

Sun Cities Area Historical Society

ORAL HISTORY PROJECT

Case # 199

INTERVIEW with Jim Boswell

December 12, 1983

WHERE: In the home of John and Louis Byrne

PRESENT: Jim Boswell, Jane Freeman and Glenn Sanberg

PURPOSE: To gather background information to be used in the writing of a 25-yr. history of Sun City.

PREFACE: After introductions, Mr. Boswell asked how we would like to proceed. We suggested he begin with the early development of the land here in Arizona, and go on from there to the Del Webb partnership. Mr. Boswell flew into Litchfield Park (where he has a home) from his California home in Pasadena, especially for this interview. Arrangements for the meeting and contacts with Mr. Boswell were made through John Byrne.

Boswell: In 1917 the Goodyear Tire and Rubber Co. decided to come to Arizona to develop ranches to grow long staple cotton because their supply had been cut off by World War I. They purchased three ranches: the 10,000 acre Marinette Ranch, 15-20,000 acre Litchfield Park Ranch (named for Paul W. Litchfield) and a ranch at Chandler, AZ.

In 1927, Goodyear came to the Boswell Company and asked them to set up a mill to crush the cotton seed since they were in the business in California. They (Boswell) also made loans to cotton growers to get the seed crushed at the mill. This became an adjunct to the California operation.

The Boswell Company had been in operation in California since 1924 with the head office in Los Angeles. A successful operation operated by his uncle, a retired West Point Army major who subsequently talked Col. Walter O. Boswell into leaving the Army (he was then G-2 to Gen. Pershing and in line for Chief of Staff). Walter Boswell came to Arizona in 1927. William Boswell was the 3rd brother who ran the operation in California. He was Jim's father, who is buried in Sun City. Mother was living in Courtland, CA, at time of interview, but was later buried in a Sun City crypt.

During the 1930s, Goodyear was having trouble making a profit and asked Boswell to lease any part of their three ranches: Marinette, Litchfield, or Chandler. They wanted a 10-yr. lease. At the end of ten years, Litchfield asked Boswell if they would like to purchase the Boswell Ranch; they did in 1943-44 for \$50 an acre. The asking price for the Litchfield Ranch was \$75 an acre with the stipulation they would never incorporate Litchfield Park and always leave it with the Litchfield name attached. Uncle and father decided they couldn't be mayor of a town and run their business, so they turned down the Litchfield Park offer and also the Chandler Ranch as they had another large property deal going in California at the same time.

Goodyear operated under the name of SOUTHWEST COTTON COMPANY. The canal serving the company (visible from the air) came right down through what is now Phase III of Sun City... this was a subversion from the Brush Dam near the Heading Ranch (near the old gun club) with 15-18 shallow wells (still capped and can be seen with the assistance of a Goodyear guide)... which were drilled about 1917-1918. Controversy over these rights... Waddell vs. Beardsley Water District... water was diverted to an area west of Sun City West... controversy never settled and was dropped when Jim Boswell became president in 1952. Boswell purchased the Santa Fe Ranch in 1951 from the Santa Fe Development Co with growing crops on it for \$7 an acre. The reason they were willing to sell was their concern over the lowering of the water table (cotton requires immense amounts of water).

In 1959 Boswell read that Del Webb had just purchased what was then known as Arrowhead Ranches (near Deer Valley).

Boswell was on his way to Chandler through Phoenix, and happened to go by way of the old railroad tracks where the Webb building was located. Just on a whim, I stopped by with my associate, George Ball. He had seen a squib in the paper that Mr. Jacobson was interested in a large piece of property, and as I said, I stopped by, walked in, and he happened to be present. I said, "I heard you were interested in buying a large piece of property". He said "Yes, we're interested", but you probably wouldn't qualify for that. I said, "You're probably right, its only 10,000 acres and he said, "Let's go look at it"

Four of us: Jacobson, Joe Ashton, George Ball, and Boswell, drove out to Waddell (next to where Sun City West is)... and Jacobson's imagination began working, said he was interested in retirement... could we do this, do that, still had his arms waving as we came back by way of Grand Avenue, and I said, "By the way, we have another 10,000 acres here..." if you're interested.

By 3:00 a.m. the next morning a simple letter of agreement on a yellow scratch pad was drawn up... which we signed.

Boswell never did get to Chandler.

Elmer Johns, a developer from California, owned 320 acres which jutted into 'our property' south of Grand Avenue. He had a storage pool from which we could use water (Youngtown). It was Elmer Johns who conceived the term: 'active retirement' and we came up with the term 'senior citizen'.

Joe Ashton, Jacobson, Breen, and Boswell were there at the signing and they said 'let's elaborate on Elmer Johns' idea of active retirement. Jacobson shook hands with Boswell, saying we would not sell a house until a shopping center was complete; a meat market was fully stocked, etc..; with no sign saying 'this is the future home of...".

Boswell held out 240 acres which he sold to Johns for Youngtown, it was the neighborly thing to do. Youngtown had a clubhouse and about 50 homes.

A partnership was formed on a 50/50 basis but was changed to 49/51 because of tax liabilities on Boswell's part; he wanted to offset some of the capital gains involved in the (\$1,000 an acre) share in profits of the development. Del Webb was not personally involved as of this point in time.

Webb had a viable operation, but I give Tom Breen a lot of credit for the development of the yet-unnamed retirement community.

When Jacobson left in 1965, some 15-16 of the key people left... Webb called me in and asked if I objected to Bob Johnson taking over. Bob and I belonged to an investment club at \$40 a month, so I knew him. Bob never did want the job and never moved to Arizona (he had been in charge of the California operation). Bob put John Meeker in charge with greater responsibilities. Meeker had been Webb's caddie. By then, Breen had left. "John had one of those unique abilities to visualize... a great imagination. He was one of the most conscientiously sincere men I ever met. In our Board Meeting, he kept telling us: 'You have to care.'

Meeker brought Owen Childress in and called him the mayor of Sun City. Owen was not a businessman in my opinion, but he's quality, sincere, relates to people... a fine combination. With Meeker doing the planning and Owen keeping the people problems on an even keel, it made for a good combination.

Johnson made a big mistake when he brought Childress in to the Phoenix office as chief financial officer. Owen didn't want it... he should never have been offered the job.

I remember when Jacobson drove a crude oil tanker between Ajo and Phoenix... Bob Johnson was the first employee after Jacobson, and along with Webb, the three of them 'made it' on housing during the war.

Dan Topping (Yankee's co-owner) told Webb that in order to avoid the renegotiation that all contractors go through, he'd better diversify, and Webb used the Yankees to wine and dine the VIP's. He was the only war-time contractor that was never renegotiated.

Boswell knew Del Webb as he had done some work on his uncle's house in Encanto Park... everyone knew Del Webb.

Those years I was a smoker and every time I went to see Webb I had to observe the big 'no smoking' sign on his desk.

Frankly, we used Del Webb... he had the 'image'. He couldn't find his way out here if he had to... I wrote some of his speeches. They always started... "When I visualize Sun City standing here in the middle of a cotton field..."

Boswell was active in the operation because when we gave up the 50-50 arrangement and went to 51-49, there were five members on the board... Boswell had two members. It took four of the five members to buy or sell any asset over 25,000 and to declare a dividend or do anything. That was the price of giving up 1%.

Total capital was \$100,000 = Boswell \$49,000; Web \$51,000. There was 'free carry' on the land at pre-arranged prices per section. Boswell insisted on this arrangement. They wanted so much per year, but Boswell said, 'No, you'll go through cycles and regret the arrangement: They settled for groups of five years.

Re: Del Webb: "A very honest country boy with high ideals and morals". He was not a businessman but smart enough to surround himself with good people. Boswell stayed in the background.

Re: John Meeker: He was totally loyal to Webb... some say he was the son he never had. Johnson was forever firing Meeker because whenever Meeker couldn't get a decision out of Johnson, he would go off on his own. Boswell encouraged

Meeker to go ahead because the faster Sun City grew, the faster they would pay off the land money.

Johnson saw "Meeker Mountain" (named by Boswell) at Viewpoint Lake and wanted to know how much it cost, where the rocks came from, etc. He hadn't known anything about it. "We just ignored him." Johnny was always ahead of himself... couldn't wait for the county to put in streets so he went ahead and did it... at a cost of \$19 million.

George Montgomery, Chairman of the Kern County Land Company, called Jacobson and Boswell happened to be in the office. He wanted to know if Webb was interested in building. Boswell told Jake if they put up the money "we will build it... and they went for it."

Same thing happened about a year later when Gulf Oil called wanting Webb to start a Sun City in Houston, on 18,000 acres, near NASA. Boswell advised to take 70% of the profits and 5% override on sales. They went for it.

Webb had a Florida fellow in tow. Casey Stengel talked to him as well as Joe DiMaggio.

All three developments eventually "fell on their faces" because of lack of financial control, but Webb had built up a tremendous asset base. When Jacobson left, there was really no one to follow through, so Meeker was called in to cover bases here and there.

Fred Kuntz, V.P... Boswell didn't think much of him. He was in a corner office that no one ever caught up with... but he was a great guy.

When Johnson found out what it cost to build the Lakes Club, he again fired Meeker (it didn't stick). Meeker insisted on buying top of the line, (i.e., golf fixtures at the Lakes Club, brick façade at LaRonde Center). He refused to buy General Electric as they tried to push seconds. That was the image Sun City had built.... TOP QUALITY! That was what we were projecting and we were successful.

Joe Ashton held on to the idea that retired people wanted the cheapest kind of houses... until he left Meeker wasn't able to change it. Ashton had the job of controlling the dreamer... he's the one who made money.

IMPORTANT: According to Boswell, from the very beginning the key thing that the policy makers agreed on was that they would never get into the field of geriatrics... stop and look back on the history of Sun City... we said, "what do you think, can we put 500 retired people together? 1,000? Dr. Bayard Horton (Boswell Hospital leader and friend of Webb) wanted to involve medical people in a study of the aged. Boswell opposed this. You've got to go active, active, active", he said; did not want the image of a geriatric center; did not want to attract geriatrics from all over the country and destroy the active image we were trying to protect.

Question: Have we reached the time when we might be ready for such a study? Who can say, people are only as old as they feel. We gave oversized lots to churches and encouraged them to care of those with geriatric needs.

Beverly Enterprises was invited to build a care unit and Boswell Hospital was to be the intensive care facility. Beverly had many problems and never was successful.

Have this service available but do not advertise it. Keep ACTIVE!

BOSWELL HOSPITAL: Was named for Walter O. Boswell because he was the Arizona Boswell, had an office in the old Luhr's Tower in downtown Phoenix with a branch office in Litchfield Park. We were the largest cotton company in the west, back of Anderson Clayton. Boswell was in charge of the Marinette and Santa Fe ranches.

Boswell Foundation put up the money for the hospital, the Foundation being the largest stockholder on the Boswell Co. They have now built some seven hospitals around country.

The original idea for a hospital was a small one-story building. Boswell said, "No, we'll put up \$1 million if you will build a hospital we can be proud of". Bill Chapman and Jim Mead were ardent workers in the project. Jumping Grand Avenue was important. Boswell never puts up all the money for a project as he believes its better to have the people involved... then they will care. At this time, he seems opposed to a hospital in Sun City West.

Webb Corp got into financial trouble 3 times because of rapid expansion, e.g. Las Vegas, the other Sun Cities fell on their faces and when they got to Atlantic City... The three bad years were 1968, 1974, and 1979. Webb Corp was hours away from bankruptcy. Webb went public in 1960, never paid a dividend. DEVCO

accounted to 120% of Webb Corp earnings four years in a row... the tail wagging the dog.

Boswell explained his constant battles with Johnson. The tape was stopped and they went off the record.

FINANCIAL: \$100,000 capital. Boswell loaned Webb \$600,000 for the original development. The Corp. matched that total \$1.3 in 'kind'.

Begins side two of tape:

Name Contest: A team from Chicago was hired to conduct a contest... Boswell was present when they were looking over the suggested names. Webb walked in, looked through the names and said, "I like Sun City". Jake or Jo (one of the two) said: "Well, that's it". The search group said "You can't do that. You've hired us to conduct the contest and we have to pick a winner." Reuben Donnelly, of the search team, said they would not certify it. Asked what they wanted to conclude their services... \$5,000 was determined... and they "marched out the door".

The lady who won the contest lived in Bend, Oregon. We tried to reach her by phone, but she was in Palm Springs, CA, in a trailer court. Ashton called the Sheriff's office and asked to locate the woman. We would pay \$1,000 to their Benevolent Society if successful. They were. Joe Ashton sent someone over and signed her off. She didn't get the house. They also paid off the other three winners.

But the name 'Sun City' was never in the top dozen names the search team had selected.

Tremendously proud of Sun City and Sun City West, Meeker never did want to see incorporation as he sincerely believed Webb could provide more than the people could provide for themselves.

As each of the series of model homes was introduced, they reflected the social-economic changes taking place in our society.

Interesting sidelight, north of Grand Avenue, the development went into circles... the late 60s was a period of questioning of our institutions, people fearful. The first lots sold were on the inside of the circles, apartments nearer the back, first. Just as soon as we got out of that era, just the opposite occurred... as with the Palmbrook era in the 70's ... with the bachelor pad and indoor swimming 'pool'.

Boswell said he plans to remain active in the hospital and on the advisory committee for the golf tournament.

From a business point of view the residents got a lot more from the company than the company got from them.

MISC: Boswell held out 20 acres of the Marinette site (Kings Inn area). Just north of the railroad tracks was a school and the deed was never cleared up until much later. The school was moved to the SW corner of Section 29 (111th and Grand??)

Johnson asked Boswell to cancel the contract on the Santa Fe Ranch the property where the vineyards were located. Boswell took it back and that's how they got into the grape business. Meantime, Boswell always left grapes after the picking so residents could harvest them. It cost Boswell money, but it was worth it.

Boswell still had 3,000 acres bought out the (Lizard Acres) feedlot from Charlie Wexler, which became the core property of Sun City West. Boswell always insisted that salesmen never make any promises that were not in writing on the contract... this kept them out of a lot of trouble.

End of Boswell Interview

Tape continues with discussion of recreation centers but everyone is talking and the essence of the real interview was over.

NOTE: Boswell was 60 years old at time of interview and was very cooperative.