceed with the acquisition of additional land at that time in order to do the long range planning required. Land directly east of Phase II and Phase III was considered, but the prices asked were too high. Also, State land directly north of Phase III was investigated, and poor soil conditions ruled it out. A study was authorized by appraiser Walt Winus on current market land prices. *See Appendix No. 13*

A decision was made to investigate the possible purchase of Lizard Acres, a cattle feeding operation, owned by Charles Wetzler immediately west of the Agua Fria River.

An agreement was eventually reached with Wetzler for approximately 1,884 acres of land for a purchase price of \$2,775,000 with ten year terms. Purchases of other additional land were made as follows: *See Appendix No. 3.1*

- (a) Anderson Property - Approximately 280 acres for a purchase price of \$300,000 with terms. *See Appendix No. 3.4*
 - (b) Recker/Burnett Property - approximately 277 acres for a purchase price of \$347,525 with terms. *See Appendix No. 3.2*
 - (c) Boswell Property - approximately 8,709 acres of land known as Santa Fe Ranch including the Lobdell, Agua Fria Farms and the 244-acre MCMWCD trade for a purchase price of \$6,962,921 with terms over nine years. The average price per acre was \$803. *See Appendix 3.6*
 - (d) Samaritan Property - 40 acres for a total purchase price of \$40,000. *See Appendix No. 3.11*
 - (e) Owens Property - 20 acres for a total purchase price of \$22,000. *See Appendix No. 3.9*
 - (f) Flynn Property - 10 acres for a total purchase price of \$12,000. *See Appendix No. 3.10*
 - (g) Skei Property - 40 acres for a total purchase price of \$40,000. *See Appendix No. 3.5*
 - (h) Weed Property - 36 acres for a total purchase price of \$36,000. *See Appendix No. 3.7*
 - (i) Pearson Property - 20 acres for a total purchase price of \$60,000. *See Appendix No. 3.13*
 - (j) MCMWCD No. 1 Property - 40 acres for a total purchase price of \$49,234. *See Appendix No. 3.12*
- Borrowed \$5,127,200 from First Federal Savings and Loan Association.
 - Borrowed \$3,200,000 from Great Western Bank.
 - Borrowed \$5,000,000 from J. G. Boswell Company.

1971

- The construction yard was moved from the 103rd Avenue location to 99th Avenue north of the Santa Fe Railroad tracks on Grand Avenue.
- The Accounting Practices Board ruled that the percentage of completion method could no longer be used, and only closings could be used for profit units henceforth.
- Land sales totaled \$1,733,000 for a net profit of \$1,531,000.
- Sold a record 2,322 homes and recognized profit on a total of 2,360 units with \$11,849,000 in pre tax profit being recorded. A total of 768 resales were made in all of Sun City by various realtors and residents. DEVCO made 213 resales. Residents purchased 384 new homes. Vacation Special Apartments demand remained high and was a major contributor to the record sales year with 976 sales. See *Appendix No. 7 and No. 8*



1971

The construction yard is moved to 99th Avenue just north of Grand Avenue with rail access. Palmbrook Country Club golf course was completed with grading starting on Riverview Golf Course.

P-1

1971



The 107,600 sq. ft. La Ronde Shopping Center was built on both sides of Del Webb Boulevard.



Revco Drug Store and Alpha Beta Grocery Store were anchors. This center was the largest to date in Sun City.



Mayo Home Furnishings was also a major tenant.



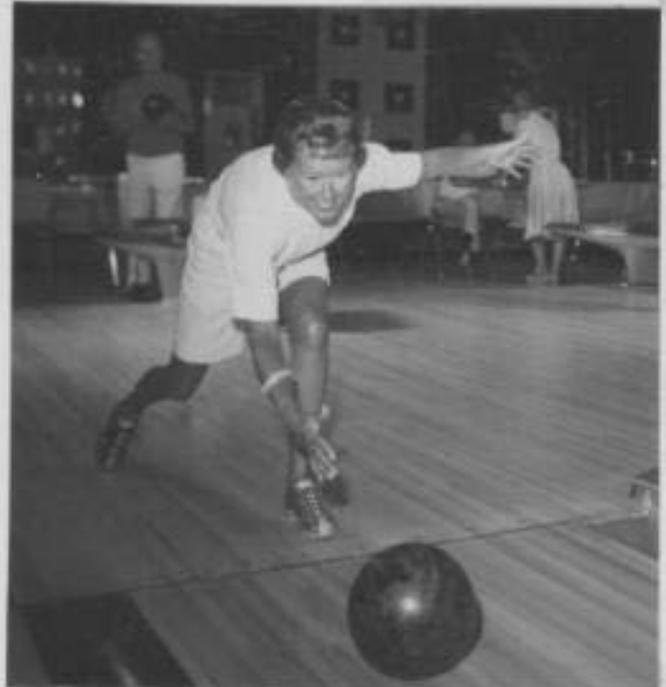
Alco Movie Theater became a welcome addition to Sun City.



Union Oil built the first tile roofed service station in Sun City.



Convenient golf cart parking was provided throughout the center.



Lakeview Lanes is dedicated with 16 bowling lanes and automatic score keeping machines and pinsetters. A billiards parlor was also included.



Suntowner Coffee Shop was added to serve the 97 additional Vacation Apartments.



Palmbrook Country Club and Golf Course.



40,106 sq. ft. Lakeview Medical Arts Phase I.



Sun City Stadium with seating for 3,449 was dedicated by Del Webb at a Sun City Saints women's softball game. The Milwaukee Brewers baseball team played their spring training games here commencing in 1973.



The Kings Inn courtyard and pool area were remodeled and landscaped.



Construction began on the Lakes Club, a private dining and social club overlooking Viewpoint Lake.



1972

Riverview Golf Course was ready for fall play, and work commenced on Willowcreek and Willowbrook Golf Courses in Phase III north of Bell Road. Chalet Apartments began in Unit 28 north of the construction yard on 99th Avenue.

P-1



The Webb Corporation Board of Directors toured the new models.



John Meeker updated various resident leaders on DEVCO's future plans.



Residents dance at the Heading Ranch Picnic facility.



Skeet shooters test the new Heading Ranch Range.



Sunland Memorial Park Cemetery adds new garden style crypts and a mausoleum.

1972



Lakes Club fire, February 17, 1972



The rebuilt Lakes Club looking from Viewpoint Lake.



The covered entry was designed to accommodate tour busses.

p-3

P-3

Sun City - A Look Back - 1973

- **Sundial Recreation Center** opened by introducing a 50 ft. by 100 ft. indoor swimming pool complete with indoor landscaping and featuring an 1800-seat multi-purpose auditorium, art, billiards, ceramics, cards, exercise room, therapy pool, handicrafts, lapidary, photo lab, sewing, silvercrafts, weaving, a synthetic surfaced lawn bowling green, mini golf and shuffleboard. The facility became heavily used in a very short period of time, especially the indoor pool. See *Appendix No. 2.68*
- President R. H. Johnson became C.E.O. of the Del E. Webb Corporation.
- The **Fountainbell Restaurant** on Bell Road, operated by DEVCO, was completed late in the year to serve 200 new Vacation Apartments built north of Bell Road. See *Appendix No. 2.85*
- New quadruplex units known as **Foursomes** were opened for viewing on site. Initial response was good. The units featured a unique "X" type design. Two units faced the street together with the other two units facing a street directly behind. See *Appendix No. 2.78*
- A Peoria School District bond election was defeated for the thirteenth time since 1961. Sun City received a lot of bad press because of this defeat, even though Sun City taxes were providing 48 percent of the total school budget. As usual, many school district voters outside of Sun City didn't bother to vote.
- Victor Borge, Pat Boone and Lawrence Welk were among the featured performers at the Sun Bowl. 1000 seats were added for the Welk show and were sold out in 90 minutes.
- Sunland Memorial Park maintenance workers voted to become unionized.
- The area in the southern part of the project previously affected by the feed lot odors began to sell.
- DEVCO was successful persuading Salt River Project and Arizona Public Service to move a proposed power transmission corridor to the Agua Fria River bottom from bluff land by Sun City.
- Relocated **Sunshine Services** to the Industrial Park. DEVCO built a new building at cost and donated the land and purchased their old building on Coggins Drive. See *Appendix No. 2.42*
- Grand Shopping Center exterior was totally remodeled to a contemporary Spanish style.

- DEVCO agreed to design and build a new fire house for the Fire District at cost and to donate the land located near 99th Avenue and Bell Road. This facility was named the **George Meade Fire Station No. 1**. See *Appendix No. 2.86*
- Sun City Open Golf Tournament, a second tour sponsored by the PGA, was held at Riverview Golf Course. No admission was charged. All prize money was furnished by the PGA.
- Golf course green fees had to be raised again to bring them to a breakeven basis.
- **Willowcreek and Willowbrook Golf Courses** opened for play in December. See *Appendix No. 2.93 and No. 2.94*
- Approved Horse and Carriage Club and Trailer Storage Compound on the Bard Ranch property on the edge of the Agua Fria River south of Bell Road.
- An outside group approached DEVCO about land for a golf course and was turned down.
- Rural Fire Department furnished a fireman and resuscitator unit at the free Grape Festival for safety reasons with the large turnout of residents.
- Discussed leasing ground to **Beverly Enterprises** for extended care and catered living facilities east of Boswell Hospital. See *Appendix No. 2.45*
- The construction of a pet cemetery was under investigation.
- The Milwaukee Brewers Baseball Club played eleven spring training games in Sun City Stadium and agreed to a ten year contract, and DEVCO agreed to build another training field and dressing rooms. Attendance was good.
- Boswell turned over the tree growing operation to Beardsley Nursery, a DEVCO operation.
- A Sun City general plan finalizing all commercial and residential areas was completed and approved by the Maricopa County Planning and Zoning Commission.
- Boswell Hospital expansion plans were discussed.
- All of Phase I was wired for cable television, but only a few residents hooked up because all local stations' reception was excellent with use of a small roof antenna installed by DEVCO.

- The line item schedule was developed in an effort to reduce scheduled building time per house. This took some time before gaining field acceptance. It also gave management better control of field operations.
- Operations and Sales Departments went on computer reporting.
- DEVCO set a policy of developing all property south of Bell Road except the areas on either side of Del Webb Boulevard just north of Grand Avenue.
- Consideration was given to purchasing the junkyard located on the east property boundary at Grand Avenue, and negotiations commenced with the owner. However, an agreement could not be reached, and a high wall was installed when this property was developed later on.
- **Bell Plaza Professional Building**, a two-story office building containing 41,552 sq. ft., to be occupied by DEVCO administrative offices, was started at Bell Road and Boswell Boulevard. A second building containing 43,397 sq. ft., to be leased to business firms, was also started. Both were to be completed by March of 1974. *See Appendix No. 2.84*
- **Greenway Terrace Shopping Center** containing 78,609 sq. ft. of leasable area opened in December. Lucky Market was the major tenant. Management approved DEVCO's operation of a much needed cafeteria style restaurant at this facility since an operator couldn't be found. *See Appendix No. 2.67*
- Mary Jane Hawkins, manager of Interior Design and Color Department, was named as the Webb Corporation's first lady vice president.
- UFW pickets were picketing local grape growers and even showed up to picket the free Grape Festival for the residents, but that didn't stop the residents from getting their grapes. The pickets tried blocking the driveway, but after being nearly run over by residents several times, they left.
- Billy Heavlin was named Project Superintendent replacing Wally Britton. He formerly served as Superintendent on DEVCO commercial projects and apartments. He also served as a superintendent under Jack McPhee for many years.
- DEVCO began a program of advertising all of the Easter services being held by the community's 17 churches and Sunrise Services at the Sun Bowl.

1973

- Sun City's population reached 30,000 with a total of 16,266 homes delivered, and bank and savings and loan deposits totaled \$415,000,000. Residents had over \$200,000,000 per year income.
- 5,000 people attended Massing of the Color ceremonies at the Sun Bowl.
- Leisure World and Sun Lakes competition was discussed by the DEVCO Board. Leisure World began offering free bus trips to Sun City residents to visit Leisure World in Mesa. They got a few takers but not many sales.
- DEVCO had used \$25,000,000 of the credit line for housing operations by the first quarter.
- A pheasant hunting preserve operation by an experienced private operator named Magma Game Preserve was approved for use on 160 acres of property located on the western boundary of the Santa Fe Ranch. *See Appendix No. 1*
- 40,737 sq. ft. **Lakeview Medical Arts Building Phase II** was started with completion set for May, 1974. *See Appendix No. 2.48*
- The Boswell Foundation donated an additional \$1,000,000 to the Boswell Hospital to pay off debt.
- DEVCO renewed the \$1,000,000 loan to the Del E. Webb Corporation.
- Cash sales dropped to 52 percent.
- DEVCO Board authorized negotiations with the Sun City Community Association to take over the operation of the public golf courses.
- Recreation Center yearly dues were raised to \$24 per person.
- A dividend of \$1,000,000 was declared, and a policy set of quarterly dividends of \$250,000 payable on the 15th day of March, June, September and December of each year.
- Watergate reared its ugly head, and U. S. bombing in Vietnam was halted.
- A nationwide gas shortage ensued during the summer, and a recession started in November which lasted until March, 1975. Prime interest rates jumped 3 points in June and July.

1973

A severe drop in sales was experienced at the end of the year, but a record total of 2,516 sales were still made for the year with a total of 1,469 contributed by Vacation Special visitors. In spite of the gas shortage, a record 276,394 people visited the models, and 1,248 resales were made in the community. DEVCO resales hit a high of 426 units. 382 new homes were sold to residents. 2,479 profit units were booked, and a pre tax profit of \$10,518,000 was shown. A total of \$1,738,000 in land sales for a net profit of \$1,493,000 was also recognized. See Appendix No. 7 and No. 8



1973

A new sales office completed and new models were started in Phase III. Fourson quadruplex units sales and construction north of Riverview Golf Course began immediately. Greenway Terrance Shopping Center, George Meade Fire Station No. 1 at 99th Avenue and Be Road and Phase III Vacation Apartments were completed.

P-1



Sundial Recreation Center with 1800-seat auditorium.



Sun City Players presented a play at Sundial auditorium.



Sundial indoor swimming pool became an immediate hit with residents.



Magma Game Preserve opened to pheasant hunters.



"Bob", a bring 'em back dead or alive hunting dog, and handler.

1979



78,609 sq. ft. Greenway Terrace Shopping Center featuring Lucky Market and Walgreens Drug Store.



Aerial view of Greenway Terrace Shopping Center.



Greenbriar Cafeteria.



Remodeled Grand Shopping Center.



Foursome quadruplex units opened for sale.



DEVCO Administration Offices were moved to new facilities located on Bell Road.



Bell Plaza Professional Building containing 43,397 sq. ft. of leasable space.



Landscaped entry to the DEVCO Administration Offices.



Fountainbell Restaurant served the 309 Vacation Apartments now relocated north of Bell Road.



George Meade Fire Station No. 1 at 99th Avenue and Bell Road.



Willowcreek and Willowbrook Golf Courses Pro Shop and snack bar.

Sun City - A Look Back - 1974

In January the "**Galleria '74**" Collection of 22 new homes opened featuring five modes of living. Mode One offered nine new floor plans, all with contemporary or flat roof elevations. Mode Two offered three new front drive Garden Court Apartments. Mode Three featured two new Duplex plans with flat roofs. Mode Four offered four new rear drive Patio Apartments. Mode Five offered the Foursomes that were presently being built. *See Appendix No. 2.82*

Although conventional roof styles were later offered on most single family homes as well as four new floor plans in Mode One, these models were not well accepted. The ensuing recession and gas shortage didn't help. The decision to offer these units was based on the premise that due to the expected high union field labor costs, a plant built type unit would have to be offered to stay competitive.

Electric golf carts were introduced in the model complex for use by visitors to the model homes. The advertising theme became "**Sun City is the Standard of the World in Resort-Retirement Living**". This claim was brought about by the builders from all over the world including Australia, France and Germany who came to Sun City to study this paragon of Resort-Retirement Communities to find out why it had such great appeal. Their studies of all of the amenities offered found that the environment of Sun City attracted interesting residents and provided the most important human need available in abundance-- "**Companionship**".

An editorial comment by *Arizona Highways Magazine* called the 74-75 Home Show: "...a miniature World's Fair exhibit setting a world standard for design, interior decorating and landscaping." *See Appendix No. 14*

- The Sun Bowl Celebrity Series included Lawrence Welk, Roger Williams, Roberta Peters and the Mills Brothers. Tickets were sold in a package, and all 5,000 offered were sold out in four hours.
- The 74-75 Lecture Series at Sundial Auditorium featured movie star Olivia De Havilland, TV newscaster Charles Kuralt, author Peg Bracken, entertainer Peter Lind Hayes, football coach Bud Wilkinson and former ambassador Henry Cabot Lodge.
- With the Spurr Feed Lot odor problem settled, the residents now wanted to take on Luke Field Air Force Base to have it closed or moved because Luke had a new commander and overflights were resumed. Needless to say, the press coverage was anti-Sun City because of the jobs involved. Better communications helped to resolve the situation, and Luke agreed that the Agua Fria River overflight pattern could be reinstated.

- DEVCO agreed to donate land on Bell Road near Sun City West to Maricopa County for a Sheriff's Substation and holding jail. It was felt that the presence of this facility would help to deter criminal activities and give quicker response time to both Sun City and Sun City West. Architectural control and usage were made a stipulation to the donation.
- **Bell Housing Component Plant** under the direction of Tom Rittenhouse, General Manager, was completed and ready to produce manufactured components for residential construction. A TriTrades agreement was reached with the International Carpenter, Electrical and Plumbers Unions. Wages were slightly more than half of union field construction rates. *See Appendix No. 4.1*
- **Bell Plaza Professional Building Complex** was opened with DEVCO administration occupying one of the two buildings containing 41,552 sq. ft. The other building containing 43,397 sq. ft. was leased to business firms. *See Appendix No. 2.84*
- Recreation Center dues were increased to \$30 per year per person.
- Plans for **Bell Recreation Center** were finalized with Sun City Community Association and were to include a 16-lane bowling alley and billiards, but no auditorium, theatre or cultural center.
- The national energy crisis and trucking strike affected delivery of some materials as gas shortages continued. Adapting to the current economic situation, overhead reduction throughout the project and cost saving measures were put into effect.
- DEVCO Board authorized the sale of 158 Vacation Apartments located next to the Kings Inn and 100 located north of Bell Road to be sold with April, 1975 and May, 1975 delivery dates respectively. However, only units by the Kings Inn and Suntowner were sold.
- **Thunderbird Shopping Center** containing 54,653 sq. ft. opened in March with the local grocery store chain A. J. Bayless Market as the major tenant. *See Appendix No. 2.64*
- Bell Camino Shopping Center at Bell Road and Del Webb Boulevard was selected as the next shopping center site to be built. Construction was to begin when major tenants were committed and permanent financing was in place.
- A 25 minutes movie titled "**Del Webb's Sun City**" was produced in house featuring Sun City amenities and was shown to prospects along with the movie titled "The Story of Arizona and Sun City".

- Because of continuing strong residential development in the Peoria School District, a shortage of facilities resulted due to the inability to get a school bond issue passed.

DEVCO participated in joint meetings of various builders and school board members trying to resolve the problem. The builders group including DEVCO all gave money to purchase new sites, but the school board wanted to build expensive facilities and not go on double sessions even until the new schools were ready. A decision was made to let Sun City have its own school district. However, that met with immediate negative response from Sun City residents, and the required number of signatures fell short. The idea of a schoolhouse being built for its few children in Sun City caused a furious uproar. A law was found that allowed an unorganized school district to operate so long as a majority of both the present and proposed school districts approved. While this was being implemented, another bond election was held and barely passed with Sun City support. The Peoria School District decided it had enough of Sun City and voted to allow the unorganized district and, of course, Sun City voted overwhelmingly for it. Sun Citizens still had to pay for the existing bonded indebtedness plus a flat State tax. The few Sun City children attended Peoria Schools which was paid for by the unorganized district. The State legislature has attempted to add further school taxes on Sun City, but these were ruled unconstitutional. Sun City had a total of 105 students at this time.

- Phase II of the **Lakeview Medical Arts Building** containing 40,737 sq. ft. was completed and leased. *See Appendix No. 2.48*
- The Walter O. Boswell Hospital expansion was put on hold for one year.
- DEVCO instituted a skip building by block sequence program.
- DEVCO loaned some temporary buildings to the hospital.
- Phoenixaire development located in El Mirage was sued by the State for fraudulent advertising in Hawaii offering use of Sun City facilities plus a nonexistent lake. They also claimed to be a 640 acre development but had only 40 acres.
- Del E. Webb passed away on July 4th at Mayo Clinic in Rochester, Minnesota. R. H. Johnson was named Chairman and C.E.O. of Del E. Webb Corporation.
- Discussions with Sun City Community Association continued regarding turn over of golf courses. Rates were raised to bring the operations to breakeven, and many resident golfers were upset.

- DEVCO extended the \$1,000,000 promissory note from Del E. Webb Corporation for another year.
- DEVCO declared a \$500,000 dividend for the year.
- Unionized golf maintenance workers went on strike and were replaced with nonunion workers until a contract could be settled.
- Extensive planning for Sun City West was delayed pending future review.
- Purchased the 140 acre Adler Cohen property and the two 5 acre Hiller pieces in Sun City West for \$154,000 and \$11,000 respectively. *See Appendix No. 3.14 and No. 3.15*
- Permanent financing for residential housing became very hard to come by. \$6,000,000 was obtained from Freddie Mae and \$2,000,000 from Western Savings which was sufficient to satisfy the needs for the year.
- Maricopa County Comprehensive Health Planning Council through politics gave a nursing permit to an out-of-state group in Youngtown and turned down Beverly Enterprises in Sun City. DEVCO received an immediate call from the Youngtown group wanting to talk about building in Sun City. This group was advised it had better proceed in Youngtown since it would never be permitted in Sun City. They folded and were never heard from again. Beverly was given a permit at a later date. This was a case of the Comprehensive Health Planning Council trying to dictate to DEVCO who to put in Sun City.
- Two groups of residents approached DEVCO about golf course facilities on Bard Ranch property near the Agua Fria River. The board declined.
- A retail nursery operation was considered on Bell Road.
- The County opened an auto license branch in Sun City.
- Saguaro Advertising was realigned to allow the Webb operations in Nevada to take advantage of discounted media rates given to an advertising agency.
- Development plans for the 99th Avenue and Grand Avenue property were suspended for the time being.
- Sewer companies were put under Corporation Commission control by Arizona voters in the general election.
- **Union Hills Country Club Golf Course** construction began in September with opening scheduled in one year. *See Appendix No. 2.97*

1974

• A total of 1,515 new sales were made, and 1,876 profits were recognized for a total of \$5,055,000 pre tax income. 281 new sales were made to residents and 1,022 sales to Vacation Special prospects. Sales office traffic dropped to 232,744 visitors, and Vacation Apartment reservations were down. DEVCO made 377 of the 1,090 resales that were registered by the community. Land sales totaled \$871,000 for a profit of \$780,000 for the year. Sales were affected by the Watergate issue, the economy and possibly Mr. Webb's passing. See Appendix No. 7 and No. 8



"Galleria 74" model homes offered 5 modes of living.



A United States Lawn Bowling Championship was held in Sun City.



Aerial view of Thunderbird Shopping Center.



A. J. Bayless Market was the major tenant in Thunderbird Shopping Center.



Sun City Sheriff's Posse was formed and began patrols.



O'Malleys Building Materials Center in the Industrial Park.

Sun City - A Look Back - 1975

- Webb Chairman R. H. Johnson, Arizona Senator Fannin and DEVCO President John Meeker kicked off the 15th Anniversary festivities at the Sun Bowl. President Ford sent his congratulations.
- The Celebrity Series at the Sun Bowl featured entertainers Henry Mancini, Rosemary Clooney, Roger Williams and Fred Waring.
- The 75-76 Lecture Series featured narrator Lowell Thomas, television personality Art Linkletter and Nancy Dickerson.
- The country was still in the grips of a recession, and prospects were unable to sell their existing homes with permanent financing rates over 9 percent plus points. No end of high interest rates was in sight, but the pending presidential elections were expected to have some influence on the next year. The inflation rate was over 10 percent.
- Projected sales for the year was reduced to 1,000, down from 1,500 previously used for overhead projections.
- 240 out of 287 Vacation Apartments located by the Kings Inn and Suntowner Restaurant were sold, and all vacationers now were housed in units north of Bell Road. More units were added at this location bringing the total to 309 in use. *See Appendix No. 2.81*
- Through resident and DEVCO efforts, legislation was passed to allow certain changes in the volunteer fire district and the Boswell Hospital to issue tax-free bonds for refinancing.
- Four new models were introduced in the models complex featuring conventional style roofs.
- It was reported that more than 10,000 couples visited Sun City via the Vacation Special Program in the past year.
- The National Observer reported Sun City, Arizona, to be the Number One "Haven for Retirees".
- The \$45,000,000 credit line was renewed by the banks involved for another year.
- As of January 10, over \$490,000,000 had been spent for housing and support facilities in Sun City since inception.
- Owen Childress, DEVCO Executive Vice President, transferred to the Main Office to take over the Webb Corporate Treasurer duties of Jim Miller who died suddenly. Joe Aubin, a longtime Webb employee and former Sun City, California, Project manager, transferred from Hawaii

as an assistant to President John Meeker. Childress continued to handle financing for DEVCO.

- DEVCO Board voted to forgo dividends until conditions improved.
- The construction work schedule was reduced to three days per week rather than a long layoff and starting up again.
- Bell Road landscaping was completed from 91st Avenue to Del Webb Boulevard.
- Construction on **Bell Recreation Center** commenced with completion set for April, 1976. *See Appendix No. 2.88*
- All construction yard materials located on 99th Avenue and Grand Avenue were moved to **Bell Housing**, and the property was slated for residential development. This allowed Bell Housing to buy all materials at a lower cost on an original equipment manufacturing basis.
- A June 1, 1977, date was set in final negotiations with the Sun City Recreation Centers group for turnover of the golf courses. However, outside play had to be reduced to 5 percent of revenue to protect the Centers' nonprofit tax status.
- Sun City's assessed valuation hit \$100,000,000.
- Residents appeared to be strongly anti-incorporation with the charge led by two or three self-appointed crusader groups.
- Glendale was having difficulty raising federal funds for the required sewer trunk line capacity and Peoria wanted to exclude Sun City from use of their lines during off-peak hours.
- Sun City Art Museum was formed by residents.
- Discussions were held with Citizens Utilities regarding rates for water and sewer in Sun City West.
- The radio station KWAQ-FM opened in Grand Shopping Center.
- Approval was given to proceed with the sales of the Suntowner and Greenbriar Restaurant facilities. The Lakes Club sale was put on hold for a year.
- Continued to have difficulty in securing permanent financing funds for sale housing at a reasonable rate.
- The DEVCO Board authorized the recreation facilities write off to be \$1000 from \$750 effective January 1, 1976, to cover added costs at

Bell Recreation Center. This increase was to be reflected in new prices.

- The Boswell Hospital received a permit for 55-64 additional beds; however, construction was put on hold to allow full use of existing beds so daily room rates would not have to be increased.
- Rio Salado Community College had 500 enrollments and expected only 100 or so. It was located in Bell Plaza Professional Building in unleased space.
- A plan for advancement of commissions to salesmen was approved by the DEVCO Board.
- The new models planned for next year were designed to be back to the basics including adaptations of previous years' best selling floor plans.
- State approval of Beverly Enterprises Nursing Homes was finally expected this year, but the financing was another story.
- Lincoln Thrift with several branches in Sun City as well as throughout the Valley went out of business. Many Sun City residents lost money since this thrift was not federally insured. It claimed it had insurance with an off shore insurance group that was later found nonexistent. Eventually some money was returned to depositors.
- Hourly wage rates were as follows:

		<u>Fringes</u>
Carpenters	9.30	.45
Laborers	6.57	.70
Cement Finishers	9.025	.45
Teamsters	6.88	.70

- Sales of commercial land totaled only \$309,000 for the year. \$274,000 profit was recorded.
- A disappointing 822 sales of new homes were made with 1,028 profit units recognized for the year with only \$1,452,000 in pre tax profit. Residents purchased 153 new homes, and Vacation Special prospects bought 702 homes. Sales traffic was 200,262, down from the previous model opening year. A total of 1,233 resales were made in the community, a 12 percent increase over the previous year. DEVCO contributed 500 resales. The continued recession and high inflation and inability of prospects to sell their existing homes adversely affected sales this year. *See Appendix No. 7 and No. 8*



1975

Union Hills Country Club Golf Course construction was underway in Phase III.

P-1

Sun City - A Look Back - 1976

The "**Heritage Collection**" model home series opened featuring four modes of living with 21 models for viewing. DEVCO reviewed every model ever built in Sun City and extracted those planning concepts that most successfully satisfied the requirements and preferences of previous buyers.

With these proven concepts as starter blocks, 21 brand new floor plans were designed. Every plan was refined to ensure that it provided the homeowner with the finest fixed appointments and optimum spaces for the arrangement of valued personal possessions and home furnishings. Flat roof contemporary elevations were not offered on the single family homes. *See Appendix No. 2.83*

A solar powered heated and air conditioned model home was also offered. A viewing platform was constructed for visitors to view the roof mounted solar collectors tied to an underground water storage tank. Sun City received nationwide publicity on this project. No other solar powered homes were built due to the high initial cost.

Golf course view lots were priced at \$9,990 extra. On 1-14-78 the price was increased for Sun City West golf course view lots to \$12,990.

Mode One - 9 Single Family Homes

Plan H-761 2 Bedrooms, 1 Bath

905 SF

<u>Date</u>	<u>Sales Price</u>	<u>Sq. Ft. Price</u>
1-1-76	\$25,990	\$28.72
3-1-76	\$25,990	\$28.72
8-16-76	\$26,990	\$29.82
3-1-77	\$29,990	\$33.14
* 8-1-77	\$33,490	\$37.01
11-1-77	\$36,990	\$40.87
1-14-78	\$40,990	\$45.29
3-16-78	\$43,990	\$48.61
9-1-78	\$45,990	\$50.82

Plan H-766 2 Bedrooms, 2 Baths, Arizona Rm

1588 SF

<u>Date</u>	<u>Sales Price</u>	<u>Sq. Ft. Price</u>
1-1-76	\$41,490	\$26.13
3-1-76	\$43,490	\$27.39
8-16-76	\$44,990	\$28.33
3-1-77	\$47,990	\$30.22
* 8-1-77	\$51,990	\$32.74
11-1-77	\$55,990	\$35.26
1-14-78	\$61,490	\$38.72
3-16-78	\$65,990	\$41.56
9-1-78	\$69,490	\$43.76

Plan H-769 2 Bedrooms, 2 Baths, Arizona Rm 1968 SF		
<u>Date</u>	<u>Sales Price</u>	<u>Sq. Ft. Price</u>
1-1-76	\$52,990	\$26.93
3-1-76	\$54,990	\$27.94
8-16-76	\$56,990	\$28.96
3-1-77	\$60,490	\$30.74
* 8-1-77	\$63,990	\$32.52
11-1-77	\$68,490	\$34.80
1-14-78	\$75,490	\$38.36
3-16-78	\$81,490	\$41.41
9-1-78	\$85,490	\$43.44

Mode Two - 4 Duplex Homes

Plan D-7621 2 Bedrooms, 2 Baths 1188 SF		
<u>Date</u>	<u>Sales Price</u>	<u>Sq. Ft. Price</u>
1-1-76	\$34,990	\$29.45
3-1-76	\$35,990	\$30.29
8-16-76	\$37,490	\$31.56
3-1-77	\$39,990	\$33.66
* 8-1-77	\$44,490	\$37.45
11-1-77	\$48,490	\$40.82
1-14-78	\$53,490	\$45.03
3-16-78	\$57,490	\$48.39
9-1-78	\$60,490	\$50.92

Plan D-7623 2 Bedrooms, 2 Baths 1576 SF		
<u>Date</u>	<u>Sales Price</u>	<u>Sq. Ft. Price</u>
1-1-76	\$45,990	\$29.18
3-1-76	\$46,990	\$29.82
8-16-76	\$48,990	\$31.09
3-1-77	\$51,990	\$32.99
* 8-1-77	\$56,490	\$35.84
11-1-77	\$60,990	\$38.70
1-14-78	\$66,990	\$42.51
3-16-78	\$71,990	\$45.68
9-1-78	\$75,490	\$47.90

Mode Three - 4 Garden Apartment Homes**Plan G-7634 2 Bedrooms, 1 Bath****1407 SF**

<u>Date</u>	<u>Sales Price</u>	<u>Sq. Ft. Price</u>
1-1-76	\$39,990	\$28.42
3-1-76	\$40,490	\$28.78
8-16-76	\$41,990	\$29.84
3-1-77	\$44,490	\$31.62
* 8-1-77	\$47,490	\$33.75
11-1-77	\$51,490	\$36.60
1-14-78	\$56,490	\$40.15
3-16-78	\$60,490	\$42.99
9-1-78	\$63,490	\$45.12

Mode Four - Foursomes**Plan Q-7644 2 Bedrooms, 2 Baths, Arizona Rm. 1680 SF**

<u>Date</u>	<u>Sales Price</u>	<u>Sq. Ft. Price</u>
1-1-76	\$49,990	\$29.76
3-1-76	\$50,990	\$30.35
8-16-76	\$49,990	\$29.76
Discontinued		

* Indicates availability only in Sun City West by letter of intent with prices increased every six months or 2,000 letters of intent, whichever first occurred.

A record total of 8169 homes were sold from this set of models in both Sun City and Sun City West.

Plan H-766 was a very popular model, and various versions of this plan were also leading sellers in earlier years. One of the most mentioned factors was the built-in cabinetry in the family room and the kitchen-breakfast-family room arrangement. A three bedroom version, although not as well received in previous years, was offered from plans in Sun City West during 1978.

- The 94,000 sq. ft. **Bell Recreation Center** was opened by R. H. Johnson and featured a 10,250 sq. ft. library with space for 50,000 volumes, large meeting room for dancing and exercise, exercise room, swimming pool with cabana area, therapy pool, handball and racquetball courts, seven tennis courts, bocce, table tennis, ceramics, lapidary, metal working, sewing, silvercraft, weaving, woodworking, lawn bowling, mini golf, 16-lane bowling alley, billiards, and indoor shuffleboard. The buildings were arranged on purpose in such a way to allow easy viewing of the various activities in use, particularly by the Vacation Special bus tour visitors, and easy access to the various facilities by residents from the parking areas. *See Appendix No. 2.88*
- The Celebrity Series featured entertainers Pete Fountain, Roger Williams, Helen O'Connell, Lawrence Welk, and Hildegard and later

on the ASU Band.

- Due to overcrowding the Sun Bowl was limited to residents only. They were required to show their recreation cards to get in.
- The 76-77 Lecture Series featured humorist Erma Bombeck, television newsman Irving R. Levine and author Dr. Norman Vincent Peale.
- California Governor Ronald Reagan spoke to a large Sun Bowl crowd.
- The recession ended after the first quarter, and increased sales activity reflected this change. The trend was up.
- Construction was commenced on added support facilities and shelled in space for more beds at Boswell Hospital. This building program added 164,629 sq. ft. to the hospital.
- **Sun City Post Office** was relocated to a new major facility on Bell Road. *See Appendix No. 2.87*
- A free dental clinic for residents in need was opened in donated space by DEVCO in the Sun City Professional Building. This facility was manned by volunteer dentists who were able to accomplish a change in State law allowing them to practice without having to go through the required licensing process so long as they were in good standing in the state they retired from.
- A Liberty Bell drive for metal was put on in the community, and over 7000 pounds of personal momentos, jewelry, and family treasures were gathered. At DEVCO's expense, the metal was processed by a Philadelphia foundry and shipped to Holland where the bell was cast. The bell arrived in Sun City and was unveiled at the Sun Bowl during a Bicentennial celebration. Ringing the Liberty Bell now located in Bell Recreation Center has become a July 4th tradition by residents.
- **Union Hills Country Club** fees were set with \$5,700 for golf membership and \$350 for social membership. Golf course view lots were set at a premium of \$9,990. The golf course was opened for play to the public in December, with the club house scheduled to start when enough golf memberships were sold. *See Appendix No. 2.97*
- Beardsley Nursery sold 3,700 trees to outside customers during the past year.
- Property Management Building located in the Industrial Park was leased to Boswell Hospital for administration use at \$5.50 per sq. ft.
- There were 32,236 registered voters in Sun City.

- Boswell Foundation contributed another \$1,200,000 to the Hospital during the year.
- The Hospital Foundation raised \$1,500,000 in Sun City.
- The sewer holding pond was enlarged and concrete-lined with a wash down sprinkler system installed. The old pond was not working properly and became smelly, causing resident complaints. Site Development Manager Tom Ryan, the County Health Director and Citizens representatives conducted several public meetings to explain solutions to the problem. A new lift station for the force main was also installed.
- A Ruben's Restaurant was considered along Bell Road.
- A presentation on catered living type facilities was made to the DEVCO Board. No action was taken.
- The **Sun City West General Plan** for the 5700 acre Phase I that included the area north of Grand Avenue and Bell Road from Grand Avenue east to El Mirage Road was presented to the County for the approval process to begin. Engineering studies were conducted on how to handle the noise and vibration from passing trains. See *Appendix No. 4*.
- Finalized the 21.83 acre donation to the County for the Sheriff's Substation. See *Appendix No. 4.2*
- The fire rating was dropped to a 5 for Sun City with the completion of the third fire station located near 99th Avenue and Sun City Boulevard. It was designed and built at cost by DEVCO on donated land and was named the Del E. Webb Fire Station No. 2. This facility replaced the original Rural Metro Fire Station at 111th Avenue and Grand Avenue. See *Appendix No. 2.35*
- APS detected a gas leak problem in Phase I homes apparently caused by electrolysis. APS had the same problem with some of its pipes. DEVCO worked through the Homeowners Association for its plumbing subcontractor to do the repairs at cost which was \$77 per house. This was done to prevent a potentially damaging public relations problem in Sun City should one or more homes explode.
- Designmaster, a local developer, opened an adult community together with a conventional housing project along the southern boundary of Sun City. The adult section was later dropped, and conventional family housing was only built. Apparently the retirement buyers caused many problems over the use of recreation and golf facilities and children. This project was barely successful.

- A pre-planned retirement sales program was considered provided the pending labor problems could be settled for a two year period.
- A prolonged strike by the basic crafts hit the valley with the various unions making outrageous demands. The general contractors finally settled, but the few residential builders doing their own basic crafts work held out for lower residential wage rates. After many days of negotiations, DEVCO gave them a choice of returning at its wage scale or be permanently replaced. During the notification period, DEVCO received over 4000 job applications. Work was resumed with just 19 men reporting for work the first day in front of more than 500 strikers and onlookers. Since the returning workers were mostly Vietnam Veterans and considered not afraid of a fight, violence didn't erupt. The second day 80 workers showed and the third day more than 150 came back, and it was over for the union. DEVCO remained nonunion, and eventually most all workers returned. However, the pickets remained for some time before giving up. DEVCO was successful in defending the many lawsuits and NLRB charges brought by the unions, and DEVCO won most of the charges it filed. The residents and prospective buyers were understanding and supported DEVCO. Only when pickets dropped nails in the roadways causing some flat tires did tempers flare. The county attorney's office advised that DEVCO must have proof the pickets were putting the nails on the road. A private detective was hired to do camera surveillance, and it showed the nails in the roadway after the picket walked by, but since he was dropping them through a hole in his pocket, it wasn't considered conclusive. Finally, when a Sheriff's patrol car received four flat tires and the deputy who happened to be 6'6" tall and mad as hell got all over the picket suspected of causing the problem, it ceased. All pickets left and never returned.
- A team building concept for carpentry work was introduced after the strike.
- Sun City's lifestyle was featured on the NBC Weekend program in a favorable light.
- DEVCO extended the Webb Corporate note for another year.
- Sun City West land purchase was made for 63 acres from Sally and Oscar Recker for \$126,360 on terms. *See Appendix No. 3.3*
- A piece of land was purchased from A.E. and Hattie Pettit in Yuma for trade with the Air Force on a former beacon site in Sun City West. The purchase price was \$18,500 for the 10 acre parcel. *See Appendix 3.12*

1976

- 1,695 sales were made against a revised forecast of 1,350 units. 1,048 sales were made to Vacation Special visitors, and 325 new sales were made to residents. 1,274 profit units were recognized. Sales traffic reached a record 288,437 for the year, and an estimated 1,375 resales were sold in Sun City. DEVCO recorded a record 655 resales. \$218,000 in land sales were made for a profit of \$38,000. A total of \$4,023,000 pre tax profit was realized for the year. See Appendix No. 7 and No. 8



Campus style 94,000 sq. ft. Bell Recreation Center featured a 50,000 volume library, 16-lane bowling alley and billiards parlor and introduced indoor handball and shuffleboard.



Webb Chairman R. H. Johnson, Recreation Centers President William Kent and DEVCO President John Meeker at Bell Recreation Center ribbon cutting ceremonies.



A large crowd attended opening flag raising festivities.



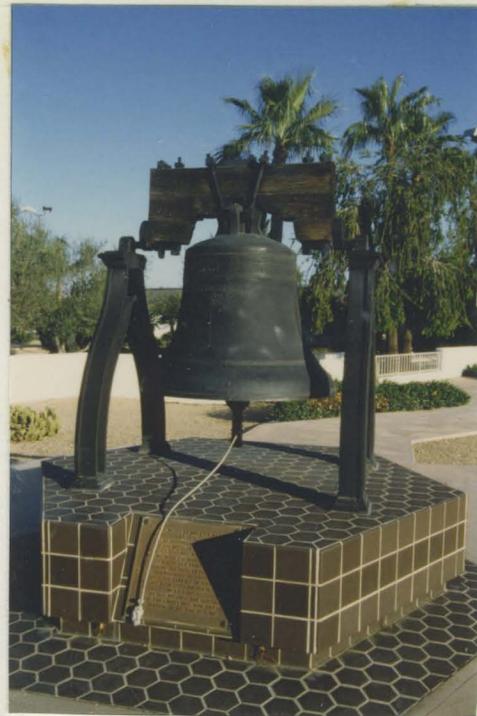
Hawaiian dancers entertain visitors.



Covered cabanas by the outdoor swimming pool.



The Liberty Bell is rung at Bell Recreation Center.



A spontaneous metal drive by residents produced 7,000 pounds of personal momentos, jewelry and family treasures which were processed and cast into the above Liberty Bell.



A time capsule was placed in the Liberty Bell base for opening in the year 2026. See page P-7.



The Del E. Webb Memorial Garden and statue was dedicated at Bell Recreation Center.

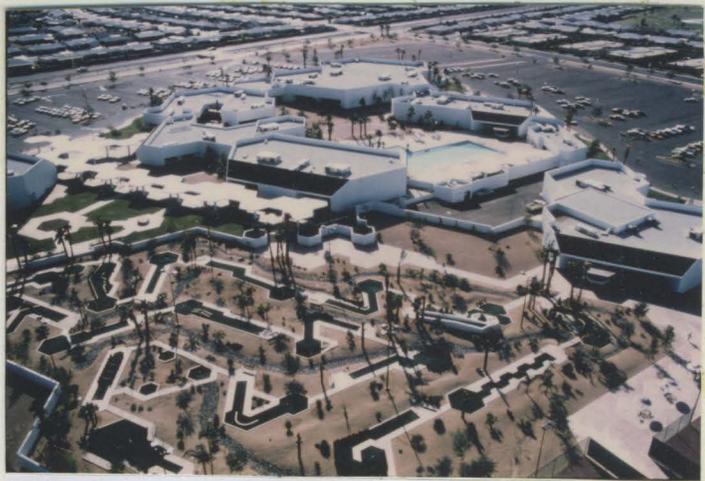


The statue of Del E. Webb in his favorite pose.

1976



Bell Recreation Center swimming pool area.



The tricky mini golf course was a favorite attraction.



The 16-lane bowling alley offered the latest in bowling alley equipment.



Indoor handball was introduced.



Shuffleboard courts were moved indoors in the same building as the bowling alley and billiards parlor.



Men and women enjoy the new billiards parlor.



Bell Recreation Center offered a partially sunken seven court tennis complex.



A newspaper advertisement used while Bell Recreation Center was under construction.



A new larger post office located on Bell Road.



Del E. Webb Fire Station No. 1 replaced the original station in Phase I.



A Sun City parade was held commemorating American heritage.



A Sun City 5,000 meter run was inaugurated.

1976



A Universal Gym made its debut in Bell Recreation Center.



Dancing remained very popular.



Lady residents getting their ceramic pieces ready for firing.



Ceramics kiln being loaded.



Lapidary facilities remained popular.



Rio Salado Community College conducts classes in the Bell Professional Building for Sun City residents.

Sun City - A Look Back - 1977

- A report concerning the proposed development of Sun City West was submitted to Webb Corporate Management to make its final decision on whether or not to proceed. The report covered projected retirement population growth, Sun City resale analysis and a five year forecast. *See Appendix No. 15*
- In March DEVCO was authorized by both the Webb and Boswell companies to proceed with the development of the project including planning and design, financing arrangements, and all construction for Sun City West as determined by the Board of Directors and Officers of the Corporation.
- Headliners for the Sun Bowl Celebrity Series included entertainers Count Basie, Al Hirt, Rosemary Clooney and Andy Russell.
- The 77-78 Lecture Series included television newscaster Douglas Edwards, former defense secretary Donald Rumsfeld, Bishop Sheen, financial advisor Eliot Janeway and hobo Maury Graham.
- The greatest volume of sales for any two-month period in the history of the company was made with a total of 1,105 sales for a total volume of \$58,479,065 in January and February. By the middle of June, 2,824 homes had been sold, and by July 31 a record 3,466 homes were sold with a value of over \$175,000,000. *See Appendix No. 9*
- The aforementioned burst of sales caused Sun City West planning to be accelerated by one year, and a letter of intent program on Sun City models in Sun City West had to be implemented by the sales department because most all lots in Sun City were sold out by July except for some vacation apartments, 200 lots in Units 10 and Unit 10A not yet approved by the State Real Estate Department, 100 or so lots in Unit 38B, the last Sun City Sales Complex area, and some lots in Rancho Estates. By law no money could be taken until a plat was recorded and approved by the State Real Estate Commission and all utilities were ready to serve. *See Appendix No. 2.A*
- By October, 1,112 letters of intent for Sun City West had been received, and a policy was instituted of increasing prices six percent every six months or 2,000 letters of intent, whichever first occurred.
- Construction production was increased to 50 homes per week from 35 homes per week.
- The \$45,000,000 credit line was renewed with First National Bank continuing as lead bank. All participating lenders visited Sun City. Less than \$18,000,000 of the line was in use at year's end.

- A mobile home developer and former Webb Corporate employee, Buzz Kroger, offered to buy the undeveloped 160 acre parcel located at 99th Avenue and Grand Avenue. The Board turned this offer down, and a nine hole golf course subdivision was developed and put up for sale. An agreement with the recreation centers to take the golf course at the outset was made.
- The turnover of the public golf courses to the Recreation Centers of Sun City was completed for ten dollars and a cup of coffee. The following is a recap of original cost to build the facilities. Land cost was included in the cost. All are 18 hole courses.

<u>Course</u>	<u>Year Constructed</u>	<u>Cost</u>
North	1959-60	615,937
South	1962	779,964
Lakes West	1968	1,025,659
Lakes East*	1970	567,981
Riverview	1970	1,664,319
Willowcreek	1973	3,224,966
Willowbrook*	1973	included w/Willowcreek

*Executive

All costs were written off against surrounding premium view lots.

- The Sun City Recreation Centers Board raised dues to \$40 per year per person.
- A policy of developing all Sun City land prior to moving to Sun City West was continued with all vacant land substantially used up with only areas being left vacant for some commercial sites and expansion of the hospital. A tentative commitment was received for use of the sewer lagoon area for another nursing home when the sewer lagoon was no longer required. An alternate site for the nursing facility was the unsold southern portion of the Rancho Estates area.
- Walter Winius, a highly respected MAI appraiser, was retained to do an appraisal of all equity properties in Sun City to determine the feasibility of sale of the properties.
- DEVCO Board authorized a feasibility study for a rock wool insulation manufacturing plant due to the continuing critical shortage of insulation material and the expected long term outlook for an inadequate supply. This study by Jacobs Engineering Co. out of Los Angeles, California, was to determine whether DEVCO could economically manufacture insulation. Owner Joe Jacobs was on the Webb Corporation Board.
- DEVCO construction superintendent Billy Heavlin was found shot to death in his home. His murder remains unsolved. The

superintendent duties were assumed by the Operations Manager, Robert Cannon.

- The Pettit land purchase to be used for trading purposes with the Air Force in exchange for the beacon site in Sun City West was completed with all parties signed off.
- DEVCO purchased 10 acres in Sun City West for \$40,000 from Scott and Dichiaro. *See Appendix 3.15A*
- Safeway and Long's Drug were finalized as major tenants for Bell Camino Shopping Center. Construction started in November.
- **Boswell Hospital** expansion was completed and had 170 beds available.
- DEVCO agreed to subordinate land lease so Beverly Enterprises could get financing. Construction on the nursing facility began with completion scheduled for February of next year.
- DEVCO continued to study catered living units for sale, and further discussions were to be held concerning feasibility.
- A study published in the *News-Sun* newspaper determined that a \$62,000 home in Sun City, Arizona, had taxes that cost \$470 per year. For a comparable home in Palm Springs, California, taxes cost \$2200 per year.
- **Bell Housing Component Plant** added walls to its production lines in addition to bathrooms, utility room walls with meter loop, trusses and lumber packages. It also purchased all appliances and light fixtures. Carpet and floor coverings were handled by the color department. *See Appendix No. 4.1*
- The EPA approved the sewage extension line for Sun City. A new agreement had to be negotiated with Peoria since one mile of their trunk was used, and the original agreement allowed only two MGD, and the total was expected to reach 3.5 MGD. It was contemplated this would take care of Sun City until 1982 or 1983 when the new outfall line was to be completed by Glendale.
- DEVCO Board approved the purchase of 80 acres offsite for a Sun City West Sewer Treatment plant since tying into the Sun City system was being objected to by the various self appointed citizens groups, and capacity in the present outfall line really wasn't available. Connecting into the Sun City system would have allowed lower sewer rates for Sun City West residents, but in time may have raised Sun City rates slightly.
- The Board approved a \$150 per house grant in aid to Citizens Utilities to hold sewer rates to an acceptable amount if needed during final

negotiations.

- Maricopa County Health Department agreed to permit the construction of a sewage treatment plant for Sun City West. Due to time constraints an oxidation pond was put into use south of Grand Avenue until the permanent plant could be completed. The pond was originally to be a part of the permanent plant but was moved to placate Sun City residents who were more than a mile away. The permanent facility was finally located northeast of Sun City West across the Agua Fria River on the northern portion of the Bard Ranch purchase. Property was set aside to grow alfalfa with effluent not used on Sun City West golf courses. Effluent cannot be discharged into a riverbed per EPA regulations. Planning and Zoning gave its approval of the Phase I Master Plan. *See Appendix No. 1*
- DEVCO management reviewed with the DEVCO Board the proposed facilities in Sun City West which included the Hillcrest Golf Course, R. H. Johnson Recreation Center, a Lakes Club type facility, coffee shop and vacation apartments. An additional two satellite centers would be constructed after R. H. Johnson was completed. It was agreed that the additional satellite centers would be constructed as a predetermined number of homes were sold, and DEVCO would retain complete control of facilities to be constructed at each site. The proposed Sundome facility was being designed to serve both Phase I and Phase II plus Sun City and would be used in a similar manner as the present Sun Bowl except with greater flexibility for use. The estimated cost of this structure by the Webb Corporation Construction Division was \$4,500,000. The Board decided that \$20,000,000 would be allocated for the three recreation facilities for Sun City West Phase I excluding the golf courses, and the allocation per home would vary between \$1,200 and \$1,500.
- Labor negotiations continued to impasse with the company experiencing no difficulty in obtaining help. The unions threatened to blacklist the Webb hotels and facilities. A hearing was scheduled in Washington, D. C. to determine whether Webb had reached an impasse with the unions.
- A controversy developed with Sun City residents north of Bell Road regarding the building of a recreation center at 99th Avenue and Union Hills that was shown on the sales map as a recreation center reserve. The Sun City Recreation Center Board advised DEVCO it didn't wish to have an additional facility when negotiations on the Bell Recreation Center were completed, and all funds were allocated to the Bell Recreation Center. Apparently the sales office and salesmen were not properly advised on this change in plans. Of course all blame was put on DEVCO, and the DEVCO Board reluctantly agreed to build a minimum facility costing \$750,000 even though it was not legally bound to do anything.

- A schedule for moving the "Lizard Acres" cattle feeding operation on land purchased from Charles Wetzler was worked out so that when land was needed for Sun City West construction the operation would move.
- The State hydrologists approved the Sun City West 100 year water study as required for State Real Estate Department approval of the various subdivision maps.
- The *News-Sun* newspaper went to daily publication.
- The Sunowner Restaurant and Greenbriar Cafeteria were taken off the market for the present time.
- Luke Field fly over problems were resolved with the take off and landing patterns extended up the Agua Fria River north of Sun City West, and landing and take off pattern maps were revised.
- DEVCO was authorized to make land available for a Sun City Art Museum with the stipulation that said museum be completed by 1978.
- **Union Hills Country Club** clubhouse was completed and opened for use in October. At that time there were 268 proprietary members and 315 social members with a waiting list of 183 names for social memberships. This facility featured tennis courts and a swimming pool plus the usual clubhouse dining facilities. It was to be turned over when proprietary memberships hit 405. *See Appendix No. 2.97*
- The 20,000 sq. ft. **Thunderbird Medical Building** was in the design process on a site just west of the Boswell hospital. *See Appendix No. 2.50*
- DEVCO was still unable to interest a grocery store in the proposed 99th Avenue and Union Hills Shopping Center.
- John Meeker's contractors license was authorized as qualifying party to replace Bill Collins and to avoid any potential union problems for the Webb Corporation since he was also their license designee.
- Sunland Memorial Park sales hit a record \$160,000 for the month of May. It was reported that another wing for the garden crypts might be needed for next year.
- DEVCO Board adopted a new policy concerning dividends. Henceforth, dividends would be paid in an amount equal to 50 percent of the annual after tax profits. Said dividends would be paid in quarterly installments. Said dividends would only be paid if such could be accomplished without violating the Revolving Credit

Agreement with the First National Bank of Arizona, dated the first day of November, 1975.

- Dividends of \$1,850,000 were declared for the year.
- There were 267,740 visitors to the sales complex. 2,293 profit units were recorded, and DEVCO earned a record to date of \$14,108,000 before taxes for the year. Vacation Special visitors purchased 1,495 homes. DEVCO also sold 704 resales out of an estimated 1,525 resales made in the community. Coupled with new home sales of 3,485, it gave the DEVCO sales forces an all time high of 4,189 sales for the year. Counting resales by homeowners and other realtors, more than 5,000 home sales were made in all of Sun City. *See Appendix No. 7 and No. 8*



**1977
Sun City**

Grading and nine-hole golf course construction started in Unit 10 at 99th Avenue and Grand Avenue.



**1977
Sun City West**

Phase I area with the Lizard
Acres cattle feeding
operation.

P-2

U-2 2

Sun City - A Look Back - 1978

- In January the Maricopa County Board of Supervisors gave final approval for **Sun City West Master Plan** of the 5700 acres in Phase I. See *Appendix No. 4*
- Entertainers Anna Marie Alberghetti, The Ink Spots, Les Brown, Burl Ives and Welk Stars were featured in the Sun Bowl Celebrity Series.
- Groundbreaking ceremonies were held in February and featured Senator Dennis DeConcini, Governor Wesley Bolin and other dignitaries. All of the various media covered this event and gave Sun City West very good press.
- **McMicken Dam** had to be breached just south of Grand Avenue due to subsidence and cracking of the earthen structure. Heavy rains were encountered early in the year, and the water flowed through Phase II property in a southwesterly direction causing some damage. All of the property owners affected sought federal aid to repair the dam. See *Appendix No. 3*
- Building commenced on Sun City West infrastructure with the grand opening scheduled for January, 1979. Other facilities under construction included the model homes, Crestview Restaurant, Vacation Headquarters with 328 Vacation Apartments, Hillcrest Golf Course and Pro Shop, R. H. Johnson Recreation Complex, and temporary sewer oxidation ponds south of Grand Avenue. Production housing commenced in the early summer when infrastructure work permitted with a second housing construction operation inasmuch as production housing was still underway in Sun City where some 1,800 homes had to be completed and delivered. Beginning in May, 20 homes per day were being started between the two projects.
- Bell Housing was able to keep pace with the increased building activity.
- Beverly Enterprises opened the nursing home facility in February, and an agreement was reached for them to proceed with a second phase of catered living units. DEVCO again subordinated its leased property so Beverly could obtain financing. See *Appendix No. 2.44 and No. 2.45*
- By February 23, the first 2,154 letters of intent were processed with 1,609 being converted to reservations that included a \$500 deposit. Only 84 cancelled outright at that time. Of the 11,000 letters of intent ultimately given out, 5,000 were converted to a reservation with a \$500 deposit, and of that total 3,900 were signed to contracts. If sales of the new models went as expected, Sun City West sales total to date could have surpassed 5,000 by the end of 1979. This perceived volume caused some decisions that were made to accommodate the

accelerated growth look bad when unforeseen high interest rates, inflation and the recession engulfed the country in 1979 and drastically curtailed sales and caused a high sales cancellation rate. Some of these decisions were building added capacity to the permanent sewer plant, finalizing the sewer and water agreement with Citizens Utilities that relied upon the optimistic sales forecasts, and opening too many lots for sale at one time, causing scattered sales and improvements to be installed too far out front.

- Most all labor problems were resolved except for the credit union issue which was scheduled for a hearing by the NLRB.
- Prudential Insurance Company offered to finance equity properties for 8 3/4 to 9 percent interest with no fees. DEVCO Board authorized giving them a list of the properties to be considered.
- Safeway Stores expressed an interest in Camino Del Sol Shopping Center in Sun City West.
- Efforts to interest a grocery store in the planned shopping center at 99th Avenue and Union Hills remained unsuccessful.
- DEVCO Board authorized \$2,500,000 to be spent on the Sun State Insulation Plant in Case Grande.
- \$250,000 was authorized to purchase a title plant necessary for the operation of a DEVCO Title Company subsidiary.
- The Board approved a self insurance program for workmen's compensation. This new operation was expected to create substantial savings over the premiums presently being expended on coverage.
- Sale of Vacation Apartments in Sun City were commenced with completion expected in early 1979.
- DEVCO started an in house heating and air conditioning operation due to the present subcontractor going out of business because of the death of the principal owner. Carrier was selected over General Electric to supply the equipment.
- An agreement was reached with Citizens Utilities to serve Sun City West. The authorized \$150 contribution was not used, and DEVCO was to receive repayment of most expenditures for sewer and water within a 14 year period. The DEVCO Board directed both the DEVCO controller and Boswell controller to make a recommendation on whether or not to make a substantial grant in aid contribution for tax purposes.
- Negotiations continued with some land owners on property near Phase

II of Sun City West.

- Rio Salado College reached 1400 enrollments with all but a few residing in Sun City.
- A report by Farrell Associates on Sun City incorporation commissioned by DEVCO was presented to the residents via large meetings with the residents and through the local newspapers. Although DEVCO urged a vote on the issue, none was held.
- Peoria annexed property between Sun City and Sun City West north of Bell Road for a second time. DEVCO Board instructed counsel to again mount a legal challenge to this action.
- All Union Hills Country Club memberships were sold out, and the facilities were turned over to the membership on November 1.
- Sun City West move-ins started in October, and 535 homes were closed by year end. An agreement was made with Sun City Recreation Centers for limited use by Sun City West residents until R. H. Johnson Recreation was ready in April, 1979.
- 181 acres of land remained to be sold in Sun City. This figure did not include the Heading Ranch, Bard Ranch land in the Agua Fria River or the 33 acre piece by the sewer lagoon and pumping station.
- **Sun City West Encore Series** model homes were opened for Sun Cities resident viewing December 1. *See Appendix No. 4.31*
- *Phoenix Magazine* did a very complimentary story on Sun City. A reprint was ordered and was used as a sales promotional tool. *See Appendix No. 10*
- DEVCO Board declared total dividends for the year in the amount of \$4,425,000.
- Sun City West bank sites and other commercial sites sales generated \$5,450,000 in profit for the year. Sun City also showed a profit of \$550,000 on land sales and \$1,491,000 from the sale of vacation apartments. *See Appendix No. 4.13 and No. 4.16*
- The credit line was \$56,000,000 at year end.
- A total of 2,850 new sales were reported in Sun City West and 225 including vacation apartments in Sun City for the year. A record 293,999 visitors viewed the Sun City model homes. 1,843 profit units including vacation apartments were also recorded in Sun City with 535 profit units shown for Sun City West. A record pre tax profit of \$32,367,000 was booked by both Sun Cities for the year, \$23,934,000

1978

from Sun City and \$8,433,000 for Sun City West. A record 709 resales were recorded by DEVCO out of an estimated 1,500 homes sold in the community. 816 Vacation Special prospects bought homes, and a record 1,314 residents purchased new homes in Sun City and Sun City West. *See Appendix No. 7 and No. 8*



**1978
Sun City, Arizona**

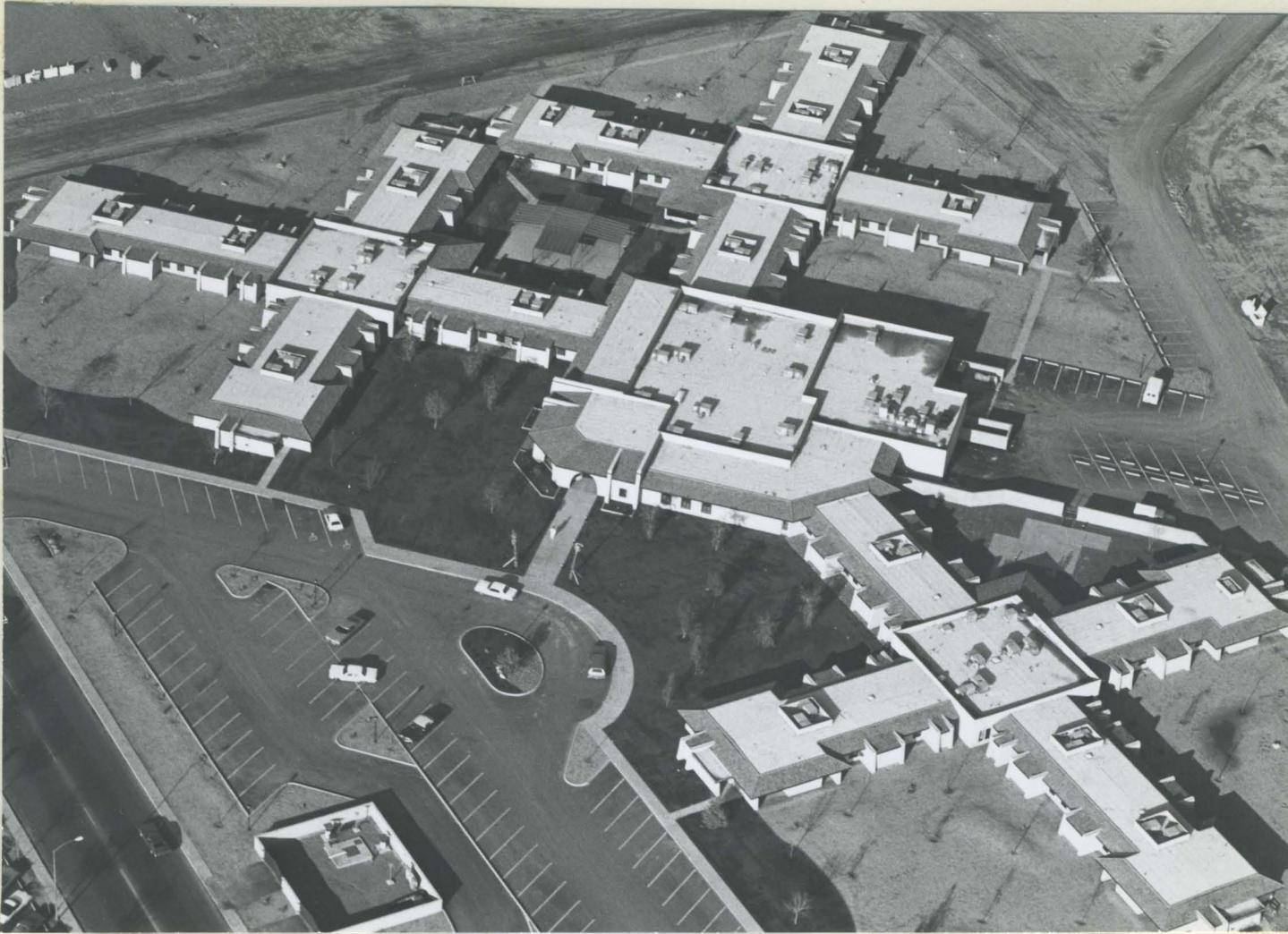
Final phase of residential construction except for previous model area and construction yard is underway.



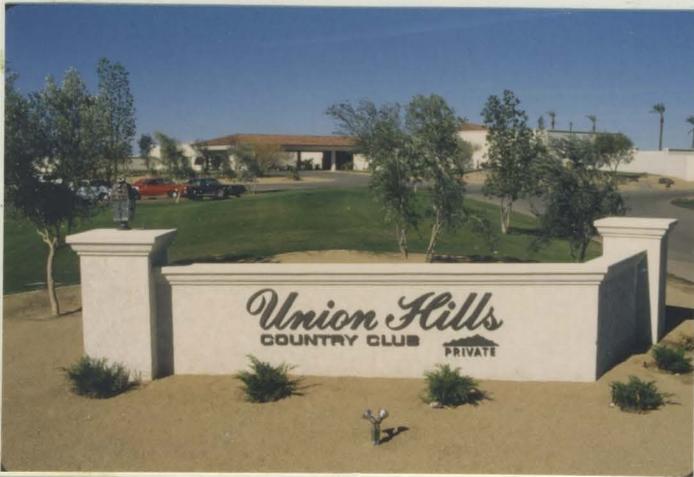
**1978
Sun City West**

Sun City West construction began. Note temporary sewer oxidation at pond bottom right.

1978



Beverly Enterprises opened the second nursing home facility built in Sun City.



Union Hills Country Club took possession of their clubhouse in November.



The Sun City Prides volunteers at work keeping Sun City beautiful.

P-3

P-3

Sun City - A Look Back - 1979

- A Grand Opening of the first model home show in Sun City West known as the "**Encore Series**" occurred in January. It featured four modes of living with 20 model homes. Energy efficiency was the theme as all homes featured as standard items: solar water heater, air conditioning and evaporative cooling unit, dual glazed sliding glass doors and double window units with Ford Sunglas on south and west facing windows, and all ceilings including garage and carport fully insulated. Mode One included a new larger split bedroom plan and a great room plan along with other updated plans. Modes Two, Three and Four were updates of previous Sun City plans. *See Appendix No. 4.31*

Sales traffic was 133,000 for the first three months.

Age restrictions were included in the deed restrictions with approval of counsel.

- **Crestview Restaurant and Vacation Headquarters** along with the **328 Vacation Special Apartments** opened for business. 96 of the units were 2-story one bedroom units overlooking the Hillcrest Golf Course. *See Appendix No. 4.19, No. 4.17 and No. 4.18*
- Heavy rain throughout the Valley and State since December curtailed construction through January. The Bell Road bridge over the Agua Fria River was washed away when water was released from Lake Pleasant at a very high rate for a 24 hour period to protect Waddell Dam. This shut off all Bell Road traffic to Sun City West with the only access via Grand Avenue. An agreement was reached with the County Engineer to build a temporary crossing with DEVCO forces since the County was inundated with the many bridge repairs that were required. The County Engineer agreed to pay for 50 percent of the cost and DEVCO began work immediately when the water receded. It was felt that a long delay would hurt sales traffic due to the limited access.
- **Hillcrest Golf Course**, where more than 2,500,000 cubic yards of dirt were re-arranged, was opened and featured the first spectator viewing mounds or stadium golf in Arizona. This course operated by DEVCO was designed for public play, primarily Vacation Apartment visitors. Residents could play at a reduced rate with all other courses to be for residents' exclusive use under Recreation Centers control. Vacation Apartment guests' use of Sun City courses was a source of irritation to resident golfers because of tee times set aside for vacation visitors. *See Appendix No. 4.37*
- A commercial core plan was introduced to serve the entire 13,000 acre development. The core included land for a community size shopping center with surrounding service sites. The three

neighborhood shopping centers were strategically located in Phase I to allow convenient golf cart or bicycle access and to serve as an important sales tool. *See Appendix No. 4.13, No. 4.38, and No. 4.48*

- The Sun Bowl Celebrity Series featured Pat Boone, Benny Goodman, Tony Martin and Ted Weems Orchestra.
- The Lecture Series featured opera star Patrice Munsel and others.
- Sales projections for the year were revised downward due to the present and projected economic conditions of the country.
- The construction production rate was reduced to 40 units started per week in May and was further reduced to 30 units started per week by October. Buyers were transferred from south of Conquistador Drive in Unit 10 to north of Conquistador and into Unit 12 in an attempt to consolidate construction. In December production was reduced to 15 units per week.
- Land purchase discussions were held concerning Sun City West Phase II properties owned by Waddell, Dreiseszun and Layton Wolf. Boswell agreed to personally handle negotiations with Layton Wolf. A 57 acre parcel in Phase II was purchased from the Danielli Estate for a price of \$181,700 or \$3,183 per acre. The land now acquired totaled 12,611 acres for an original purchase price of \$12,214,176 or approximately \$969 per acre. *See Appendix No. 3*
- **Camino Del Sol Shopping Center** was started with completion set for spring of 1980. Safeway Store, Walgreens Drug and Freeds Furniture were the major tenants. *See Appendix No. 4.13*
- The 20,000 sq. ft. **Thunderbird Medical Center** was completed in Sun City and 96 percent leased. *See Appendix No. 2.50*
- **Boswell Hospital** completed the remodeling of the second tower and added ancillary space bringing the total bed capacity to 219. The hospital currently had \$16,500,000 of bonded indebtedness and used \$3,500,000 to pay for the expansion. It was also considering acquiring the Valley View Hospital in Youngtown. DEVCO sold the Snyder Warehouse and Property Management Building to the hospital. The hospital also attempted to get an emergency center opened in Sun City West.
- Labor contract negotiations for Bell Housing were completed satisfactorily with the unions involved.
- The Maricopa County Board of Supervisors approved a senior overlay zoning ordinance.

- Construction was underway on the **Marinette Recreation Center** in Sun City with completion set for early 1980. *See Appendix No. 2.98*
- **Sun State Insulation Plant** was started in June with a completion date for late fall. Insulation production began in March, 1980. Total investment was \$5,300,000. The Board authorized the sale of Sun State Insulation Plant at cost with capitalized interest to be included in the cost.
- **R. H. Johnson Recreation Center** was designed in a campus-like setting for easy parking lot access and for easy access of the Vacation Visitors on tour buses in use at that time. This arrangement allowed visitors to see happy people doing their thing and having fun. Hopefully it would impress upon them that they too could join in the fun by living in Sun City West. This facility was centrally located in Sun City West along with two proposed smaller satellite sites for convenient golf cart and bicycle access from the entire community. The Johnson Center featured a separate free standing library; four lawn bowling greens surrounded by a first time offered running track with special shock absorbing carpet and par course fitness layout; 15 tennis courts, 8 platform tennis courts and pro shop; a sports pavilion with a 24-lane bowling alley featuring electronic scoring, 25 billiards and pool tables, 10 shuffleboard courts and snack bar; a 1000-seat social hall with serving kitchen overlooking the mini-golf course as well as Hillcrest Golf Course; arts and crafts complex with a craft sales area for products created by residents which overlooked the swimming pool and cabana area with outdoor Jacuzzi pool; fitness center with therapy pools and exercise equipment; woodworking; two handball courts, volleyball, along with bocce and croquet courts; and a picnic area overlooking the Hillcrest golf course.

It was anticipated the satellite centers would each have a swimming pool, one being an indoor pool, mini golf, meeting rooms, and arts and crafts facilities as dictated by use. Tennis, lawn bowling, regular bowling, shuffleboard and billiards were built at Johnson Center for all of Phase I.

This facility was partially opened in May with the tennis courts and social hall ready for use. Additional facilities were opened as completed, and the grand opening was scheduled for late fall. Dues were set at \$60 per person per year. *See Appendix No. 4.22*

- **Sundome Performing Arts Center** construction was underway with completion set for fall of 1980. *See Appendix No. 4.21*
- **Pebblebrook Golf Course** was opened in the fall with golfers using Hillcrest while waiting for its completion. In fact, one homeowner liked Hillcrest so much he tried to make an issue of DEVCO keeping it for vacation visitors and public use. He used the old story of his

salesman told him so and that DEVCO's brochure stated that it would be part of the recreation center, although he could never show DEVCO where the brochure stated this. See Appendix No. 4.10

- The Lakes Club type facility next to the Sundome was put on hold. See Appendix No. 4.20
- The \$75,000,000 credit line was renewed in May for one year.
- The Board authorized landscaped medians on Bell Road to Grand Avenue.
- Profit units for the year 1980 forecast was set at 1,250 in July.
- An LPGA Golf Tournament to be held at Hillcrest Golf Course was approved and scheduled for February, 1980. It was covered by ESPN cable TV.
- DEVCO received an offer from U. S. Rockwool to purchase the Sun State Insulation Plant in Casa Grande, but the Board decided not to accept the offer.
- DEVCO was sued along with the Maricopa County Water District for \$4,000,000 by residents of Hound Dog Acres due to the February flooding in the Agua Fria River. They claimed because DEVCO graded a road to the picnic and skeet shooting range, it caused the released water from Lake Pleasant to flood them even though their homes were built in the flood plain. Outside counsel advised this suit was without merit.
- The DEVCO Board authorized the financing of the Vacation Apartments in Sun City West in the amount of \$13,900,000.
- The television show *Real People* featured the Sun City Saints Pompon Girls, all Sun City residents.
- Several meetings were held with the Maricopa County Water District regarding setting a policy of paying property owners whose land would be removed from the District for the assets which the District would retain.
- A survey of deaths in Sun City showed a decline in the last few years.
- DEVCO received an offer of purchase for all Sun City shopping centers from Equitable Insurance Company, and the Board set a minimum price of \$27.5 million and directed that Prudential Insurance be contacted for a proposal. Prudential met the price terms with DEVCO providing property management services. Prudential had a bad experience with the Corporate Property Management Division on a

building in Phoenix but agreed to let DEVCO give it a go. Closing was set for January, 1980.

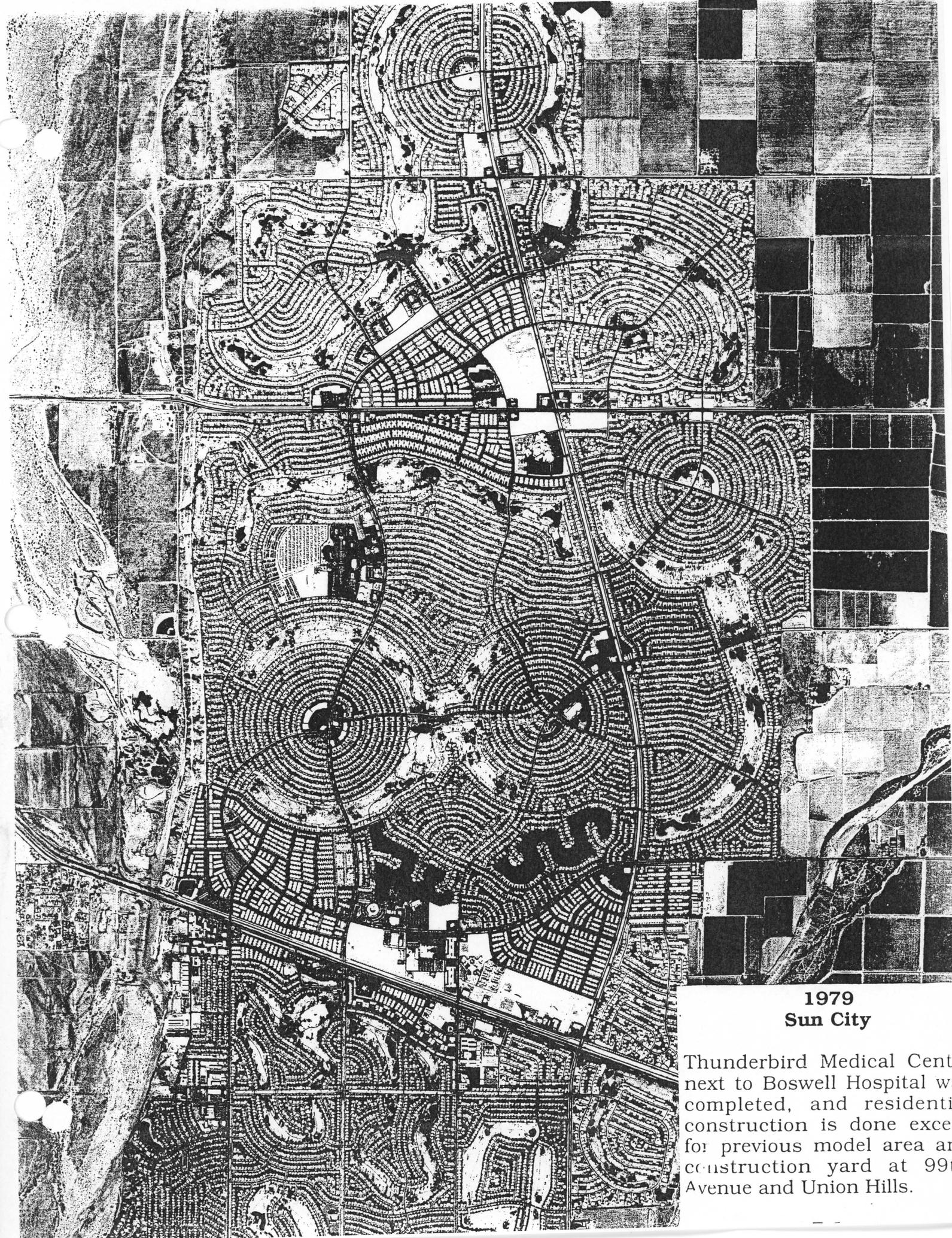
- The Sunowner and Fountainbell Restaurants were put back on the market for sale.
- An effort was made to acquire two parcels of land in the Sun City Industrial Park that had been previously deeded to the Santa Fe Railroad in order to get the Spurr line installed.
- The Kings Inn parking lot was approved for repaving.
- DEVCO Board authorized the donation of a land site to Recorded Recreational Reading for the Blind on 99th Avenue south of Peoria Avenue. *See Appendix No. 2.33*
- **Beverly Enterprises** opened **Carillons**, their catered living units, with rates from \$900 to \$3100 per month. Beverly's facilities were the only ones Medicare approved in Sun City. *See Appendix 2.45*
- Beardsley Nursery showed a profit for 1979.
- A 5000 sq. ft. Resale Office was approved for construction at Del Webb Boulevard and Bell Road.
- A medical office facility in Sun City West was discussed and put in abeyance until a study could be completed to determine the investment return received on medical buildings in Sun City.
- The Board approved a building for PORA with payment to be made to Webb on an installment basis. Land was donated by DEVCO.
- A tentative price of \$9950 was set for membership in the Sun City West **Briarwood Country Club**. The club house construction would not start until 300 or so memberships were sold. *See Appendix No. 4.41*
- The Board decided that a prepaid year of cable TV would not be offered to Sun City West buyers and that a proposed historical museum not be placed in Sun City West at this time.
- An agreement with Recreation Centers of Sun City regarding termination of the picnic and skeet range at Heading Ranch due to flooding conditions was concluded.
- DEVCO received a favorable judgement on an unemployment compensation suit on union strikers.
- The title company settlement office and self-insurance plan continued to run smoothly.

- A conventional housing study was underway.
- The county accepted the medians in Sun City along Bell Road, and the grass and shrubbery had to be removed and replaced with gravel or rock on Del Webb Boulevard from Grand Avenue to Bell Road and Thunderbird from 99th Avenue to Del Webb Boulevard in order to get acceptance and turnover maintenance work. The Board also approved landscaping of the Bell Road median from Del Webb Boulevard West to the Agua Fria River.
- **Stardust Golf Course** construction in Sun City West was started with completion set for the fall of 1980. *See Appendix No. 4.40*
- The IRS agreed to capital gains treatment on sale of the Vacation Apartments.
- Boswell suggested that DEVCO management notify banks and savings and loans in the area that DEVCO may be interested in picking up conventional housing property when it became available.
- Gas shortages cropped up again.
- Food Operations Manager George Beall recommended that the company retain ownership of the Lakes Club at the present time.
- The Director of the State Insurance Department issued some proposed regulations which would make DEVCO's ownership of a title company illegal. Legal action against these regulations was pursued.
- Bell Housing work force was reduced to current production demand.
- McMicken Dam repair was not approved by Congress as expected.
- Jim Boswell requested that administrative overhead costs be examined due to the reduced sales, and overhead reduction and cost saving measures were put into effect.
- Sewage treatment plant work was deferred where possible.
- The Board approved DEVCO construction operations to build two third party apartment projects, one in Phoenix and one in Mesa, in an effort to offset some fixed overhead costs and hold on to key field personnel when the economy turned better. A profit of \$1,154,000 was realized from a total contract price of \$20,820,000 for this work.
- The State Land Department filed suit against DEVCO for dirt which had been taken by a DEVCO subcontractor from State land and for the installation of a drainage channel through State land all near Sun City

West without a lease. DEVCO Board approved prolonging this matter through the courts. In fact, a lease was applied for and approved and received by DEVCO and was executed and actually sent to them before the suit was filed. Since this process took several months, work commenced when initial approval was given and was completed by the time the final documents were delivered to DEVCO for execution. DEVCO was in error on removal of their dirt, however. A new land commissioner had taken over and was trying to make his mark, and he rejected the executed lease as not being valid since the work was already completed.

- Sales Manager Ken Parker reported closings for the year were 2,256 in Sun City West and 11 homes plus 131 vacation apartments in Sun City. He also reported a survey had shown that 32 percent of all Letters of Intent had been converted to contract form for all of Sun City West. There were 600 sales carried forward to 1980. Cancellation after start of construction created a standing inventory problem. Since these homes were sold at lower prices than the present prices offered, this price break helped reduce standing inventory. Standing inventory at the end of the year stood at 231 units. Parker also advised that the largest percentage of cancellations were people who were three to ten years from retirement.
- DEVCO Board declared a \$900,000 dividend in May bringing the total declared dividend amount to \$10,675,000.
- The credit line balance was \$59,000,000 at year end.
- Land sale profits in Sun City were \$329,000 and \$1,318,000 in Sun City West. Sun City also realized \$4,160,000 from the sale of equity property including vacation apartments.
- 1,237 new homes were sold in Sun City West and 33 units plus 2 vacation apartment were sold in Sun City. 255,671 people visited the Sun City West sales pavilion. 2,256 profit units were recorded for Sun City West with 142 booked from Sun City including 131 vacation apartments. A total pre tax profit of \$20,186,000 was recorded for both Sun Cities, \$8,659,000 for Sun City and \$11,527,000 for Sun City West. DEVCO reported 552 resales out of an estimated total of 1,500 made in the community. A total of 855 sales came from Vacation Special prospects, and Sun City residents purchased 295 new homes. *See Appendix No. 7 and No. 8*

1979 198



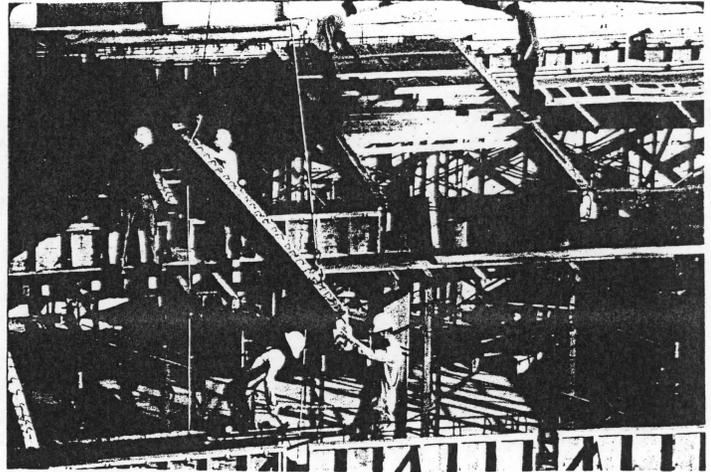
**1979
Sun City**

Thunderbird Medical Center next to Boswell Hospital was completed, and residential construction is done except for previous model area and construction yard at 99th Avenue and Union Hills.

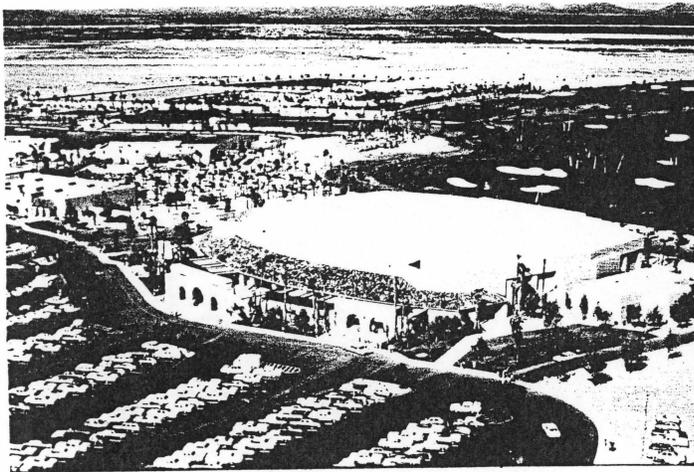
NOTE: SEVERAL PAGES OF PHOTOS FOLLOW, BUT ALL ARE OF SUNCITY WEST



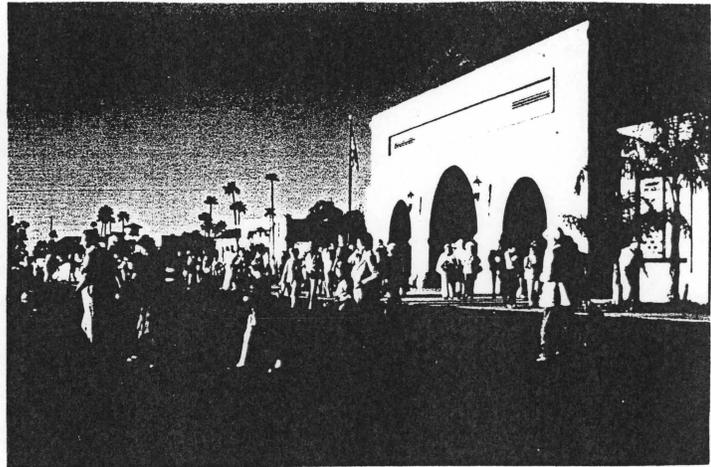
The Sundome under construction.



Sundome lobby roof construction.



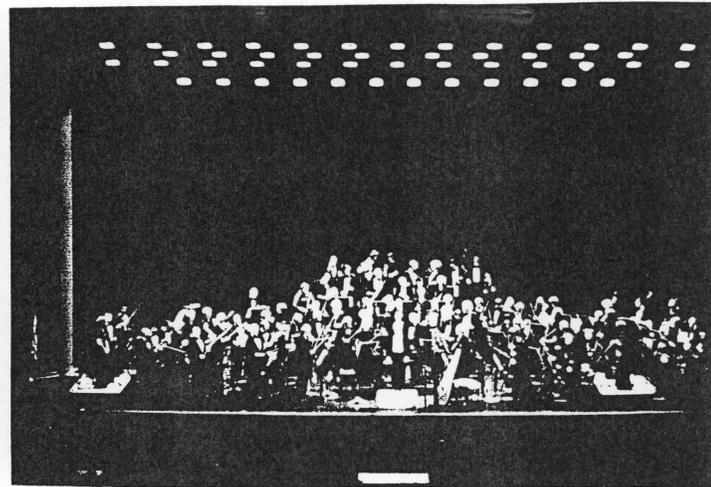
Aerial view of Sundome at completion.



The arched entryway to the outer courtyard.



Continental style seat spacing for easy ingress and egress.



Sun City Symphony finally performs at the Sundome.

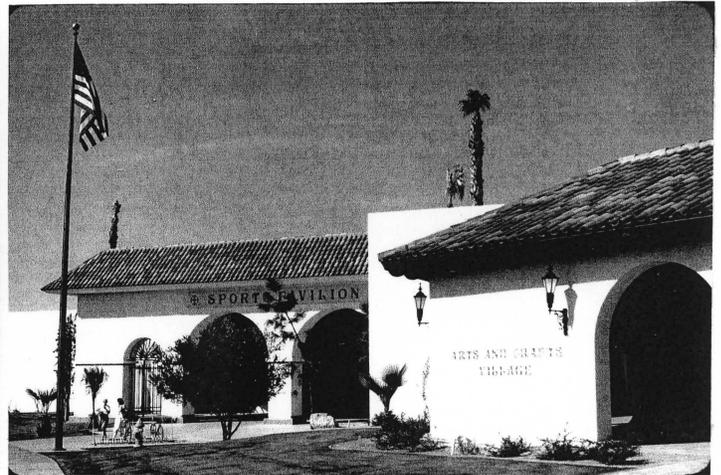


**1979
Sun City West**

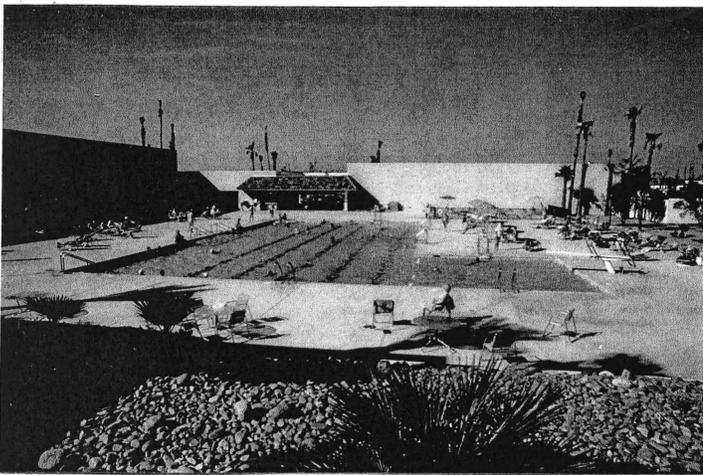
Hillcrest Golf Course opened for play in January followed by Pebblebrook Golf Course in the fall. Stardust Golf course grading was underway.



R. H. Johnson Recreation Center complex in Sun City West.



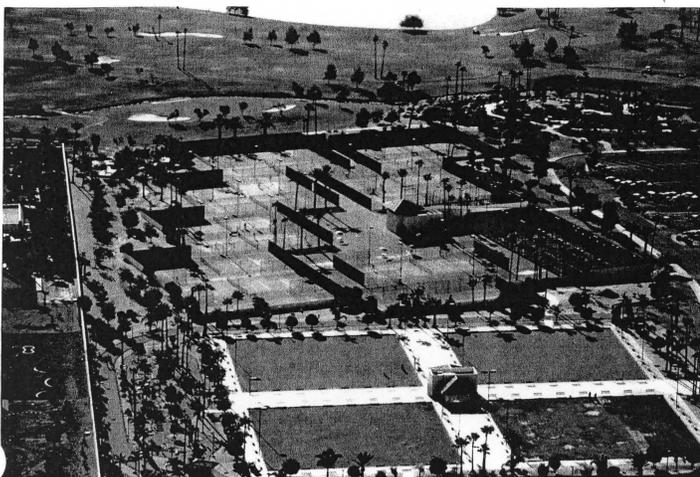
Sports Pavilion featured a 24-lane bowling alley, shuffleboard, billiards parlor and snack bar.



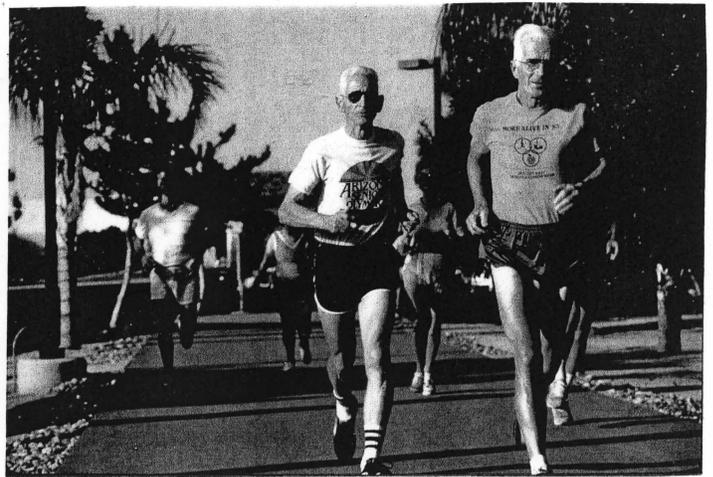
The large outdoor swimming pool and outdoor therapy pool.



A challenging mini golf hole.



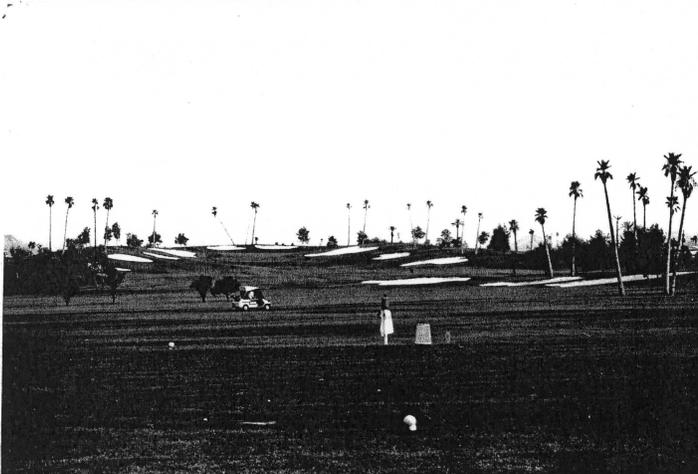
15 tennis courts plus 8 platform tennis courts and pro shop. 4 lawn bowling greens with restroom facilities.



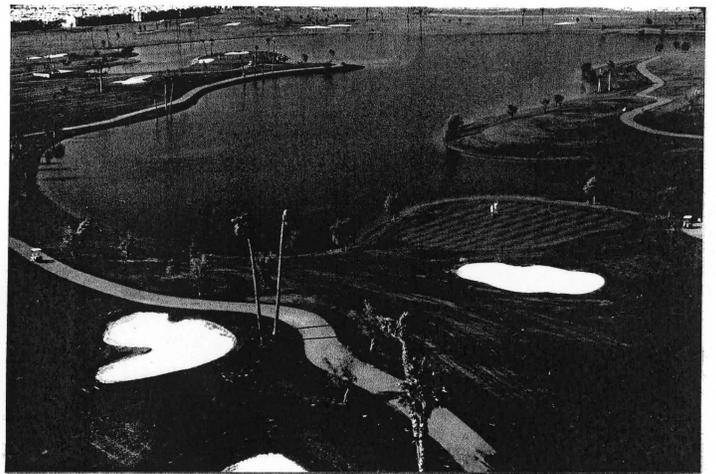
A one-quarter mile cushioned running track with par course for physical fitness buffs.



DEVCO's Senior Vice President and Sales Manager Ken Parker, President John Meeker and Senior Vice President and Site Development Manager Tom Ryan review Sun City West scale model.



Hillcrest Golf Course signature hole No. 13.



The golf course lake was designed for mixing sewerage effluent for irrigation purposes.

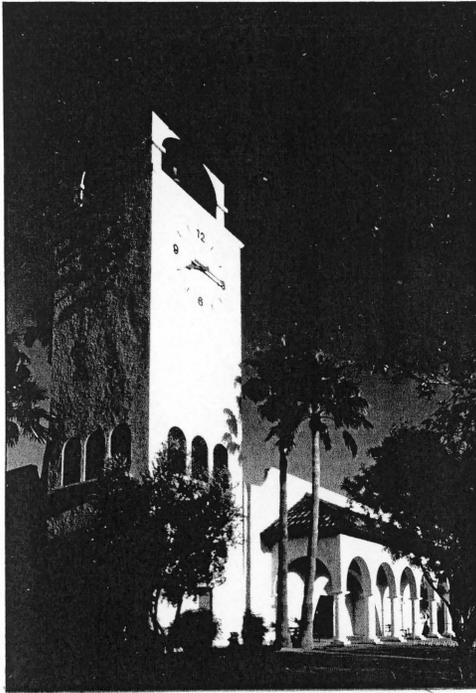


A view of R. H. Johnson Recreation Center, park and picnic area from Hillcrest Golf Course.



Sun Cities Pom Poms cheerleaders have appeared on various television programs.

1979



The free standing library with clock tower at R. H. Johnson Recreation Center. The exterior elevation was based on the famous Lobero Theater located in Santa Barbara, California.



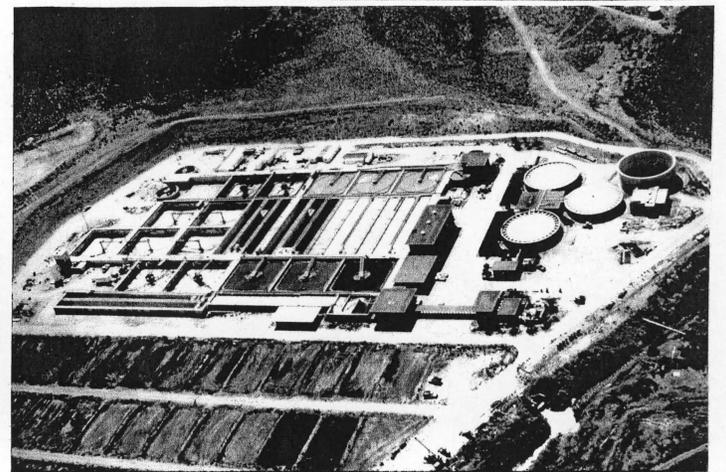
Crestview Restaurant and Vacation Headquarters.



Camino Del Sol Shopping Center with major tenants Safeway grocery store and Walgreens Drug Store.



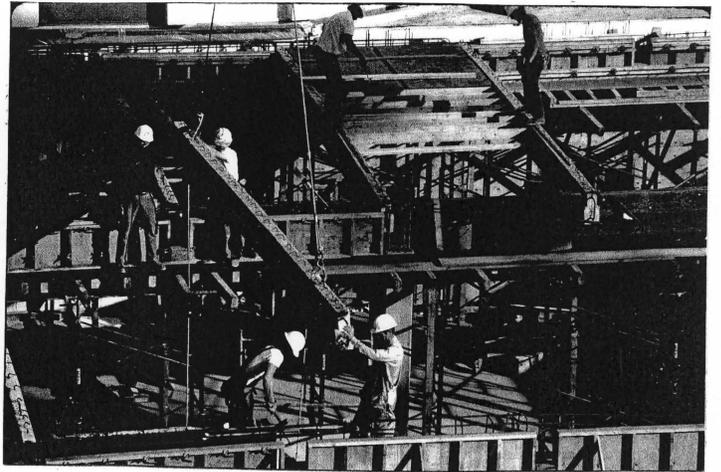
Camino Del Sol Fire Station.



Sun City West's permanent sewer treatment plant and effluent evaporation system.



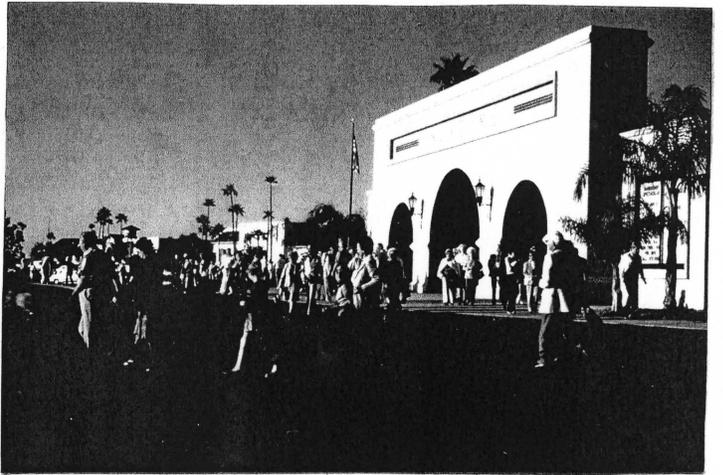
The Sundome under construction.



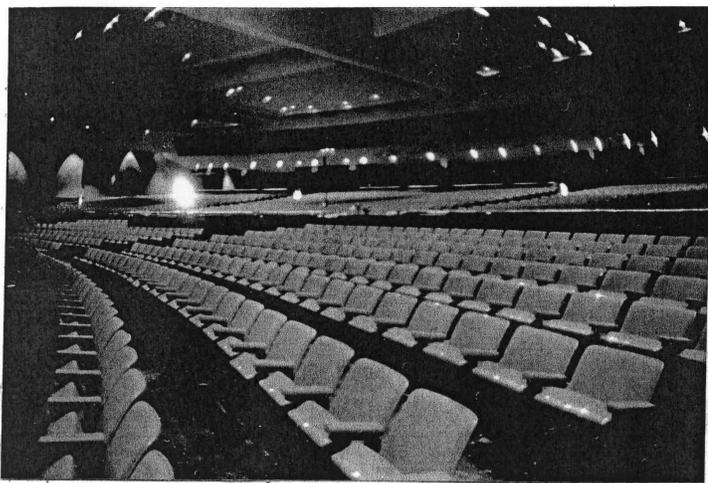
Sundome lobby roof construction.



Aerial view of Sundome at completion.



The arched entryway to the outer courtyard.



Continental style seat spacing for easy ingress and egress.



Sun City Symphony finally performs at the Sundome.

Sun City - A Look Back - 1980

- The Sun City Shopping Centers sale to Prudential closed March 31 for a total sales price of \$27,500,000 and a profit of \$16,714,000.
- The LPGA Golf Tournament held at Hillcrest Golf Course was considered a success although costs exceeded estimates. Jan Stephenson won before a large final day crowd. Another tourney was scheduled for next year even though final figures showed a loss of \$75,672.
- **Sun State Insulation Plant** went into production of loose wool, and the batt line followed shortly thereafter. Production was stopped in July due to lack of buyers and Sun City West's slowed housing construction. The fiber glass industry cut its price and became very competitive, making it difficult to attract large volume buyers. Based on a production rate of 15,000 tons per year, it was reported a profit of \$1,000,000 could be realized. The Board approved a sale of this facility at any reasonable price and terms. A firm made an offer to lease the plant, but terms were such that it was not advisable to do it.
- Construction production was 10 per week with a work furlough schedule in effect.
- Due to national economic conditions, the Board established a policy that no more standing inventory would be created. This required a skip building program be implemented. Also, water, sewer, gutter and paving would be done simultaneously with home construction whenever possible instead of outfront as had been the prior practice.
- Site development was limited to the first eleven holes of Briarwood Country Club with its scheduled completion set for the fall of 1981.
- **Camino Del Sol Shopping Center** in Sun City West was opened with Safeway and Walgreens Drug opening in September. All tenants were placed on a percentage basis rent only without minimum rents due. The Board requested that a sales package be put together on this property for review and possible sale. Safeway's rent did not commence until a minimum number of 5,000 move-ins was met. See *Appendix No. 4.13*
- The **PORA Building** in Sun City West was underway at an estimated cost of \$150,000. See *Appendix No. 4.15*
- Bell Housing reduced its forces commensurate with the field, and excess equipment was sold off.
- Several offers on Sunland Memorial Park were received without a sale being consummated. The Board set a minimum price of \$2,000,000.

- DEVCO was approached by 200 or so of the 2000 members of the **Lakes Club** expressing an interest in buying the facility. DEVCO put a program together requiring 1100 to 1200 members to participate. However, only 835 committed, and DEVCO decided to seek another buyer.
- **Boswell Hospital** expansion in Sun City West was turned down, but the Sun City hospital received an additional 84 beds.
- City of Surprise annexed the Agua Fria River property south of Bell Road, and DEVCO filed suit challenging this action.
- The Board authorized a donation of \$5,000 in money or material to the Southwest Indian School.
- Another method of funding for the McMicken Dam repair was sought due to the inability to get Congress to act.
- Another study of the Citizens Utility water and sewer agreement was completed for DEVCO Board review.
- Land surrounding the Boswell Hospital was sold to them along with the Lakeview Medical Center and Thunderbird Medical Center. The Board decided to treat raw land sales as ordinary income for statement purposes.
- The turnover of the R. H. Johnson Recreation Center to Sun City West residents was discussed, and it was determined that the facility not be turned over in the near future. A meeting was set with the membership for a vote on this matter. The PORA group tried to get involved in the negotiations, but DEVCO's policy of dealing directly with the membership excluded PORA's participation. DEVCO's obligations for future facilities would be minimal dollar-per-house commitment placed in the Master Agreement obligating DEVCO to future construction.
- **The Sundome Performing Arts Center** opened in September with Lawrence Welk doing the honors to a sold out audience. Ticket sales for other programs proceeded well with President Gerald Ford and television and movie star Bob Hope scheduled for early 1981. This facility was designed as a sales tool to serve the entire 13,000 acre development and to draw visitors to Sun City West and hopefully through the sales office. It also provided low cost entertainment for the residents of Sun City and Sun City West as well as the surrounding area. Many activities were planned for Sun City West residents at this facility much like the Sun Bowl provided in Sun City. *See Appendix No. 4.21*

- **Stardust Golf Course** in Sun City West opened for resident use in November. *See Appendix No. 4.40*
- The County agreed to take over the medians on R. H. Johnson Boulevard with the Recreation Centers responsible for the trees along the right-of-ways.
- Methods were being explored on the best way to discontinue bus service in both Sun City and Sun City West.
- The union contract with the grounds maintenance crews at Sunland Memorial Park was terminated and subcontracted out to others.
- Construction of the apartments offsite were completed, and no further such work was done by DEVCO.
- The Sun City West men's softball team requested that DEVCO construct a practice field for them, and the Board declined this request.
- The **Marinette Recreation Center** in Sun City was completed and turned over to the Recreation Centers for operation. *See Appendix No. 2.98*
- Parker reported that 70 percent of present buyers were from the Vacation Apartment program.
- A survey by Sales Manager Ken Parker estimated the current buyer net worth at \$400,000.
- The Board approved the donation of a parcel of land on the reserve parking lot of the Sun City Stadium to the Sun City Art Museum for construction of a building.
- Citation Building Corporation executed an agreement with DEVCO for an option to purchase land at 99th Avenue and Union Hills conditional upon their securing a major tenant.
- DEVCO turned down an offer for land on Thunderbird next to Beverly Nursing Home for a mixed use commercial and medical complex.
- The Board reviewed a proposal from HBE Corporation for construction of a nursing home and associate condominium complex at 99th Avenue and Bell Road. The proposed price was \$87,500 per acre with terms, and the Board authorized management to continue negotiations on the site and also to discuss with Friendship Village a site next to the administration complex or on land adjacent to Beverly Nursing Home.

- DEVCO management recommended that the Board set a policy for future shopping centers in Sun City West. It was decided that all future shopping centers would be developed, constructed, and initially managed by DEVCO for future sale. A policy for office building was also established that such buildings could be sold on a "build-to-suit" basis or land sale with requisite restrictions imposed.
- Preliminary planning began on the second neighborhood shopping center located at Stardust Boulevard and Beardsley Road. See *Appendix No. 4.38*
- The following Sun City equity properties were reviewed, and the following sales prices were established by the DEVCO Board:

<u>Year Sold</u>	<u>Property</u>	<u>Purchaser</u>	<u>Estimated Sales Price</u>	<u>Actual Sales Price</u>	<u>Profit</u>
1981	Kings Inn Cap. 9%	Naydon	\$4,000,000	\$3,350,000	\$2,697,000
1981	SC Medical Building	Bade	150,000	165,000	129,000
1981	Professional Building	Bade	400,000	455,000	277,000
1981	Suntowner	N/A	600,000	660,000	357,000
1981	Lakes Club	Club Corp. Am.	3,000,000	2,500,000	1,176,000
1981	Fountainbell	Bade	1,250,000	1,000,000	22,000
1981	Bell Plaza Office Bldg.	Travelers Ins.	2,200,000	4,600,000	1,101,000
1981	Bell Plaza - DEVCO Adm. Bldg	Travelers Ins.	2,100,000	incl above	incl above
1982	Sunland Memorial Park	Matthews	2,000,000	2,300,000	2,050,000
1980	First Natl. Bank - Grand	FNB	395,000	395,000	324,000
1981	Circle K	KASIE/Irv Shuman	35,000	65,000	54,000
1981	Chrysler Bldg.	Midas Muffler	100,000	144,000	122,000
1980	APS	APS	50,000	95,000	77,000
1981	Sun Building	N/A	40,000	50,000	42,000
1982	Travel Serv. Bldg.	KASIE/Irv Shuman	115,000	85,000	43,000
1981	Sunshine Service Bldg.	N/A	50,000	65,000	12,000
1982	Exxon Site Lease (103rd /Grand)	Exxon Co.	150,000	150,000	147,000
1981	Union Site Lease - Grand	Union Oil	210,000	210,000	209,000
1982	Union Site Lease - Peoria	Union Oil	50,000	75,000	74,000

- The Board also set a price of \$2,000,000 for a bulk cash sale of Heading Ranch.
- In order to sell the DEVCO Office Building, the Board agreed to commit to a five year lease at \$10 to \$11 per sq. ft. with a cost-of-living escalator.
- Vacation Apartment traffic was down approximately 33 percent. Sales Manager Ken Parker felt inflation and high mortgage rates were major problems creating low sales volume. He also stated price may have some effect on the present sales volume and that the less substantial buyer has been eliminated from the market due to price increases.
- Skipped construction areas in Units 10 and 12 were the major focus of sales before other areas were released.

- Sales Manager Ken Parker requested that new larger models be added in the model complex. Two new models in excess of 3500 sq. ft. were designed and expected to sell in the \$150,000 to \$200,000 price range. The units were slated to be built on the Briarwood Golf Course with models opening in January of 1981. Management also considered a zero lot line patio home to be offered in the \$130,000 to \$150,000 range with non-component bathrooms and fixtures.
- A six-month-to-close program was instituted on all in-sequence homes in Unit 12. This program allowed buyers to purchase and delay close up to six months after completion.
- Sales picked up considerably in October even though sales traffic was 66 percent of normal. Sales Manager Ken Parker reported that DEVCO the customers and people viewing the models seemed to be more optimistic now than they had been for many months and that the amount of sales in October would indicate a 1500 unit sales annually, based on past year's sales activities.
- A 1981 projected sales figure of 750 homes was set by the Board.
- Ronald Reagan won the presidential election, but mortgage rates and other interest rates hit all time highs by year end. It took three more years for rates to return to reasonable levels and inflation to subside.
- There were more than 600 outfront sales at year end.
- By year end there were 304 unsold standing inventory units.
- The credit line stood at \$40,000,000 at year end.
- A total of 155,149 people visited the model complex. Net new sales for the year totaled a dismal 278 units with 678 profit units recorded in Sun City West. 66 new sales and 44 vacation apartments sales were made and 64 profit units including 46 vacation apartments were recorded in Sun City. 374 new sales were made to Vacation Special prospects with 123 additional new sales made to residents.
- Sun City sales of land and equity properties totaled more than \$41,000,000 for the year. \$27,332,000 profit was derived from the equity sales in Sun City. Land sales in Sun City showed a profit of \$1,081,000 and \$217,000 profit in Sun City West. Total pre tax profit reported for both Sun Cities was \$23,354,000 with \$29,876,000 realized in Sun City and a loss in Sun City West of \$6,522,000. A total of 444 resales were made by DEVCO in both projects out of the estimated 1150 sold in the Sun Cities. *See Appendix No. 7 and No. 8*

Sun City - A Look Back - 1981

- Interest rates continued to remain above 14 percent plus points. Inflation also remained very high.
- The parking lot adjacent to the Crestview Restaurant was paved.
- In January Sales Manager Ken Parker reported that the opening of the shopping center and Sundome were positive factors in the sale of 25 new homes in the last seven days. He felt that the fear of inflation and the inability of buyers to sell their homes were the two major factors for the sales slump. Also, the price differential for standing inventory homes was the best sales incentive for the inventory. Sales traffic was reported to be about 50 percent of that during 1977 and 1978, and local advertising was curtailed after the winter visitors' period.
- The DEVCO Board approved the sale of the 96 two-story Vacation Apartments in Sun City West. It was reported that there were 77 Vacation Apartment units in Sun City still unsold.
- A six to seven minute segment on the *Today* show was aired on January 30 concerning Sun City.
- An offer on the **Heading Ranch** was received, and the Board agreed to a sales price of \$2,000,000 and to accept \$200,000 down with payment of balance with 12 percent interest to be paid out in not more than three years. However, this offer didn't work out, and the DEVCO Board accepted a \$1,000,000 cash offer from another party, and the sale was closed.
- Offers were also received on the 37 acre piece at 99th Avenue and Bell Road and the 9 acre piece south of Bell Road. The Board approved breaking the 37 acre parcel in two parcels of 16 acres residential and 21 acres remaining commercial. The commercial for the 16 acre parcel was to be applied to the 9 acre piece south of Bell Road. Zoning for this change was submitted to the Planning and Zoning Commission. The 16 acre piece was sold for \$2.25 per sq. ft. The 9 acre piece was also sold for \$4.00 per sq. ft. An offer of \$3.50 per sq. ft. was received on the 21 acre parcel.
- A site sale for a pulmonary clinic in Sun City West was approved.
- The Suntowner was sold for \$660,000.
- The DEVCO Board agreed that the sale of the Lakes Club to the members be held in abeyance for a few months to see if financing could be obtained or until a sale to an outside purchaser could be consummated. This property was sold to a third party operator for a profit of \$1,176,000.

- Management received two offers on the Bell Plaza Professional Building and the DEVCO Administration Building. The offer from Travelers Insurance Company was accepted and closed with DEVCO agreeing to a three year triple net lease for \$6.25 sq. ft. \$1,101,000 profit was recorded on this sale.
- The LPGA Golf Tournament was held as scheduled, and the Board approved the 1982 Tournament provided a co-sponsor could be found, and American Express agreed to come on board. This was done to offset any operating loss. The loss this year was \$91,000.
- An offer for \$500,000 cash for the 18 rental apartments located by the Kings Inn was accepted.
- The Sun City Professional Building sold for \$455,000.
- Sun State Insulation Plant made a high density rockwool material to be applied in lieu of styrofoam presently used with the exterior stucco system and installed throughout the valley. This rockwool material was installed on the two new model homes and was less expensive than NuWall and had a superior fire resistance rating.
- The floor plans for the two new larger models were reviewed with the Board.
- The Sun City West Recreation Centers voted to have DEVCO continue management of the Recreation Centers until the operation reaches breakeven.
- The DEVCO Board approved the continuation of the use of the Sun City Stadium for one more year.
- Sun City residents voted to raise their yearly Recreation Center dues \$2 per year to cover maintenance of the Sun Bowl, and a three year no cost option was given to them which they ultimately exercised.
- A 37 acre parcel north of the Sun City Industrial Park was sold for cash to the People of Faith Group for construction of a sheltered living facility. *See Appendix No. 2.43*
- A used van truck was approved for donation to the Sun City Prides. This group was formed by residents to do street landscape maintenance and other beautification work in Sun City at no cost to the County. They are still active in Sun City and have received national recognition for their volunteerism.
- The County Flood Control District, Luke Field USAF and MCMWCD all agreed to pay one-third for the **McMicken Dam** repairs, and repair

work got underway. With proper maintenance and repairs by the County Flood Control District, there should never be a need to ever breach the dam again.

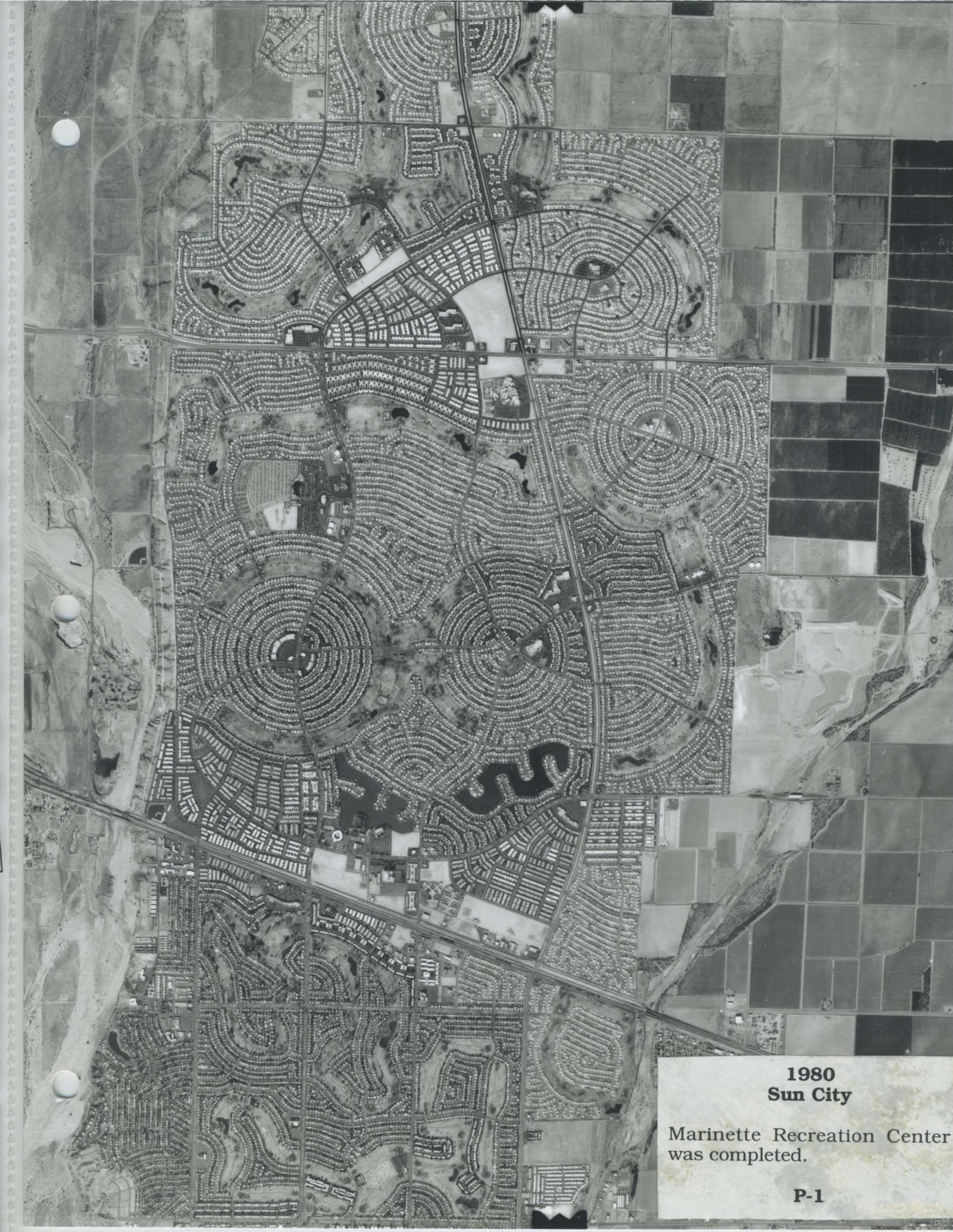
- Replatting of an area adjacent to Briarwood Country Club was approved by the DEVCO Board to accommodate the new larger models being built.
- As of April **Briarwood Country Club** had 81 golf memberships and 213 social memberships. A \$3,000 price increase after the sale of the first 100 golf memberships was planned.
- APS went to all demand meters on May 1.
- The cabinet supplier went out of business, and this caused added costs to homes already sold.
- The Sun City West Fire District election was passed and requested DEVCO to build a fire house and let them pay for it on time. The Board agreed to consider this at a later date. *See Appendix No. 4.12*
- The Boswell Foundation donated \$1,000,000 to the hospital for another matching fund drive. The Boswell Foundation contributions now totaled \$4,900,000.
- The Dysart School District Division election was passed in Sun City West and the remaining area. This allowed Sun City West to become an unorganized school district thereby saving homebuyers some school taxes.
- The marketing program was scaled down with elimination of bus tours and other programs for vacation visitors.
- The DEVCO Board approved settling of the State Land Department litigation for \$525,000 spread out over three annual payments.
- A program for DEVCO to carry 25 percent of the sales price at 12 percent interest was approved for ten homes.
- Beardsley Nursery was sold.
- The Phil Donohue Show expected to cost about \$90,000 for a one week run at the Sundome was turned down by the Board.
- Church site sales were set at \$3.00 per sq. ft per recommendation by Robert Swanson.
- President John Meeker and Board member R. H. Johnson resigned from DEVCO in September.

- Joe Aubin was appointed acting DEVCO General Manager, and Robert Swanson replaced R. H. Johnson on the DEVCO Board
- The open line of credit was down to \$17,000,000 at year end and was completely paid off by April, 1982.
- The Kings Inn sale was finalized for a profit of \$2,697,000.
- Unsold inventory was reduced to 71 units at year end by offering various creative financing programs to buyers of inventory homes.
- \$5,905,000 profit from equity property sales was reported, and \$5,591,000 profit was realized from land sales in Sun City. \$1,321,000 was booked on Sun City vacation apartment sales with \$768,000 profit booked on sale of vacation apartments in Sun City West. \$295,000 in Sun City West land sales was also recorded.
- Sun City West net sales for the year ended up at a minus 18 due to the heavy cancellation rate caused by high mortgage interest rates. 112 units and vacation apartments were sold in Sun City. Visitors to the Sun City West sales complex totaled 158,158 for the year. 626 profit units were booked in Sun City West, and 100 profit units were recognized in Sun City. A total pre tax profit of \$10,366,000 was realized with \$14,869,000 earned in Sun City and a \$4,503,000 loss in Sun City West. DEVCO also made 407 resales for the year from the estimated 1,000 units sold in both communities. 303 new sales were made to Vacation Special visitors, and 123 new sales were made to residents. Retained earnings of \$78,934,946 plus \$10,675,000 in declared dividends were earned by DEVCO in Sun City and Sun City West through December 31. *See Appendix No. 7 and No. 8*

In Sun City a total of 25,419 homes plus 304 vacation apartments were sold for an original sales price of \$779,630,000. The average sales price from inception was \$30,680 with population estimated at approximately 48,000 residents with an estimated net worth of \$5 billion (5,000,000,000). A total of \$170,625,000 or a 21.9 percent pre tax profit was realized from the Sun City operation from 1960 through 1982 with a majority being earned over the last 15 years of the project. At completion, some Sun City amenities available were: See Appendix No. 7 and No. 9

- 6 Neighborhood Shopping Centers
- 7 Complete Recreation Centers
- 1 Lakefront Park and Waterfalls
- 5 Mini Golf Facilities
- 40 Bowling Alley Lanes
- 11 Golf Courses including 3 Private Country Clubs
- 15 Tennis Courts
- 14 Banks
- 14 Savings and Loans
- 5 Brokerage Firms
- 355 Bed Acute Care Boswell Hospital
- 300 Doctors
- 75 Dentists
- 97 Room Motel
- 7500 Seat Sun Bowl Outdoor Amphitheater
- 4000 Seat Sun City Stadium
- 29 Restaurants
- 29 Churches and Synagogues
- 300 Organized Clubs
- 65 Piece Symphony Orchestra
- 704 Person capacity Lakes Club (Private Social/Dining Facility)
- 2 30 plus acre Lakes (1 Private)
- 50 Acre Cemetery with Mortuary and Chapel
- 5000 Privately owned golf carts

Many other business, service, volunteer, educational, cultural and retail facilities not included in the shopping centers were located throughout the community. Also, there are many other business and service facilities located outside of Sun City boundaries in Youngtown and Peoria.



**1980
Sun City**

Marinette Recreation Center
was completed.

P-1



**1980
Sun City West**

Stardust Golf Course was ready for fall play. Grading commenced on nine holes of Briarwood Country Club Golf course.



**1981
Sun City**

Garden apartments
construction began by the
previous model complex.



**1981
Sun City West**

Nine holes of Briarwood Golf Course were completed, and grading began on the second nine holes. The temporary sewer oxidation ponds were being phased out.



First Methodist Church of Sun City



The United Church of Sun City



Saint Christopher's Episcopal Church



Our Savior Evangelical Lutheran Church



First Christian Church of Sun City



First United Presbyterian Church



Saint Joachim Saint Anne Catholic Church



Shepherd of the Desert Lutheran Church



United Methodist Church



First Church of Christ Scientist



Fountain of Life Lutheran Church



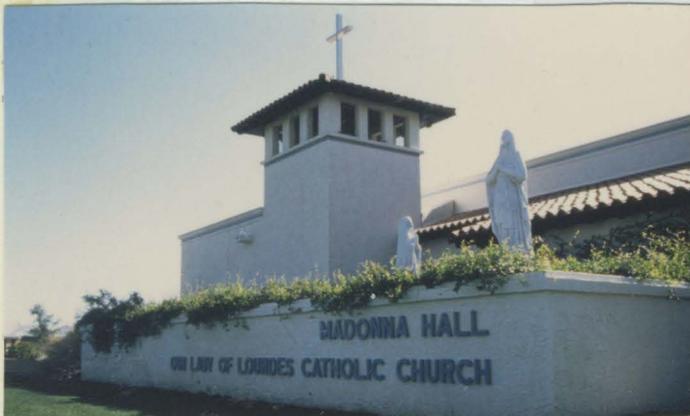
Lakeview United Methodist Church



Church of the Palms



American Lutheran Church



Our Lady of Lourdes
Catholic Church Sun City West



Saint Clements of Rome
Catholic Church



Pot Luck Supper October 4, 1960



Grape Festival



Strawberry Festival, 1976



Root Beer Bust, 1976



May 1965 Newcomer's Coffee



Pot Luck Supper September 1960



Jerry Svendsen MC's a Newcomer's Coffee

THE ENTERTAINERS



Fred Waring & Pennsylvanians



Roger Williams



Myron Floren



Rich Little and Jerry Svendsen



Royal Tabitiains

1981



Fred Waring



Roberta Peters



Williams ★

Roger Williams



Guy Lombardo



Jimmy Durante



Laurence Welk



Rosemary Clooney



Sun Bowl



Freddie Martin



Patti Page



Rosemary Clooney plays to a full house



Fans engulf Lawrence Wolf



Guy Lombardo



Pianist and singer JoAnn Castle.



Singer Gordon MacRae.



Harry James Orchestra.



Singer Dennis Day.



Mickie Finn's Orchestra.



Dancers Bob Burgess and Cissy King.