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After years of neglect, the Lakes at Castle Rock is being developed, paralleling the activity in the whole Tanque Verde Valley. As land in the Catalina foothills becomes scarce, the valley is becoming a popular alternative for affluent Tucsonans.

YONI POZNER
Tucson Citizen



Tanque Verde Valley booming

• The Old Pueblo's northeast corner is becoming the real estate 'hot spot.'

By WILLIAM G. CLEMENS
Assistant Business Editor

The Tanque Verde Valley is the up-and-coming name for a 30-square-mile swatch of rolling mesquite and saguaro-dotted desert on the verge of serious growth.

A few years back, a more appropriate name for that chunk of northeast Tucson might have been Sleepy Hollow.

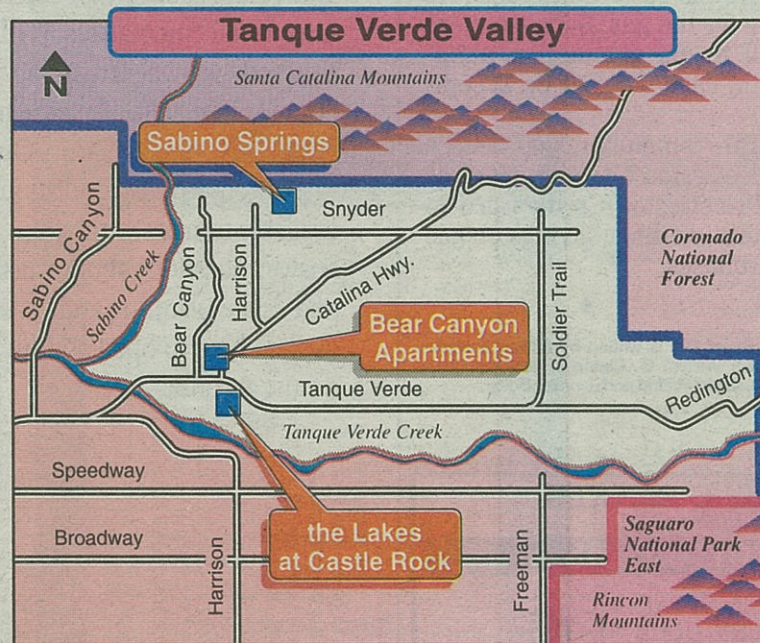
Isolated from the rest of the Tucson metro area by creeks and mountains, development was slow. Commercial activity was dormant.

No más.

As the Catalina foothills fill up, the valley is fast becoming the area of choice for affluent buyers.

"There was a certain feel to it," valley resident and ex-Californian Barbara Jacobs said of her search for a Tucson home. "It felt so open, so country."

Jacobs and her husband, Ken, moved to the valley 2½ years ago



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from southern California when Hughes Missile Systems Co. consolidated manufacturing here.

"We only have an acre and a half, but it feels like a million," said Jacobs, who bought a 2,400-square

foot home for \$185,000.

The house, which is nearly double the median price for a Tucson home, cost \$90,000 less than a smaller home the Jacobs left near San Diego.

Conrad Jackson, a custom-furniture maker, has lived and worked in the Tanque Verde Valley for 25 years.

He also was drawn by the country lifestyle. But Jackson has the perspective that time brings.

And he doesn't necessarily like what he sees. "This area has changed more this year than it has in the last 15," said Jackson, who believes growth is out of control.

Traffic, for instance, has become "horrible, absolutely horrible," he said.

It stands to get worse. Three developments under way represent the biggest surge in the valley's growth since the real-estate industry did a belly-flop in the late '80s.

• The first of 516 homes should be under construction by January in Sabino Springs, a gated, golf-course community near East Snyder and North Houghton roads.

• The Lakes at Castle Rock, a subdivision near Tanque Verde Road and Catalina Highway that passed through a series of bankruptcies, has new owners who plan to have more homes on the market this spring.

TANQUE, continued/6

The ABCO market is the only supermarket in Tanque Verde Valley. Here, Jessie the dog waits for her owner in a pickup truck at the Madera Village Shopping Center. Madera is one of three centers that are the commercial hub for the valley. Anthem Equity owns all three, which are at Tanque Verde Road and Catalina Highway.

YONI POZNER
Tucson Citizen



UNDER CONSTRUCTION

Here's a look at some major projects under construction in the Tanque Verde Valley:

• **Sabino Springs:** The 18-hole golf course in this gated community is scheduled to open in December.

The first of 516 homes planned for the 430-acre development should be under construction soon after, developers say.

Prices for "semi-custom production homes" will range from about \$160,000 to \$290,000, said Andy Kelly, a Tucson home builder who is managing the project.

Most homes will be built in clusters, with lots ranging from 5,000 to 8,000 square feet. Custom-home lots will range from 12,000 to 30,000 square feet.

Several builders will take part in the project, said Kelly, who expects the development to be sold out within four years.

Tucson-based Doucette Homes is close to signing an agreement for 70 lots at Sabino Springs, said owner Tom Doucette. Doucette's homes will range from 2,200 to 2,800 square feet, with prices averaging about \$250,000, he said.

Sabino Springs was nearly the subject of a county-wide referendum in 1991.

Opponents, who claimed the development was insensitive to the environment, gathered more than 24,000 signatures in an effort to stop the project at the ballot box.

But after a series of challenges by the former owner, Perini Land & Development Co., the Arizona Supreme Court ruled that the opponents were 102 signatures short of the required amount.

Most of the opposition melted when Perini sold the property in 1993 and the new owner, a real estate partnership, confirmed it wouldn't build townhouses or condos on the site.

Frank Luiz, who led the referendum effort, now says the project will "go into the textbooks" as an example of a developer that has lived up to commitments to preserve the environment.

"Instead of trying to slip under the wire and cheat, Kelly has gone wholeheartedly into this," Luiz said.

• **The Lakes at Castle Rock:** This soon-to-be-gated community takes its name from several man-made lakes that dot the property.

Roads, landscaping, street lights and other improvements at the project fell into disrepair shortly after the first homes were built in 1987.

Residents of the 65 homes there watched the property pass through several developers who filed for bankruptcy at least three times.

Last year, Robertson Stephens & Co., the nation's 10th-largest investment bank, bought the remaining undeveloped 114 acres at the project.

The company has spent more than \$1 million on improvements, said John Wesley Miller, who manages the project with fellow Tucson builder Peter Herder for Robertson Stephens.

Scottsdale-based Monterey Homes has bought 53 lots at the project and has options on 113 more.

Models are under construction, and sales will start this week, said Earl Nicholson, Monterey's Tucson manager.

Monterey will have homes in three price ranges at The Lakes, Nicholson said. The first series will range from 3,089 to 4,279 square feet and will cost about \$350,000, he said.

Miller said Robertson Stephens is considering offers on the remaining lots.

• The Tanque Verde Valley's second apartment complex is under construction.

The 238-unit **Bear Canyon Apartments** is being developed by Phoenix-based Evans Withycombe. The \$13 million project is scheduled to open in March. Rents have yet to be set.

An Evans Withycombe official described the complex as "upper end, but a niche below" the Legends at La Paloma, an Evans Withycombe luxury project here where rents start at \$700 a month for one-bedroom apartments.

Tanque Verde 'last, best place'

Continued from 1

• The valley's second apartment complex, a 238-unit project near Bear Canyon and Tanque Verde roads, is under construction.

The increasing popularity of the Tanque Verde Valley mimics recent trends in the Catalina foothills, said Sue Hill, a Tucson Realty & Trust Co. agent who specializes in residential lots.

The growth "is on a bit smaller scale, but it's just like the foothills," she said.

As in the foothills, prices are taking quantum leaps as the supply of lots with city and mountain views is exhausted.

"(One-acre) lots that even three years ago went for \$40,000 are now at about \$70,000," Hill said.

"It's just like District 16," said Hill referring to the wildly popular Catalina Foothills School District. "It's the same thing all over again."

The Tanque Verde Valley is bordered roughly by Sabino Creek on the west, Tanque Verde Creek on the south, and the Rincon and Santa Catalina mountains to the east and north.

Although some old-timers say the area has been known as the Tanque Verde Valley for decades, the name appears to have fallen from use in the '70s and '80s.

But it has received a huge boost lately from Anthem Equity Group, a Tucson-based, real-estate investment firm.

Anthem, owner of the area's three shopping centers, is promoting the valley as "The last, best place in Tucson."

Anthem billboards touting the name greet motorists at the main entrance to the valley, where a bridge at Tanque Verde and Pantano roads spans Tanque Verde Creek's usually dry bed.

The "last" refers to the valley's position on the Northeast Side, where development must give way to the looming flanks of the Catalinas and Rincos, said Anthem partner J. David Mackstaller.

The "best" refers to the quality of life, and the abundance of wildlife and native vegetation.

Tanque Verde Valley residents have



Jackson



Jacobs

more than geography binding them.

According to a survey of nearly 900 residents commissioned by Anthem, they make up one of the most homogeneous consumer groups in Tucson.

More than three-fourths of the households are headed by well-educated, affluent professionals.

The median household income in the valley was \$56,671 in 1994, or more than 65 percent higher than the Tucson median of about \$34,000 a year.

Anthem's goal is to raise the valley's image.

"The (Catalina) foothills have a clear identity. If the valley takes on this identity and develops pride, it will be known as a desirable place to live," Mackstaller said.

That, in turn, will raise the economic profile of its residents even higher, he said. "Our objective is long term. We're trying to create an image so customers in our retail centers are more desirable."

Image alone, however, won't cure traffic congestion and other factors that may eventually choke economic vitality, notes home builder Tom Doucette.

Doucette, whose company will build homes in Sabino Springs, said the "the weakest point is that access is so limited. On the other hand, it enhances the privacy."

Only a handful of roads lead into the valley and all of them have to cross creek beds.

Unless you own a helicopter, there are only two ways out on rainy days: the

bridges at Tanque Verde and Houghton roads.

Residents surveyed by Anthem share Doucette's mixed feelings.

About 75 percent said they felt more secure with limited access, but half also want more roads.

Jackson, for one, would like to see the county punch Snyder Road across Sabino Creek and give residents shorter routes to the Catalina foothills and the Northwest Side.

"They're just bottlenecking the whole place," said Jackson, who estimates that the valley's limited access costs him an extra \$1,000 a year in transportation expenses.

The valley's commercial hub, which consists of Anthem's three centers, is at Tanque Verde Road and Catalina Highway.

"Practically everything we need is right here," said Jacobs, who patronizes the valley's sole supermarket, an ABCO store.

Occasional trips for clothes and furniture sometimes take her as far west as El Con Mall. But in 2½ years as a Tucsonan, "I've never been to Tucson Mall," she said.

The commercial area has been annexed by the city of Tucson. But little else of the valley has. The rest lies in unincorporated Pima County.

And residents have strong feelings about the city's potential role in their lives.

"Leave us alone," said Jackson, echoing the feelings of thousands of valley residents who apparently want no truck with city government. "These city people can't even run their town right. We want to do it ourselves."

Ninety percent of the residents in the Anthem survey said they would oppose city annexation.

They were split about evenly on incorporating as a new town.

Jacobs said city annexation means more taxes for sewers and other infrastructure. "I don't want to be in the city," she said. "As long as they leave me alone on my acre and a half, I'm OK."