

CALIFORNIA PRESERVATION

A Joint Publication of Californians for Preservation Action and the California Preservation Foundation

October 1983

PACIFIC TELEPHONE RESTORES MAJOR SAN FRANCISCO LANDMARK

San Francisco's original skyscraper — the 30-story Pacific Telephone headquarters building — is getting a facelift — not to make her look young again, but to show off her glorious age.

The Terra Cotta-surfaced building, whose architects, J. R. Miller, T. L. Pflueger and A. A. Cantin, departed from the traditional schools of design in 1925 to create a unique style which authorities still cannot label, is undergoing extensive refurbishment to its exterior.

The project, which began in 1981, was initiated because "140", as the building is called, referring to its address on New Montgomery Street in the City's financial district, began suffering from spalling — that hardening of the architectural arteries which occurs when rain and fog seep into the masonry one day, then are boiled out by the sun the next. The result is the loss of lime from the mortar and a gradual erosion of its glazed tile and brick skin. Untouched, the moisture would eventually erode the steel bones of the structure.

The cure begins with a painstaking examination of each of the 90,268 tiles and 600,000 bricks. One by one, the tiles are tapped with a hammer: a solid thud means the tile is in good condition and securely fastened, a hollow sound means water has done its damage. The damaged tiles and bricks are either repaired or replaced.

About 10 percent of the tiles will have to be replaced and 40 percent repaired, according to Pacific Telephone Engineering Manager Lou Meylan who heads the restoration effort. He said "140" shows its age much less than the vast majority of its counterparts of the same era.

"When it went up, this was the Rolls Royce of skyscrapers — nothing was too good. It's worn well," he said.

Before embarking on the project, Meylan and a con-



As it was — and will remain — the Phone Co. Building (1925) in downtown San Francisco. Photo courtesy of Phone Co.

sultant travelled around the country to glean experience from those who had undertaken similar projects. The principal model from which the plan for "140" was developed is New York's Woolworth building. While the restoration of that building was a resounding success, it convinced them that in many applications, the old ways are the best. Instead of using precast cement, as the Woolworth renovators had, the original adhesive was selected for "140" so that all of the materials would expand and contract uniformly.

At the same time, it was decided to replace old Terra Cotta with new Terra Cotta, rather than a substitute material which

can cause a spotty appearance and the expansion problems of mixing materials.

Making the job even more complex, the facade is not composed of regularly-shaped, identical tiles, but consists of nearly endless variations of subtly sculpted perpendicular piers, mullions, pilasters, ogee curves and incised ornamentation. As a result, each original piece was cast and coded individually by Gladding, McBean & Company, a firm near Lincoln, California which is still in existence. In the current restoration, these original molds have been once again put to use to ensure percent uniformity.

A 50-plus-man crew works on the building two shifts a day, relegating the noisy jobs to the evening when mortar saws and power chisels will not disturb phone company workers.

For Pacific, which is facing divestiture from AT&T on January 1 and will enter the new year as a stand-alone company, the decision to refurbish the exterior of its corporate headquarters had to rest on something more than its desire to rejuvenate an historical landmark. The project also had to bear up in dollars and cents.

"We looked into selling "140" and moving into a new building, but any way you figured it, restoration is cheaper," said Meylan. "We'll spend \$13 million on

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EDITORIAL COMMENT

How many newsletters do you get, and how many do you read? The *California Preservation* newsletter is completing its eighth year of publication, the longest record of continuous issue on the Pacific Coast for publications of this sort. We have gone through many changes and, I suspect each one renews your interest. Our latest change I hope will demonstrate that we are showing a renewal of interest in putting out this newsletter and in writing about issues that concern you.

While we will continue to feature activities of local preservation groups we also want to focus in on problems, and solutions. In this issue we have returned to Ocean View, the site of an important preservation battle in Berkeley in the late 1970s; preservation is no longer an issue but gentrification is. In addition, a later article will point out that the lending community is still not convinced areas like Ocean View — a mixture of commercial, industrial and residential — are good risks for loan replacement. With so many historic areas so similar to Ocean View in terms of land use and zoning, with displacement an issue and loans still not available, what do we need to do to develop a creative preservation strategy while preserving the rights of all to enjoy the benefits of an improved environment. *California Preservation* will continue to seek the answers.

Along with a renewed emphasis on the social implications of historic preservation, we hope to develop more stories on successful economic and political efforts employed by all of you out there struggling to promote the cause. *But we need your help.*

While we attempt to watch for good stories and solicit others, we will depend most on you, our readers and constituents, to alert us to stories of interest, issues you face, solutions you have seen developed. We encourage you to submit articles, story ideas, reports on events in your locale and programs you are creating or administrating successfully. We will spread the word and share your good ideas.

California Preservation is your newsletter and we urge you to make use of it. Send your ideas and stories to California Preservation Foundation, Newsletter Editor, 55 Sutter, Suite 593, San Francisco, California 94104.

The *next deadline* for submitting material for publication in our January issue is Friday, Dec. 2, 1983.

JOHN F. MERRITT

FROM THE DESK OF THE SHPO

1983 has been an important year for Historic Preservation in California. Two events in particular stand out. Creation of the Preservation Foundation and the ongoing work of the Heritage Task Force. It is vital that support be given to both of these entities. The Foundation, which will serve as the umbrella statewide preservation organization, is closely tied to the recommendations coming out of the Heritage Task Force. The stronger the statewide administrative apparatus, the better the Foundation can do its job.

A new Director for the Department of Parks and Recreation, Mr. Bill Briner, was appointed recently by the Governor. Mr. Briner is a former Deputy Director of the Department who also served as Executive Secretary for the old State Landmark Committee. The success of pending preservation legislation over the next few years will depend in part on the new Director's support. He is an important player and I am currently trying to set up a meeting for him to exchange views with leaders from key preservation groups.

Plans for next year's Historic Preservation Conference to be held in Sacramento are already well underway and the prospects look bright. On balance, I think it has been a positive year for preservation and I'm proud to have played a role.

KNOX MELLON

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FIRST INTERSTATE FINANCES PRESERVATION

Editor's comment . . . Those of you following the Heritage Task Force know First Interstate Mortgage's Chairman Jack Opperman has been extremely helpful. This article, adapted from First Interstate's in-house journal Of Interest and written by Valerie Brandt, should demonstrate the major commitment this financial institution is making to preservation in California.

First Interstate Mortgage Company (FIMC) is concerned with the preservation of historic buildings and is committed to working toward this purpose with various community organizations such as the California Heritage Task Force, the Heritage Foundation of San Francisco, and Pasadena Heritage.

In San Francisco, FIMC has financed several historical renovations of buildings that have played important roles in the history of the city, the state, and sometimes even the nation.

The Audiffred Building: Completed in 1889, this brick structure was built by Hippolite d'Audiffred, a Frenchman who made a fortune supplying charcoal to Chinatown residents and merchants.

It was a sturdy building, it seems. It was the only one in the neighborhood still standing after the great earthquake of 1906. During its colorful history, the Audiffred Building has housed sailors, unions, saloons, artists, and banks.

The building was gutted by fire in 1978. Now it is being reconstructed through a \$7 million project with developer Dusan Mills into a new four-story office building — one with modern comforts in a setting of the historic.

Fox Theatre: In 1929 Will Rogers opened the San Diego Fox Theatre in a gala celebration that featured the acrobatics of the Ziegfeld girls swinging from the chandeliers. It was the country's first Fox Theatre, and, in the more than 50 years since that time, has become a historical landmark in the area.

Now, thanks to the determination of the Fox building's new owner, Charles B. Kendall, and to financing arranged by FIMC, the tradition of theater will be carried on there.

The famous Fox "B" Street showplace will retain its live theater tradition, playing 300 dates annually to San Diego theater-goers.

The Hotel Oakland: It opened in 1912, one of the most elegant hotels on the West Coast. A haven for the city's elite, the hotel welcomed such guests as Sarah Bernhardt and Presidents Coolidge and Hoover.

But later, during the Depression, there was less demand for such opulence. And in 1943, the government leased the structure for a military hospital. Finally, the hotel was deserted. It remained empty for 15 years before a restoration project was begun in the late 70s.



One of the Tenderloin Hotels aided by First Interstate Financing (photo courtesy of California Historical Society, San Francisco).

Today the hotel is rent-subsidized senior citizen housing. But the charm of the old days — tin cornices and balustrades, the goldleaf ceiling, all the rest — has been restored.

Zeetrope Studios: That was the name of Francis Ford Coppola's studio in San Francisco. It was here that the famous writer-director produced such well known films as *Apocalypse Now*. But the building had a racy history that antedated Mr. Coppola.

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DELAWARE STREET HISTORIC DISTRICT BERKELEY, CALIFORNIA

Editor's comment . . . This article, written by Bill Coburn (William P. Coburn, Architect, building and garden design, 2512 Ninth Street, Berkeley, 94710), identifies some of the design and human difficulties encountered by preservationists who attempt to save "fringe" neighborhoods. We hope to follow this article with one on the financing problems such areas face. Look for more on Ocean View in the next issue of California Preservation.

By William P. Coburn, A.I.A.

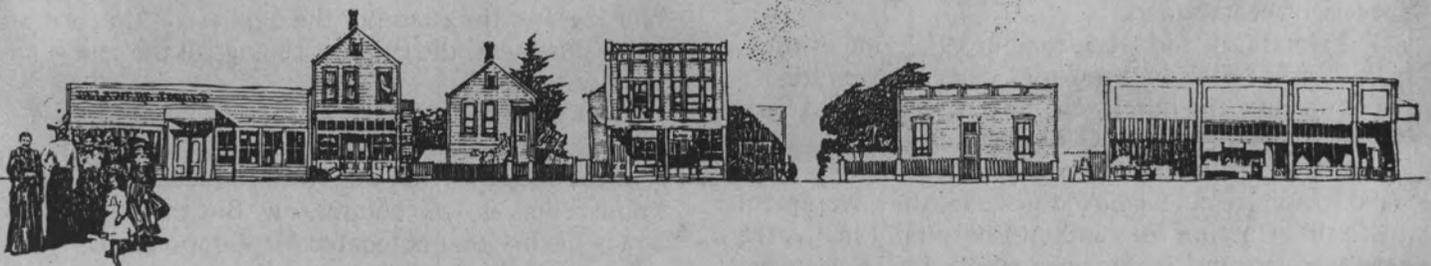
Prior to annexation of the settlement of Ocean View to the town of Berkeley in 1878, this bayside cluster of small houses, stores and water related industries had established a modest identity somewhat less genteel than the university town of Berkeley to the east up against the base of the hills.

From the mid 1850's Ocean View proprietors milled redwood in the Heywood and Jacobs Lumber Yard and, served liquor in its nearby saloons to its own residents and those in neighboring "dry" Berkeley. Soap was made at the Berkeley Soap Works, goods transported off the docks in the bay, and the place served as a stage coach stop for people moving up and down the East Bay.

Delaware Street between 5th and 6th Street with its history of mixed use residential and commercial buildings symbolizes this formerly energetic booming nineteenth century settlement.

The Delaware Street Historic District is a locally designated district which consists of a block long street frontage (now abandoned) on both sides of Delaware Street. Seven original buildings, now deteriorated, remain on the site. Nevertheless, the mix of one and two storey commercial and residential buildings symbolizes the transition this street was going through as it became increasingly the center of activity of this settlement before being supplanted by University Avenue to its south. Until recently, a number of house lots had stood empty for a number of years. One twentieth century warehouse had been built at the 5th Street end of Delaware Street. Although this block was singled out as an area of historical worth, it stands within the bounds of a highly political sphere in Berkeley known as "The West Berkeley Industrial Park". The taking of this street by eminent domain for proposed industrial use in 1970, expediently removed the human fabric from the district and much of its surrounding area. The city's industrial dreams were slow to be realized. Although some renewed industrial activity had been lured into the block on which the historic district sits, much of the Redevelopment Agency land has remained vacant. The empty remaining nineteenth century houses

NORTH FACE



have become all the more poignant as community cultural values and preservation understanding have evolved. As with this evolution, so has the value of these structures and the hope of their possible reuse.

Mixed use zoning and preservation ideas have come of age in American cities, and indeed, now at the Delaware District, are being implemented in a solution which seems to have much political support from many community interests. The evolution of the district from probable industrial use to historic district designation and to use for housing/retail has been promulgated by a number of preservation "bodyguards". The idealism, vision and knowledge of especially Stephanie Manning and her husband Kurt have done much to forward the idea of the district. Although others have given much time as well, the 1978 Manning sponsored documentation of the area for the initial National Register application made a cohesive statement giving the district a great deal of credibility.

The very presence of the remaining structures on Delaware Street and the surrounding blocks have nonetheless evoked their human past while symbolically suggesting the future possibilities. Housing advocates in the predominantly working class and integrated neighborhood pressed the city continuously for new and rehabilitated housing for the area. Responding to community sentiment, the City held workshops to implement these goals. Hardison, Komatsu, Ivelich and Tucker, San Francisco architects with considerable experience in successful housing and City of Berkeley projects, were hired to plan rental housing units in and around the Delaware Street site. Early design studies showed new housing sympathetic in scale and character to the context of mid and late nineteenth century houses in the area, but the intrusion into the Delaware Street Historic District denied the character of this district as Manning and others had conceived. Preservationists within the community were aware of the less than satisfactory preservation solution proposed. My office was hired as a consultant to Hardison, Komatsu, Ivelich and Tucker to clarify a vision into a master plan for the Historic District within the

context of surrounding new rental housing and existing industrial/residential buildings. The preservation of the streetscape evolved as the most important urban, architectural element. Lack of adjacent land for required rental housing units ultimately required encroachment into the designated Historic District area. This was accomplished by reconstructing an historic building and modifying its internal use to satisfy the rental housing needs of its future uses.

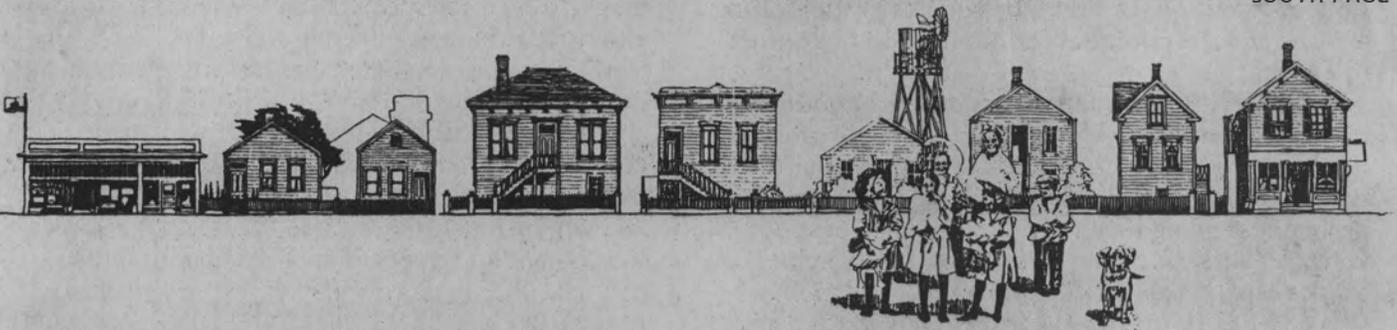
Four structures from the adjacent rental housing sites were, in varying degrees, architecturally supportive of the historic district. These were integrated into the Historic District streetscape thereby strengthening the appearance of the nineteenth century streetscape. Every attempt has been made to replicate the structures and their locations which existed in the late nineteenth/early twentieth centuries.

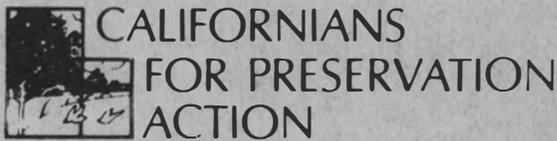
Other building moves onto the site (an Italianate cottage and nineteenth century windmill) complete the proposed building fabric. The intrusive twentieth century warehouse is proposed to be architecturally modified to appear less intrusive.

Preservation of the structures themselves has been the highest development priority. Use has been more problematic. The original historic mixed use of the street will be amplified by putting to use the raised basements of the houses with original elevated first floors.

Preservation economics continues to shape this restoration project. The City, having gone through a public notice process, currently is negotiating with a development group for The District restoration. The desirability of a tax credited National Register acceptance is a strong determinant for accurate exterior restoration. However, the best return in preservation dollars comes from commercial space which is limited in this project due to historical precedent and current community values. This conflict and the ubiquitous parking requirement for modern usage are now being negotiated so that the future of the district can be a satisfactory financial success as well as a viable first preservation effort for Berkeley.

SOUTH FACE





President's Column

Beginning this past Spring and continuing for approximately the next nine months, CPA will be engaged in an important and historic transition. During this time your Board of Directors will be examining the organizational structure of CPA and the California Preservation Foundation (CPF), the relationship of the two organizations, and identifying what we feel to be an appropriate division of responsibilities.

As many of you know, CPA created the Foundation in 1978 in the hope that it would be capable of pursuing funding opportunities which are not available to CPA because our significant amount of lobbying activities disqualifies us for tax exempt status under IRS rules.

During the last two years, CPF has been very successful in achieving this objective. Its capabilities have been further and greatly increased with the hiring of its Executive Director to develop and carry out an ambitious program of education and technical assistance for which it was granted partial start-up funding from the National Trust and the State Office of Historic Preservation. (In order to actually receive some of these funds, CPF must match them by raising additional money. An invitation to help was mailed to you in recent weeks.)

The recognition CPF has achieved creates new challenges for the organization which require growth and change. As CPF's activities develop, it is crucial that the Foundation and CPA work closely together and that their activities are at all times complementary. In seeking to ensure this is the case, many organizational considerations have been raised for discussion. Among them are: dual vs joint vs separate memberships; possible competition for limited resources in fundraising efforts; and the potential for duplication or conflict of efforts.

Your CPA Board of Directors decided at our May meeting upon a one year period of study of alternatives and gradual transition where appropriate. During this period, CPF will have substantial latitude to experiment pending final resolution of the questions involved. This issue of the Newsletter, for example, covers the separate activities of both CPA and CPF.

As part of this process, the members of CPA and

CPF Boards are, among other things, becoming more familiar with the organization of equivalent groups in other states, and are identifying various alternative legal organizational structures. The two Boards will meet jointly later this year.

Guiding the thinking of both Boards in this process is our overriding concern that our choices be ones which further the goals of preservation in California to the maximum extent possible over the course of the future. This is both a weighty responsibility as well as an exciting challenge.

MARK RYSER

Preservation Ordinances Statewide May Be Threatened by Santa Monica Court Case

Preservation forces are massing in an attempt to overturn the May 25 California appellate court decision in *Nash v. City of Santa Monica*, a landlord's challenge to Santa Monica's Rent Control Ordinance. So what does this have to do with you?

The court held that a landlord, restrained from taking rental housing out of the housing market, had to alternative but to demolish the apartment he owned, if he wanted to get out of the landlord business. An inverse condemnation (or "taking") argument was withdrawn because there was the possibility of a "fair return" but the court did find that "the right to cease business" — demolition in this case — was a fundamental right of a property owner, similar to other fundamental rights such as freedom of speech. While this opinion may sound a bit extreme the decision could, left unchallenged, erode the anti-demolition provisions of preservation ordinances in California and elsewhere.

The California Supreme Court has granted a hearing in this case. Californians for Preservation Action intends to join an appeal by filing a "friends of the court" brief in support of the City of Santa Monica, employing the services of Shute, Mihaly and Weinberger, a highly respected San Francisco law firm with extensive experience in environmental law.

While no hearing date is set, efforts are underway to prepare the amicus brief. C.P.A. is attempting to raise an estimated \$5000 in legal fees. If you want to help contribute in fighting this adverse court decision, your donations or those of your organization are needed and will be much appreciated. Margaret (Peggy) Hathaway is handling this case for C.P.A. and can be reached through: Friedman and Zankel, 611 Front Street, San Francisco, CA 94111, (415) 788-5700.

Sacramento Report

As of the writing of this report, the 1983 portion of the 1983-84 two-year legislative session is approaching the originally scheduled adjournment date of September 15. Although the Governor has mentioned the possibility of calling a special session — continuing beyond September 15 or re-convening sometime between that date and the Legislature's normal return date in January — the subject matter which would be considered is highly likely to be restricted to community college finance, prison overcrowding or other specific financing issues.

Approximately 75 bills have been singled out by CPA during the 1983 session for further review to determine possible impacts on historic resources. Of those, we have continued to follow 51 through numerous changes made to the proposals as they have moved through the legislative process. The others were found to have insignificant relevance to historic resource issues.

Few of these bills propose dramatic policy changes which would have a direct effect on historic resources. Of major interest are those which were first mentioned in our Spring newsletter as well as several newer bills.

SB 18 (Torres) would have removed a portion of State Highway Route 7 from further planning consideration by Cal Trans. This route, if built as proposed, would severely impact historic residential neighborhoods in Pasadena. *SB 18* died in Senate Transportation Committee because of a Committee policy not to hear bills proposing to re-order priorities of the California Transportation Commission's 5 year plan.

Concern over the proposed route was expressed in a Resolution adopted by those attending the State Historic Preservation Conference in Orange County. CPA distributed copies of the Resolution to every member of the Legislature and wrote the members of the State Transportation Commission as well as the Director of Cal Trans.

SB 26 (Petris) provides state support for the rehabilitation of residential hotels. CPA supported this bill which has passed the Legislature and is awaiting the Governor's action.

SB 1252 (Marks) ensures continued existence of a State Office of Historic Preservation in California by placing appropriate language in statute. Discussions between the State Office, the Heritage Task Force, CPA and Senator Marks office have resulted in an agreement to use the bill as the vehicle to enact the consensus of opinions on the best form and function of a State Office which will be reflected in the Task Force recommendations. *SB 1252* has been advanced to the Assembly where it awaits amendment and further action next year.

AB 40 (Nolan) authorizes local urban enterprise zones. CPA watched but took no position on the bill. *AB 40* currently awaits action by the Governor.

AB 532 (Goggin) would have made the State Parks and Recreation Commission advisory only. CPA was prepared to attempt to work out our concerns with the author, however, the bill died in its first meeting.

Newer bills of major interest are:

SB 142 (Ellis) generally prohibits local governments from regulating billboards. At the urging of the National Trust, and preservationists in Pasadena, CPA succeeded in inserting language clarifying that all historic districts as well as individual structures, actual and eligible, are exempted from the bill's provisions. This bill will be before the Governor shortly.

SB 885 (Marks) which will be the vehicle to enact modifications of the Marks Historical Rehabilitation Act developed by the Heritage Task Force subcommittee on Financial Incentives. Currently pending in the Senate where it awaits Task Force language, it will be lobbied by CPA next year.

AB 1477 (Campbell) would have helped ensure that records of the Legislature, State Constitutional Officers, the Supreme Court, and State Agencies are preserved by authorizing the State Archives to receive them. CPA supported this bill and our lobbyists worked to gain its passage. As this is written, however, we have learned that the Governor has vetoed the bill for reasons not yet clear.

AB 1722 (Brown, W.) creates a Commission to accept donations for the historic state capitol and to advise the Legislature on its care. Although CPA continues to have serious reservations about the weakness of the Commission created, the bill was endorsed by the State Conference attendees. CPA forwarded copies of the Resolutions to all members of the Legislature. *AB 1722* is expected to pass shortly.

AB 2099 (Farr) provides for a bond act for park, recreation, and historic preservation purposes. CPA has worked closely with the State Office to make appropriate modifications to the language in the act providing a portion of the funds for historic preservation in order to ensure this intention is met and to avoid similar problems with past bond acts. *AB 2099* will be a two year bill.

ACR 77 provides for the study of the feasibility of a new governor's mansion complex in Capitol Park. CPA is opposed to construction which would result in loss of this historic park. The bill is pending in the Senate.

CPA also wrote and sent copies of all other Resolutions adopted at the State Conference to all legislators. The others: 1) urged retention of the old governor's mansion on its original site; and 2) supported *SB 1252*

SACRAMENTO REPORT

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in concept.

Many of the bills we examined this year proposed to reduce the powers of the California Environmental Quality Act in small ways. Many bills proposed exceptions or required negative declarations for specific types of discretionary acts, or shortened the time period for local governments to act. After consulting with the National Trust and other statewide organizations, CPA, although concerned about the overall tendency of the Legislature to chip away at CEQA, found that no single bill warranted active opposition.

CPA's Legislative Committee needs volunteers in the Sacramento area to help. If you might be interested please contact Jane Ellison.

Heritage Task Force Moves Ahead

Since our last report the Heritage Task Force has made a great deal of progress in defining possible legislative remedies to improve the preservation climate in the State of California.

Chairman Roger Holt expressed great satisfaction in the amount of response the Task Force has received. There have been thousands of replies to the "issues" paper published in May, and the August meeting in San Diego drew testimony from 30 to 40 people. Holt expects an even greater turn-out at September's Santa Cruz meeting.

A multitude of issues are being identified and put into draft legislation, such as a state program on underwater archeology. A draft report is planned for publication in November and three public meetings will be scheduled to take comment. The first, tentatively set for the third week in November, will be in San Francisco and will be followed by others in the Sacramento and Los Angeles areas. A revised final report will appear in February.

Holt noted that significant strides have been made in obtaining the necessary financial support to complete the Task Force's work. "The help of the State Office has been invaluable," Holt said, "and an important grant from ARCO arrived at a crucial time." Local preservation groups have also gone out of their way to vote money or go to their membership for support of the effort. Holt felt the great response from such groups was the first big step toward building the support base for the ultimate legislative package.

The latest good news, announced by National Trust Regional Counsel Nancy Shanahan at the San Diego meeting, was a second grant from the Trust — this one

for \$15,000. The grant is to be used to employ legal, technical and editorial assistance in preparation of the Report and will allow research into the social and economic benefits of preservation, providing, Holt says . . . "the extra impetus to ensure a first class report for the California Legislature."

For more information on the public meetings coming up in November, and for copies of the draft report and suggested legislation, contact Task Force Executive Director Jim Jones at 1100 J Street, Room 339, Sacramento 95814 (916/324-2574).

"Mills Act Contracts After Proposition 13: Still A Bargain?"

How did Proposition 13 affect historical properties? Is there still any property tax benefit in executing a Mills Act contract? The answer is a qualified "yes." To understand why this is so, it's necessary to review the recent history of property tax law.

Before Proposition 13 was approved by the voters in June of 1978, historical properties restricted by Mills Act contracts were eligible for substantial property tax breaks. These breaks were prescribed by the Mills Act itself (Chapter 1040 of the Statutes of 1977). According to the bill, qualified historical properties were to be assessed according to a capitalization of income method based on earnings imputed to the property. Because the imputed rent was limited to earnings attributable to the restricted use of the property, and because the interest component of the capitalization rate was tied to an ever-increasing effective rate of conventional mortgages, the resulting assessed values of historical properties were very low.

In the pre-Proposition 13 tax scenario, this restricted value compared favorably with the market value, resulting from periodic reappraisal, that would otherwise prevail. Real estate values in California soared in the mid-1970's. When the county assessor reappraised real property on a cyclic basis to reflect market value, the results were large increases in assessed values and correspondingly large increases in property taxes. Further aggravating this tax spiral was the tendency for locally established tax rates to climb as local government budgets swelled. In some areas of California, tax rates prior to 1978 approached four percent!

This large tax break for historical properties was reduced somewhat with the passage of Proposition 13, which froze real property values at either their March 1, 1975 level or at their value at the time of change in ownership or completion of new construction after that

date. Assessed values could be increased by no more than two percent per year. The maximum tax rate was limited to one percent plus an allowance for bonded indebtedness. The cumulative effect of these changes was to initially reduce the average property tax bill by more than one-half.

Despite these tax cuts, Mills Act contracts still make sense. *Because they are not subject to reappraisal* due to new construction or change in ownership historical properties enjoy protection from increases in tax liability. If the owner of a historical property sells it, the new owner, as a successor in interest, continues to be bound by the Mills Act contract. Hence, there can be no reappraisal of the property. In this respect, there is still an economic advantage to a Mills Act contract. In addition, because the rent imputable to historical properties is seldom high enough to justify the high costs of rehabilitation and maintenance mandated by Mills Act contracts, valuing historical properties on the basis of income generally yields a value below the Proposition 13 value.

The conclusion is that in most cases Mills Act contracts will save property tax dollars for owners of historical properties, although not to the same degree as before the passage of Proposition 13.

One of the nice surprises we learned from testimony presented to the Heritage Task Force was the fact that properties under "Mills Act" contract are not reassessed when sold; this could substantially affect property taxes, and might sweeten any sale for prospective buyers. — The Editor

Washington Updates

An earlier article on the Pickle Bill H.R. 3110 (matched in the Senate by a similar provision introduced by Robert Dole — S.1564) is, according to Preservation Action's Nellie Longworth, the first big assault on tax incentives for rehabilitation.

Congress is legitimately concerned about tax-shelter abuses but has caught preservation in its net. The Pickle/Dole view is that tax-exempts (e.g. cities) are unfairly selling tax breaks through the sale-leaseback approach outlined earlier. We need to argue another view.

The legitimate use of sale-leaseback, coupled with project financing through Industrial Revenue Bonds may be the only way troubled cities can redeem important public facilities and return them to community use. This is clearly the case with the L.A. Library, Oakland Auditorium and Berkeley City Hall. The additional public benefits of job generation and private participation in public revitalization efforts — in tough

downtown situations — are also being ignored. The effect of Pickle/Dole in California could be major.

Contact your elected representative and argue for a "fairness" clause that would permit cities, colleges, etc. to legitimately use I.D.B.s and sale-leaseback when a clear public benefit results. Talk about the positive side of this approach — jobs, buildings back in use.

Since mayors everywhere are very concerned about the effect of these bills, you have a good opportunity to coordinate your efforts with the city officials where you live. Contact the City Manager's office to see whether or not they are involved in the campaign to sensitize the Pickle/Dole bills to the needs of cities undergoing revitalization.

Nellie Longworth also comments that the Interior Appropriations Bill is not moving in the Senate, and insiders are predicting a veto. Interior Appropriations contain the 26.5 million for preservation (27 million in the House version passed before Labor Day recess) but partisan fights are occurring in budget areas much larger than and unrelated to preservation's small allocation. If the Senate passes Interior's budget and the small difference of \$500,000 for preservation is ironed out in conference, the President is still expected to veto the full appropriations bill. And Preservation could well be operating at the beginning of yet another Fiscal Year on another Interior "continuing resolution".

A massive water bill has passed the U.S. House of Representatives Committee on Public Works and Transportation. The bill (known as HR 3678) authorizes the federal government to spend money for several projects including the Cache Creek Basin Project which contains the Cache Creek Bypass Channel.

The Cache Creek Bypass Channel will cut through the heart of the Anderson Ranch rendering useless about 1/3 of the new *Anderson Marsh State Park* and destroying at least four major archeological sites. These sites are listed on the National Register of Historic Places. The main reason that 3.1 million dollars was spent to turn this area into a State Park was to preserve these valuable archeological resources. Some of these sites are 4,000 years older than the Egyptian Civilization.

It's not too late to let the Congress know about your concern. In order to get approval for the project, the Senate must also pass a similar bill. The Senate bill (S. 1739) is still under review.

Write today and send it to: Alan Cranston and/or Pete Wilson, U.S. Senate Office Building, Washington, D.C. 20510.

Let them know of your concern for the protection of our new State Park. Be sure to indicate the bill number (S. 1739) at the top of the letter.

Life in The Fast Lane: Preservation vs Transportation in 1983

The Deukmejian administration has made its transportation policies clear: more asphalt, more concrete, more highways, less commitment to mass transportation. California echoes Washington, D.C. How will preservation fare in this attempt to return to the engineers' halcyon days of 1955 and the Collier era? The answer is "reasonably well," as long as preservationists hold transportation agencies and officials responsible to meet the letter and intent of environmental and preservation law, and work to defeat attempts to weaken existing laws and regulations.

The infusion of new gas tax monies and increased funding of the Highway Bridge Replacement and Rehabilitation Act finds Caltrans, and local public works agencies statewide, undertaking a plethora of new and expanded projects. Some long-dead projects have been revived. One such calls for completion of a gap in the north end of the Long Beach Freeway in the cities of Los Angeles, South Pasadena and Pasadena. AB 1623

mandated updating of the project's environmental studies and empowers Caltrans — providing certain conditions are met — to proceed without the requirement for a signed Freeway Agreement with each affected municipality. This latter language was directly aimed at the City of South Pasadena, which for more than 20 years has declined to sign such an agreement for this project which would bisect the tiny community and have unparalleled impacts on historic districts and buildings. These impacts extend to Pasadena as well, but that city's administration has chosen to support the project. Anticipating a request for Federal funding, a panel of the Advisory Council on Historic Preservation held a Public Information Meeting in Pasadena on August 15, 1983 to gather facts preparatory to making recommendations to the entire Council at its meeting on August 29 in Saratoga Springs, N.Y. By day's end, the panel concluded the project impacts on historic properties would be unprecedented, recommended further alternative studies be made and that the Federal Highway Administration decline to fund either of the two proposed alternatives of this \$440 million project.

Continued on Page 12



Governor's motorcade officially opens the Cirroyo Seco Parkway (Pasadena Freeway) — the First Freeway in the West — December 30, 1940.

The Pickle Bill — What Does It Mean?

In 1982 the headlines read "Oakland Sells the City Jewels — Best Park: No General Funds To Undertake This Major Renovation".

For those of us in the public sector these headlines held real hope. Was this a way to finance the preservation of public buildings: Was there hope for the Old City Auditorium, the City Museum that was too expensive to renovate or restore? Did it mean that the fine, but old, City Library might have a chance at survival? I put in a call to Bill Reynolds who had been instrumental in structuring the sale-leaseback of the City of Oakland Museum and Auditorium. Bill was talking about a concept he called "leveraged leasing". Leveraged leasing is financing that allows the public sector, a municipality, to share in the tax benefits of the sale and leaseback of public facilities. The end result is that public projects which might otherwise be infeasible become financially feasible.

Then in mid 1983, the headlines hit, "House Panel Approves Pickle Bill". Now a scant year after the Oakland deal hit the press, those of us who are trying to negotiate similar preservation project financing may see our efforts fail due to the impending passage of the Pickle Bill (H.R. 3110).

Who will the Pickle Bill effect? Those who stand to lose the most are governmental entities and nonprofit corporations along with developers interested in working with these groups and using the 25% ITC. According to an *Urban Conservation Report* on the Bill it means that the 15 year ACRS cannot be used for any rehab tax credits on "tax-exempt property" or any of the following types of projects: 1) Tax-exempt entity helps finance project with tax-exempt bonds, 2) lease is given with an option to buy at a fixed price, 3) lease term exceeds 80% of the property's "useful life", 4) property is sold and then leased back.

Let's say the City owns either an old museum, a decaying auditorium that needs to be brought up to code, or a public library that is obsolete and needs to be sold but the price tag is too high to ensure its preservation. How can the City deal with these problems in a way that will preserve the buildings?

First, the City relies on its ability to issue tax exempt financing through Municipal Improvement Revenue Bonds or Industrial Development Bonds to help finance private purchase of a public building. This is an important factor if the purchase price of the old structure and the cost of future restoration would otherwise make such a project financially infeasible. Tax-exempt financing allows a preservation project to compete in a marketplace that is governed by inequities such as zoning for density or financing based upon

square footage not quality restoration.

The next step in the process is to sell the public building and then for the City to use the proceeds from the sale to pay back the principal and interest on the tax-exempt bonds. As a part of the deal, the City enters into a long term lease with the private investment group that purchased the building. The City uses some of the proceeds from the sale to make the initial lease payments to the private investment group. Mortgage payments from the private investment group are used to retire the bonds. And the City has worked out in advance the terms of repurchase after the end of the long term lease and ends up with a restored public building.

The result of such a sale-leaseback using tax-exempt financing is that both the public and the private sector benefit. The Pickle Bill would end this. People lobbying for the Pickle Bill say that the sale-leasebacks combined with tax-exempt financing and preservation tax incentives are "double-dipping".

Is it really "double dipping" or is it correcting an inequity in the tax structure that for years has promoted new construction over preservation and restoration and private investment over public investment?

CAROL BRANAN

84 State Conference Site Selected

See you in Sacramento. Initial planning is underway for next year's Annual State Preservation Conference, the ninth in a series that goes back to 1976 when some of us met for the first time. Has it been that long?

With everyone watching the progress of the unprecedented California Heritage Task Force so closely, it seemed logical to use the conference to further Task Force objectives. We expect to focus on Task Force studies and recommendations and we hope you will seize the opportunity to do some work on everyone's behalf by planning to take some time while you are in Sacramento to visit your elected representative. We will help you prepare.

Mark the dates April 27 through May 1, 1984 and plan on being in Sacramento. The Orange County conference drew 700 participants and this year we want to see more of you. Local co-sponsors, Sacramento Old City Association and Sacramento Heritage, are promising a good look at their town, and we promise a great change to help make the work of the Heritage Task Force a reality.

The next issue of *California Preservation* will bring you more details on the 1984 conference in Sacramento.

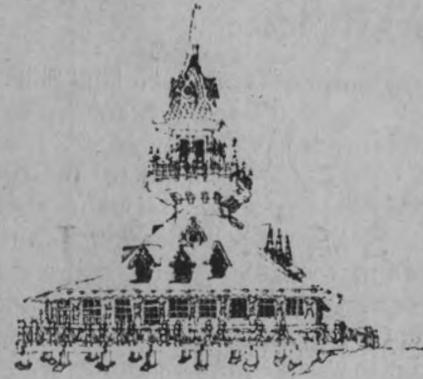
LIFE IN THE FAST LANE

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Preservation planning continues.

What about new projects? Here the picture is brighter. Caltrans has well-qualified cultural resources staff, and the agency seems committed to its written policy of avoidance of impacts through planning and, where impacts will occur, of mitigating to the fullest extent possible. Preservationists would do well, however, to closely monitor local (city and county) public works agencies, which have neither the state agency's breadth of staff or depth of understanding of preservation law.

At the Federal level, proposed changes to environmental impact procedural rules of both FHWA and UMTA with regard to the types of projects which may be processed as Categorical Exclusions appear to threaten cultural resources. Certain of these types of actions — i.e., involving rail and bus buildings, or bridges, or modifications to buildings to reduce noise — clearly could adversely impact historic properties. While the proposed rule changes state that significant impacts on properties protected under Section 106 of the National Historic Preservation Act or Section 4(f) of the DOT Act require further studies, the problem remains that often the decision maker — an engineer — may not have the expertise to identify a National Register eligible property, and the decision may foreclose its future. Concerned preservationists — and that should be all of us — will find the proposed rules at pp. 34894-34907 of the Federal Register dated Monday, August 1, 1983. Comments should be submitted in writing to: FHWA Docket No. 80-12, Federal Highway Administration, Room 4205, HCC-10, 400 Seventh St., SW., Washington, D.C. 20590.



Coronado Hosts CPA Board and Heritage Task Force Committee on the Same Weekend

During the weekend of October 1 and 2, 1983, the lovely city of Coronado will welcome the CPA Board at the Glorietta Bay Inn, the former home of John D. Spreckels, and the State and Local Policies Committee of the Heritage Task Force at the Hotel del Coronado across the street. Both groups will only get a glimpse of their lovely surroundings, however, as both chairmen promise a concentrated work session.

The elections having been completed in September, the CPA Board will welcome new members Judy Wright of Claremont, Mitch Stone of Ventura, John Snyder of Sacramento and returning member Richard Rothman of San Francisco.

As the transition meeting, when new officers will be elected, the CPA Board will review accomplishments of 1983 and plan objectives for 1984. As discussed elsewhere in this newsletter, the CPA involvement in the appeal of Nash vs. City of Santa Monica will be a pending item on the agenda.

The HTF Committee will hold their final meeting and review draft policy statements on Community Redevelopment, Seismic Safety, General Plans, a state Heritage Office, Public Heritage Management, Underwater Antiquities, Historic Building Code, and Transportation Landmarks.

MARIE BURKE LIA



CALIFORNIA PRESERVATION

Presidential Viewpoint

USE YOUR SPECS TO SEE MORE CLEARLY

About a month ago, I was fitted with my first pair of prescription eyeglasses. As a non-wearer, I had often joked about those rimmed lenses, referring to them as "specs", but now that I've joined my bespectacled friends, I am less scornful of their optical devices. It's wonderful that the glasses correct the myopia that was blurring my far vision. Now I can read the freeway directional signs while driving at 55 mph, and still have time to get off at my exit before the offramp rushes past. The stars now appear as bright points of light, rather than as fuzzy asterisks. It's great being back at 20/20 vision.

Along with the benefits come considerable costs, however. The diagnosis and prescription by the optometrist, the lenses that he prepared, and the frames that I chose, cost about \$200. I'm finding added, non-monetary, costs as I use the glasses — they fit fine but they still feel awkward perched on my nose, so I don't wear them as often as I should. As effectively as the eyeglasses, or "specs", do their job, which is to improve my far vision, my reluctance to use them to their best advantage keeps me at 20/50 vision a good part of the time.

It occurs to me that my experience with "specs" is similar to the experience that many of us have with a statewide historic preservation organization. Until we learn to have confidence in and to use the statewide organization, we will continue to have 20/50 vision on statewide issues. Things happening in other parts of the state may appear to us as being blurred, somewhat out of focus. A purpose of a statewide historic preservation organization, such as Californians for Preservation Action (CPA) or the California Preservation Foundation, is to provide an in-focus, statewide monitoring device to facilitate local preservation efforts.

Most of us have learned of historic preservation through a local organization. My awareness came as one of the founding officers of Claremont Heritage,

Inc. The community effort was all important. We were so preoccupied with trying to resolve the local issues that our vision was blurred relative to statewide efforts. We knew that Californians for Preservation Action was there to fight the battles in the state courts or in Sacramento, but we couldn't see how they might be useful to us locally. To be sure, we depended on technical assistance from the National Trust, financial support from the State Office of Historic Preservation, and the public recognition that comes from a National Register listing, but we actually felt that we were doing the job all by ourselves. After all, it was *our* volunteers and *our* membership contributions that were effective in getting councilmembers to recognize that certain resources within the city were worthy of preservation. It was the *local group* that encouraged the same councilmembers to consider and to adopt an historic preservation element to the city's general plan, to adopt an ordinance to implement that historic preservation element, and to confer community certification on those significant historic resources within the city.

During all of that time, however, the statewide organization, with *its* volunteers and *its* membership, was working on a larger scale to provide enabling legislation and to encourage changes in state regulations that would assist local historic preservation efforts. CPA member volunteers worked with the staff at the State Office of Historic Preservation to write a "draft" historic preservation element that could be used as a model for community adoption. Others worked toward the introduction and acceptance of special building codes to protect the integrity of historic structures in California. Still others analyzed the impact that pending legislation might have on preservation efforts throughout the state, or gave up evenings and weekends to plan a statewide conference that would strengthen grassroots historic preservation programs. While spending considerable time and money working on statewide issues, many of these volunteers have continued to be active in local programs at home. Their statewide perspective has made them more effective at the grassroots.

So we could look at the statewide historic preservation organization as being the "specs" that allow us to see distant, but interesting and important, issues more clearly. At the same time, by taking part in these statewide issues we gain better insight in dealing with our local issues. The prospect of facing a reluctant councilmember takes on a different perspective for a volunteer who has dealt with a county supervisor or a state legislator on a regional or statewide preservation issue.

CPA needs your volunteer effort to carry out its advocacy role in the California legislature. The California Preservation Foundation needs your commit-

PRESIDENTIAL VIEWPOINT

Continued from Page 13

ment as a volunteer to help in carrying out its educational role throughout California. Call one of the officers or directors of CPA or the Foundation to offer your volunteer help. Names, addresses, and phone numbers are shown on the back page of the newsletter.

Put on your preservation "specs." See more clearly what is going on in California's statewide historic preservation community, and be part of it!

JAMES STICKELS, Ph.D.
President, California
Preservation Foundation

Foundation Sets Up Shop

The California Preservation Foundation, for the first time, has someone to answer the phone if you have the need for technical advice and assistance. Executive Director John Merritt can be reached most days at 415/527-7808. If there is no answer, keep trying.

The Foundation does not have a permanent office. We are seeking *donated* office space, preferably in San Francisco. We also need, desperately, business machines — a copier, word processing, etc. Finally, we can always use volunteers to help plan events, get out mailings, assist with the newsletter or play a role in putting together a fund-raising program.

If you want to help, or if you can find office space, or if you have equipment available for our use, your call will be received with deep gratitude. Again, John Merritt can be reached at 415/527-7808.

A Special Joint Membership Offer

This newsletter serves the needs of two preservation organizations. Californians for Preservation Action (C.P.A.) was founded in 1975 and incorporated as a 501(c)4 advocacy group with a focus on improving public policy toward preservation through legislative action. The California Preservation Foundation (C.P.F.), established in 1978 and incorporated as a 501(c)3 non-profit educational foundation, works to improve understanding of preservation tools and

techniques at the local level.

The two organizations complement each other but contributions to C.P.A. are not tax-deductible because of its lobbying emphasis. C.P.F. wants to assist C.P.A. in its efforts and, to a limited degree, can contribute to the critically important work C.P.A. carries out at the state level. To do so, the California Preservation Foundation offers a special joint membership in both organizations.

We encourage you to take advantage of this opportunity to support the entire preservation effort in California. Join at the \$30.00 level and the Foundation will direct \$10.00 to C.P.A. Fill out the form below and return it with your tax-deductible contribution to:

California Preservation Foundation
55 Sutter, Suite 593
San Francisco, CA 94104

I want to support the work of the California Preservation Foundation and that of Californians for Preservation Action;

sign me up!

NAME(S) _____

ADDRESS _____

CITY _____

ZIP _____

HOME PHONE _____

WORK PHONE _____

MY CHECK FOR \$30 IS ENCLOSED.

Foundation Annual Report

The California Preservation Foundation has grown dramatically towards being a full service statewide organization during the past year. Together with Californians for Preservation Action, the Foundation is positioned to serve the needs of local preservation groups. That substantial growth was made possible by the State Office of Historic Preservation and the National Trust for Historic Preservation with challenge grants now totaling \$33,000. Our warm thanks to both organizations for their farsighted faith in the Foundation.

The grants permitted us to advertise nationally for the first Executive Director. More than 120 resumes were received from around the United States and interviews were conducted with the six finalists. Out of those exceptionally qualified six we chose John Merritt. His long experience and knowledge of preservation in the state will further the work of the Foundation.

This year marked the first fundraising seminar for local groups and the Foundation. Northern California groups were trained in fundraising methods in a one day seminar. The second day was devoted to establishing the Foundation mission and goals for future development. Essentially, the Foundation plans to offer a full range of programs similar to what 36 other statewide preservation organizations across the country provide their constituents. Also, a plan was adopted to raise the remaining \$32,000 required for this year's budget. The plan calls for implementation of a membership solicitation and pursuit of corporate and foundation grants for specific programs and general operating revenue. In addition, major fundraising events will be held next year, one in conjunction with the State Preservation Conference in Sacramento.

The relationship between Californians for Preservation Action and the Foundation has received considerable attention this year as the respective missions of the organizations have become better identified. Originally the Foundation was established to receive grants that CPA was unable to accept because of its lobbying tax status. Now that the Foundation has hired an Executive Director and established the education mission of the Foundation, an organizational structure will be designed to further the common preservation goals of the organizations.

As you can see, tremendous strides have been made this last year. I feel that now is the appropriate time to step down as President of the Foundation. Two years have been devoted to the twin goals of obtaining funding and hiring an Executive Director. Those goals are now fulfilled and the Foundation is on the way to better meeting your needs. Jim Stickels will bring excellent business management skills to the

Foundation as the new President and serve the Foundation well. Finally, thank you all who have worked so hard and unselfishly to establish the Foundation on a firm footing.

SPENCER HATHAWAY

Going For the Goal — Foundation Appeal

In this Olympic Fiscal Year we are entering, support your preservation team in its Olympian effort to establish a sound financial foundation.

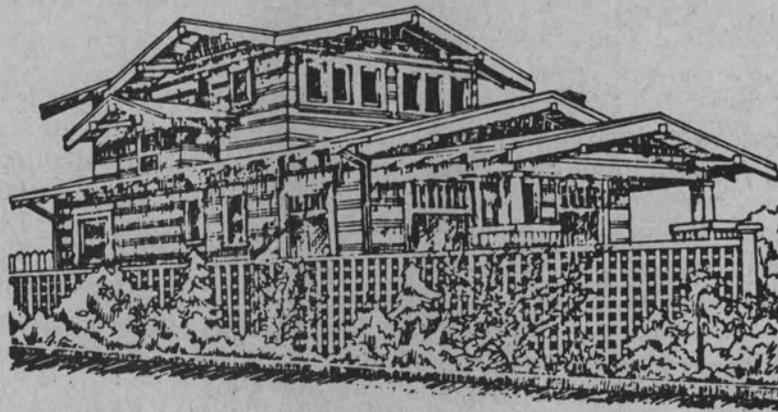
The California Preservation Foundation has projected a budget of \$65,000 for Fiscal Year 1983-84 — and that is a bare bones budget. With grants from the State Office of Historic Preservation and the National Trust already secured we are just half way there. Please help us meet our goal.

As C.P.A. members know Foundation President Jim Stickels and C.P.A. President Mark Ryser issued an appeal for donations to each of you during the middle of August. The returns are gratifying so far and we would like to thank the following individuals for their generous response:

Bill Smurr—Turlock	Jackie Young—San Francisco
Janet Newton—Livermore	Dr. Robert Winter—Pasadena
Gary Knecht—Oakland	Christy & Stephen McAvoy— Hollywood
Bill Sugaya—San Francisco	Jim Jones—Sacramento
Mary Louise Days—Santa Barbara	Dr. Knox Mellon—Piedmont
Dr. Joseph Mariotti—San Pablo	Ruthann Lehrer—Santa Monica
Robin Datel—Davis	Katie McLane—Oakland
David Yamada—Pasadena	Michael McIntyre—Northridge
Dennis Dingemans—Davis	Frank Lortie—Sacramento
Archeological Services— Clearlake	Marion Mitchell-Wilson— Sacramento
Woody Minor—Alameda	Richard Brome—Pasadena
James Royle—San Diego	Lisbeth Young—Long Beach
Peggy Gustave—Phoenix	Beth Wyman—Morgan Hill
and one Anonymous gift from Fresno	

What these early returns indicate is the statewide nature of our effort, the wide recognition by many individuals that something new and exciting is starting to happen and their willingness to do something more to help make it a reality. Membership information is available in another portion of the newsletter; we want all readers to join but we are also asking that you make a pledge and a gift in response to our appeal to help us pay the bills the second half of this year. Make checks payable to: California Preservation Foundation, 55 Sutter, Suite 593, San Francisco, CA 94104.

Orange Conference A Great Success



From "Preservation Is Working" in Orange County in 1983 to "Preservation and Public Policy" in Sacramento in 1984! The 1984 California Preservation Conference in Orange County did indeed prove that "Preservation is Working" throughout communities all over California and especially in Orange County. The Orange County Board of Supervisors and the Orange County Historical Commission with the support of the Cities of Orange, Tustin, Santa Ana and San Juan Capistrano were hosts to almost 700 Conference Participants, the largest number in its eight year history.

Participants learned first hand from nationally-known developers such as Bill Naito of Portland and international preservationist and Trustee Emeritus of

the National Trust Robertson Collins on two big ways in which preservation works in construction and tourism.

In addition, financial experts and home renovators provided an eager audience with important and specific information. Special events such as a Cinco de Mayo opening gala in the National Register District Plaza in Orange, a series of wonderful receptions and an exciting street party in Santa Ana as well as a special dinner at the Mission San Juan Capistrano gave conferees an opportunity to relax and get to know one another and Orange County. Our thanks to Rob Selway, Peter Herman and the many volunteers for the excellent planning and wonderful experience.

Help Build the Foundation — The California Preservation Foundation — Join Now!

As C.P.F. enters the first year of a new aggressive program we will need your help; we pledge to make an honest attempt to construct programs that will meet your needs and ask you to support that effort by becoming a Foundation member. Fill out the form below

and return it with your tax-deductible contribution to:

California Preservation Foundation
55 Sutter, Suite 593
San Francisco, CA 94104

NAME(S) _____

ADDRESS _____

CITY _____ ZIP _____

HOME PHONE _____ WORK _____

MEMBERSHIP CATEGORY:

- Individual or organization member (\$25)
 Individual/organization contributor (\$50)
 Individual/organization sponsor (\$100 or more)

DOWNTOWN REVITALIZATION – TWO ALTERNATIVES

Alameda and Hayward, two East Bay communities, are putting their energies into ambitious revitalization efforts, each giving some attention to the role historic preservation might play.

Alameda would be the first city in California to consciously follow the very successful "Main Street" model created by the National Trust Main Street Center. Center Associate Tom Lutz spent three days in Alameda and followed up with a lengthy report outlining some techniques and strategies Alameda might consider. Local activist and businesswoman Vickie Boddington has spearheaded this effort to establish a Main Street type program in Alameda.

For those of you who have not seen the film "Main Street", or who may be unfamiliar with the approach, some principles that guide the program design are:

(1) reuse and appropriate rehab of historic buildings is an attractive marketing strategy and gives a town a competitive edge; (2) the initiative must come from the private sector and a strong organization of merchants is paramount; (3) a project manager, responsible to the private organization, is available on a day-to-day basis for design assistance, program servicing and promotion purposes; and, (4) self help is at the core of the program, not public assistance.

In March of this year, five Alamedans, supported by donations from public and private sources, attended the Main Street Center's Training Program in Washington, D.C. As a result, the Alameda Main Street Project was formed to implement the Main Street methodology on the local level. With the endorsement and support

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ALAMEDA, CALIFORNIA – PARK STREET

From the Collection of the Alameda Historical Society

NEWS FROM AROUND THE STATE

Santa Barbara — More Than Spanish

Santa Barbara has a second landmark district, the Brinkerhoff Avenue area, located just to the southwest of State Street and adjacent to the El Pueblo Viejo Landmark District. The Brinkerhoff Avenue Landmark District became effective last winter, and the merchants have celebrated with two open houses.

Brinkerhoff Avenue, a one-block-long street bisecting a city block, was subdivided in the 1880's. Its residences were built between 1886 and 1915. Since the early 1960's many of the houses have been converted to antique and gift shops and art galleries. Prior to that residents operated barber and beauty shops.

The new district was created by City Council upon recommendation of the Landmarks Committee, with the support of property owners and the Planning Commission. New construction in the district must now conform to the late 19th century and early 20th century architectural styles now existing there.

A third geographical phase of Santa Barbara's Survey of Architectural and Historic Resources was begun this summer and recorded each building in the 12-block Phase III Santa Barbara High School neighborhood.

MARY LOUISE DAYS

Sacramento Old City Association Steps Out

This article will reach you too late to permit you to attend, but we would be remiss if we did not take notice of the three-day program the Sacramento Old City Association (SOCA) has put together for the September 23, 24 and 25 weekend. In conjunction with the traditional home tour — this is the tenth year of this annual event — SOCA has reached further out into the community with an impressive Symposium series.

SOCA has always been one of our most activist California preservation groups and can be credited with influencing many of positive city-planning changes instituted in the capital over the years. The Symposium, according to SOCA President Kathleen Green, was designed to dispell the mistaken image of some that

SOCA has no concerns outside the "Old City" area. With individual forums on streetscapes, planning, demographics, design, tourism and economics — a veritable mini-conference on what's happening in Sacramento — SOCA is giving a clear signal that its scope of interest is the entire city. The Home Tour concludes activities on Sunday.

The most successful preservation organizations we know have managed to mix politics and pleasure. Those we point to as models have also stepped out of their more narrow concerns with individual buildings to address the ways policy and decision making affect the entire built environment. Finally, the impact of community development and preservations role in that process on people is drawing considerable attention. SOCA is demonstrating that it continues to be among the leaders. Sacramento ought to be hopping with creative preservation activity by the time of the April State Conference if the "10th Annual Old City Home Tour Celebration" is any indication.

(For further information on the Sacramento Old City Association, its programs and successes, or for a copy of SOCA's fine newsletter, write SOCA at P.O. Box 1022, Sacramento, CA 95805).

State Welcomes New Director

William S. Briner was appointed Director of Parks and Recreation in August of this year. Briner is a native Californian and has had a long association with the department, going back to his service as Deputy Director under William Penn Mott from 1972 through 1975. An avid outdoorsman, Briner looks forward to a period of growth in the use of the State Park System — "a system that all Californians can be extremely proud of," and to a period of good communications and coordinated efforts with local government agencies at all levels.

California can also be proud of a bi-partisan record of support for preservation and careful conservation by the State Department of Parks and Recreation. "Bill" Briner knows the state well, worked with another fine Director, William Mott, and looks to be a fine choice for the job. We will look to him for continued support of the Office of Historic Preservation and for assistance in making the recommendations of the California Heritage Task Force a reality.

Sonora Moves Ahead to Preserve Its Past



Illustration credit and thanks to Tom and Ron Core, and Wally Woolfenden.

Preservationists are making progress on two fronts in rural Tuolumne County: the City of Sonora has under study an historic element to its new general plan and the Tuolumne County Board of Supervisors will soon vote on a new ordinance designed to protect this Gold Rush county's historic resources.

Sonora, Tuolumne County's only city, was incorporated in May, 1851. The downtown historic district contains many buildings from the Gold Rush era and residential areas are replete with homes that span several architectural periods.

With the aid of a grant from the State Office of Historic Preservation, the City of Sonora and other areas in Calaveras, Alpine and Amador Counties were surveyed for historic and pre-historic resources. The City of Sonora used this survey as the basis of an optional historic element to its general plan, the first such element in the Gold Country.

Written by the staff of the Central Sierra Planning District, assisted by a city council-appointed citizens committee, the draft has been reviewed by the Sonora City Planning Commission and it is passing through a public review period before it is considered for adoption by the Sonora City Council this fall.

Among the element's goal statements are retaining Sonora's authentic cultural heritage, providing for the protection and preservation of significant historic resources and providing a positive atmosphere for business and visitor activity within an historic environment.

Implementation measures include establishing a Landmarks Committee to serve in an advisory capacity to the Planning Commission on a variety of preservation matters and revitalization of the downtown area within an historic context.

The Sonora survey was included in Phase I of the SHPO grant along with Murphys, Angels Camp, Sutter Creek and Markleeville. Phase II, now in progress, consists of surveys in the communities of Jackson (Amador County), Bloods (Alpine County), San Andreas

(Calaveras County) and Jamestown in Tuolumne County.

The Jamestown survey has focused local attention on the landmarks in Tuolumne County's unincorporated area and it has come at a time when the board of supervisors declined to add an H (Historic) zone designation to an 1860's Columbia area farmhouse that is in excellent condition and typifies the kind of construction often referred to as "Mother Lode". Though the building was an obvious and documented example of a landmark, the owner objected to the H designation because it would have required him to apply for a use permit if he wished to demolish his farmhouse-home.

The Tuolumne County Historical Society was disappointed in the above turn of events in March but is encouraged that the board of supervisors instructed the county counsel and planning department to review the H zone ordinance and make recommendations.

What has evolved over the past five months is an expansion of the H zone ordinance to include provisions for historic design review committees in Tuolumne County's various communities and a section dealing with structures not in identified communities.

This kind of community approach apparently leaves historic preservation to the judgment of the residents of the communities involved although demolition control continues to remain with the board of supervisors.

After local review the county plans to submit the ordinance to the Internal Revenue Service for certification so that owners of historic properties can receive tax benefits from preservation and thus have further incentive to maintain and restore their properties.

SHARON MAROVICH

Preservation Law Conference Held in San Francisco



Whether to preserve and reuse a building or not is a decision often made under conditions few of us may fully understand. The two-day conference, "Preservation Law and the Development Process" sponsored by the National Trust, Conservation Foundation and American Bar Association was a well-rounded, well-attended look at the interplay of economic incentives and the regulatory process. Tools from easements to ordinances were probed and tax and planning incentives were explored at great length with the not unexpected conclusion being, you need both the carrot and the stick to create conditions favoring preservation. While it was clear strong political action may establish public policy, success rests equally on programs that consider the needs of the development community by including incentives that make economic sense.

For those who were unable to attend the conference, study materials and papers prepared by an excellent list of speakers are available. *Reusing Old Buildings* can be purchased from The Conservation Foundation, Publications Department—cc, 1717 Massachusetts Avenue, N.W., Washington, D.C. 20036. The cost, \$30, is warranted given the timeliness and scope of information included.

Orange County Loses Old Holly Sugar Factory

The Holly Sugar Factory building was an Orange County landmark. Located adjacent to the Newport Freeway, at one time it was the only visible building for miles around.

The Holly Sugar Corporation decided to sell the building and the 23-acre parcel on which it was located. Several investors made offers on the property with a keen desire to rehabilitate the building. The

Birtcher Pacific plans call for a high-tech park (something not in short supply in Orange County) to be known as Sugar-Tech Park. Suggesting reuse of the Factory was possible, Birtcher Pacific went so far as to hire a consultant to take steps toward listing the building on the National Register.

While preservationists slept soundly on the night of August 19th under the impression that the old Holly Sugar Factory Building was soon to be restored, the building was being demolished. Despite the fact that demolition of a portion of the front facade had already occurred, Heritage Orange County immediately went to court and secured a temporary restraining order.

The building built in 1912, was listed on the City of Santa Ana's Cultural Heritage Inventory, a select list of landmark buildings in town. The court ruled, however, that this was not historic status enough to prevent the city from proceeding with demolition as a ministerial action. On Friday, August 26th the restraining order was lifted and demolition proceeded the next morning.

KATHLEEN LES

Editor's Comment . . . The loss of the Holly Sugar Factory is further evidence that the C.E.Q.A. language regarding demolition permits for historic buildings needs changing.

Santa Cruz Preservationists Found History Under Attack

This episode has a happy ending: when University of California facilities maintenance crews began demolishing "old shacks" from the 1860's Cowell Ranch limeworks on the campus, Santa Cruz Historical Society members and members of the City Historic Preservation Commission responded quickly, pointing out that the ranch structures were designated "exceptional" on the City's Historic Buildings Survey of 1976, and were much in evidence as historic structures in the campus' own guide to its resources. They received verbal confirmation from SHPO Knox Mellon that the University was in violation of Public Resources Code 5024, and assurances from Lou Fackler, Director of Facilities, that no further demolition would take place until their responsibility for historic resource was clear. Fackler then got to work to form a campus/community advisory committee to develop historic preservation policy for the campus, drawing upon the expertise of the Historic Preservation Commission, community activists, local campus faculty and staff, and the experience of preservation policies in effect at the Berkeley and San Diego campuses.

Paying the Rent — Sonoma, Pasadena and Berkeley

The California Preservation Foundation's first local event, in July, was a fundraising workshop held in Oakland, attended by 14 Bay Area preservation groups. Private non-profits are constantly faced with the problem of generating enough revenue to stay in business and we felt sharing the expertise of Joe Breitenicher, Director of Bird Companies Foundation in Massachusetts could benefit all. One idea that came from the group gathered was to share successful fundraising techniques, such as the following:

The Sonoma League for Historic Preservation has initiated "Guided Walking Tours" which will be offered to groups on a reservation basis. There is a slight fee and a minimum number of reservations is required, but tours will be tailored to meet the needs of the visiting group. The League already operates a shop in the historic Vasquez House, has regular events and conducts other tours to raise money. The 'by-reservation-only' tour idea should provide more revenue and, perhaps more important, allow for efficient use of docents' limited amount of volunteer time. For more information contact Nancy Lee Woodward, Publicity Chairman for the Sonoma League for Historic Preservation, at (707) 996-5566.

Pasadena Heritage has developed an unusual event into one of the more successful single fundraising activities we know of in California. "The Bridge Party", held on Pasadena's spectacular Arroyo Bridge, has become a major social affair in Southern California. This year's version, held in July which is normally a slow time, drew an incredible amount of media coverage and, according to Pasadena Heritage Director Claire Bogaard, took in approximately \$25,000. For more information on the planning that goes into "The Bridge Party" contact Pasadena Heritage at (213) 793-0617.

Exactly Opposite the Golden Gate: Essays on Berkeley History, is to be published this month by the Berkeley Historical Society (P.O. Box 1190, Berkeley 94701). The book is made up of weekly articles the Society has done for the *Berkeley Gazette* and, now, nicely presented, will serve as source of revenue for the organization — a good idea to make your public awareness efforts do double duty. The book will sell for \$19.95.

Having just visited historic Port Gamble and Port Townsend in Washington State, I wonder how many preservation groups in California have cooperated so well with the local Chambers of Commerce to produce historic guides for their towns. Collaboration with the tourist industry is an obvious way to pay for your publications.

If you have similar, or different, successful ways you have found to help 'pay the rent' let us know; we would like to share them with others throughout the state.

Quick Action Saves An Original McDonalds

Architectural historian Alan Hess mounted a last minute campaign to prevent removal of the original 1953 sign in front of a rare vintage McDonalds in Downey. It would now appear the property is to be locally designated and is to be nominated to the National Register.

Roadside architecture, as a serious subject of study, is only now beginning to gain credibility. Hess was particularly enthusiastic about this particular example because it is so difficult to still find an integrally related sign and structure, such as was the case in Downey. The story is documented in the Spring 1983 *Journal* of the Los Angeles Institute of Contemporary Art; we bring it to your attention in order to remind everybody that individuals who care a lot and do something about it can make a difference. That's what lies at the heart of preservation.

Important San Francisco Report Completed

A Preservation Strategy for Downtown San Francisco, prepared for the Foundation for San Francisco's Architectural Heritage by John Sanger and Associates, has apparently 'hit the streets' hard rather than being put on the shelf like so many other similar studies. Heritage, and Sanger, proposed substantial changes in the way the City treats historic structures when development threatens, advocating a transfer bonus approach to supplement designation and regulation.

Planning Director Dean Macris announced a Planning Department proposal on August 25 that seems to incorporate many of the features of the Heritage Study, calling for the outright preservation of 271 downtown buildings through transfer of development rights to the "South of Market" area, five architectural conservation districts, and significant reductions in height allowances in specified areas. Preservationists haven't

IMPORTANT SAN FRANCISCO REPORT COMPLETED

Continued from Page 21

studied the Macris proposal in detail yet but it could be an important break-through for preservation in a downtown subject to the most intense development pressures, an area where Heritage has battled well but suffered some frustrating defeats.

Sanger's report, made possible in part by a National Trust Critical Issues Fund grant, was carefully constructed to promote sophisticated trade-offs for required preservation and rehabilitation of those buildings determined to be of "A" or "B" quality in the earlier study, *Splendid Survivors*. Rather than regulation, Sanger stresses incentives that make sense in the special real estate conditions of San Francisco. And he succeeds in making a very good case for a tailored "transfer-of-development-rights" approach, suggested generally in many other cities but never really fine-tuned to particular circumstances as in this case. It may be that the participation of Planning Department representatives in a Task Force that helped prepare the study had a major role in producing Macris' surprise proposal, which includes a one-year moratorium.

It is too early to tell what will result but it is difficult not to be pleased. We will watch this situation as it develops because it could have important consequences in other center-cities in the state. Copies of *A Preservation Strategy for Downtown San Francisco* can be obtained from The Foundation for San Francisco's Architectural Heritage (2007 Franklin Street, San Francisco, 94109) for \$12.50.

PLEASE NOTE



The National Register Division of the San Francisco National Park Service office is compiling a calendar of events for the region. The calendar will be updated and produced monthly. This is a good source of information and should prevent scheduling conflicts.

If you want your event listed contact Kristi Blakey of NPS at (415) 556-7741; if you want to be on the mailing list to receive the calendar you should notify the State Historic Preservation Office (P.O. Box 2390, Sacramento, CA 95811, (916) 445-8006.

* * *

Bungalow Mania reborn: It showed up in a Berkeley bookstore, unannounced and unexpected. *Bungalow Magazine*, a trade journal that went out of business in 1916, is being issued again by Berkeley's Larry Paul, grandson of the original Seattle publisher. Retaining the cover, Paul is intent on keeping most of the content current, directed toward architecture today, with a particular focus on Bay Area activities. *Bungalow Magazine* is available in only a few bookstores so far.

* * *

One of our favorite writers, and people, Judith Lynch (of *Gift to the Streets* fame) is at work on another book, this time on "sewer vents, manhole covers, fire hydrants, lamp posts and cisterns". Entitled *What's That?: "The History Beneath Your Feet"* and illustrated by the drawings of Trudie Douglas, the book is to appear in early 1984.

WHAT'S HAPPENING?

Walking Tour of the Spring Street Historic District/Los Angeles



The Los Angeles Conservancy and the Spring Street Association will present "The Palaces of Finance", a walking tour of the Spring Street Historic District, beginning on Saturday, October 29th at 10 am, and continuous on Saturday mornings thereafter.

Once known as the Wall Street of the West, Spring Street was the financial center of the city in the twenties and thirties. After a period of decline in the sixties and seventies, Spring Street is now undergoing a revitalization that has brought a resurgence of business and culture to the area.

The Street is a virtual museum of early Los Angeles

commercial architecture, with the work of some of L.A.'s most prominent architects represented. The new life in old buildings shows how a historic district can play a special role in the modern city.

Tours depart from the lobby of the Subway Terminal Building at 4th and Hill. The cost of \$5 includes a tour guide and brochure, and is a tax-deductible donation to the Los Angeles Conservancy. Advance reservation required; call 623-CITY. The inaugural tour of October 29th includes refreshments at Irwin's Restaurant; no-host bar.

This is the third of the Conservancy's weekly downtown walking tours, joining the Pershing Square and Broadway Theater tours, which have been ongoing since 1981.

National Trust Conference in San Antonio

The 37th National Preservation Conference will be held this year in the State of Texas, beginning on Tuesday, October 25 with a meeting of statewides from across the country. The conference runs through Sunday October 30. This will be the closest the annual affair gets before 1985 when Seattle is scheduled to be the host. For more information on the program contact the National Trust for Historic Preservation, 1785 Massachusetts Ave., N.W., Washington, D.C. 20036 (202/673-4000).



The Craftsman Style: *From Roots to Revival*

The Santa Cruz Historical Society and City Museum are responsible for "The Craftsman Style: from Roots to Revival", an exhibition opening on September 10. Craftsman furniture and the characteristic bungalow are pervasive and are again much prized. This show promises a thorough look at the ethic and its artifacts. Open until October 29, the exhibit is on display at the Santa Cruz City Museum, 1305 East Cliff Drive.

OAKLAND PRESERVATION FAIR

FREE A Celebration
of Renewal



The 6th Annual Preservation Fair was successfully staged on the grounds of Oakland's Camron-Stanford House in late September. While we were too late to notify you we did want to congratulate the hard-working planners of this event. Each year it's bigger and better.

The Camron-Stanford House is located at 1418 Lakeside Drive, on the shores of Lake Merritt. The California Preservation Foundation was privileged to be able to use this facility for the July fund-raising workshop and we recommend a visit.

PACIFIC TELEPHONE RESTORES MAJOR SAN FRANCISCO LANDMARK

Continued from Cover Page

the job — a new building would have cost many times that.”

The project has been underway for two years and recently workers replaced the one-thousandth tile, leaving only 68,207 to go, a task which should be completed in 1985.

Editor's comment . . . The Foundation is on the lookout for fine examples like this one where corporate respect for buildings in private hands can be demonstrated. We were particularly pleased to have the cooperation of Telesis (The Phone Company) for this story.

FIRST INTERSTATE FINANCES PRESERVATION

Continued from Page 3

Built in 1908, it was originally a saloon, dance hall, and lodging house in the infamous Barbary Coast. In later years it was a flop house, bar, and cafe, before it became a movie studio.

The exterior brick walls will be reinforced and chemically cleaned, but will otherwise remain unchanged to maintain the original look of this historic old structure. The \$5.1 million renovation and expansion for an office complex is expected to be completed in December 1983.

The Lemington Hotel: Built in Oakland in 1926, the Lemington served until the mid-70's as a major business hotel. But it began to show its years, and is now being converted into a modern complex, which nevertheless details its classic architecture.

The \$13.5 million project is being financed by a \$1 million Urban Development Action Grant through the City of Oakland and a \$9 million tax-exempt bond issue.

Housing Projects in The Tenderloin: Bill Butler was recently presented with a commendation from Major Diane Feinstein for his work in arranging bond financing for this project. When completed, a good portion of this area's deteriorating properties will be made livable once more for undreds of senior and handicapped citizens.

Promoting restoration of historic and worthwhile properties will be continued at First Interstate Mortgage Company.

John C. Opperman, FIMC Chairman, is director for

the Heritage Foundation of San Francisco Foundation and member of the California Heritage Task Force. Lawrence W. Becker, FIMC President, is the financial advisor to the Pasadena Heritage group. John Opperman says, "Not only do we add a renewed quality to generally older areas, but such projects may serve as models and stimulus for others to follow and to act on."

DOWNTOWN REVITALIZATION

Continued from Page 17

of the City Council, the local Chamber of Commerce and several merchants' associations, the group has embarked on an ambitious program of organizational development and goal-setting. A Board of Directors, composed of representatives of downtown and/or preservation-oriented groups, has been selected and bylaws drawn up. The Alameda Main Street Project is moving ahead with formal incorporation, and, at the same time, is establishing its short-range and long-term goals. In June of this year the group launched a membership drive to generate community support for its activities, and educational workshops are planned for the near future. With financial assistance from the City's Community Development Block Grant program, and from private donations, the Project hopes to be able to hire a Project Manager to coordinate its activities for the next twelve months.

In contrast, Hayward is employing the services of a consultant team put together by Steve Costa, Director of the western office of Partners for Livable Places, a team that includes Page, Anderson and Turnbull and Sugaya and Frej (both firms long practices in preservation work). The team will do an "amenities assessment" with a look toward small-scale development potential, will develop design guidelines, a landscape plan and will complete a historic buildings survey. A key structure under study for reuse possibilities is Hayward's magnificent City Hall.

Hayward's Redevelopment Agency will manage implementation of the study's recommendation and Agency funding for the consultant report is supplemented by a grant from Mervyn's, soon to locate its headquarters in Hayward. Unlike Alameda, Hayward is looking to its future as a major regional center; Alameda's likely approach will stress specialty shopping.

We bring these two projects to your attention for a number of reasons, despite the fact both are only just beginning. One will emphasize "amenities" while the other will stress "historic preservation" as its key stra-

tegit component. Both have economic and community development rationales. Alameda will rely on private initiative and private sector management while Hayward will require public sector leadership. Alameda will focus on small incremental improvements by private citizens, whereas Hayward is likely to attempt to turn around the downtown with a significant investment in public improvements. It should be interesting to watch these very different approaches and see what we can learn.

We will let things develop but will report back on the progress both of these cities make. For more immediate information on the Alameda program, contact Carol Beaver at the City of Alameda Community Development Department (415/522-4100). Steve Costa, Partners for Livable Places (337 - 17th St., Oakland 94611) can tell you more about Hayward and can be reached at (415) 763-8447. As a footnote, Partners, now associated with the national organization, will become the independent Bay Area Partners in October. We look forward to the certain growth of Partners reputation as a strong source of advice and assistance.



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The Board's role is to promote the growth of the historic preservation movement in the State of California, and to represent and serve you who work to achieve the same goals at the local level. Give board members in your area a call and let them know what you think the Foundation can do to help. The phone numbers listed above are daytime numbers; we want to hear from you!



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