



# The Historian

Preserving Today for Tomorrow

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## History of Leisure World - 1968

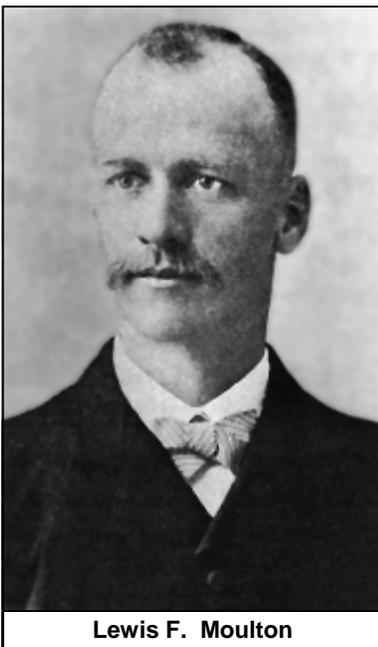
This article is the eighth in a series adapted from the transcripts of the Historical Society's first archivist, Marjorie F. Jones. Additional information was taken from five Historical Society Journals published between 1980 and 1982, *Fulfilling Retirement Dreams*, published by the Historical Society in 1989 and numerous issues of the 1967 *Leisure World News*, *The Orange County Register* and *The Los Angeles Times*.

### The Exciting Heritage of Lewis Moulton

Adapted from "Exciting Moulton Heritage Recalled, as Leisure World Community Mushrooms"

By Annette McCluskey,

*Leisure World News*, January 18, 1968



Lewis F. Moulton

January 17, 1868, marked the birth date of Lewis Fenno Moulton, pioneer Orange County resident and rancher, who arrived in Southern California 137 years ago with a dream of making his fortune.

Coming to a world still filled with the romantic lore of Spanish land grants, vaqueros and early mission life, Moulton spent the next 64 years of his life until

his death 73 years ago furthering the progress of Southern Orange County, watching it grow from sheep grazing country to a cattle empire and a vast grain producing area.

After his death in 1938, progress stepped up and the southern Orange County territory he helped develop became the setting for stretching freeways, bustling shopping centers, and mushrooming housing devel-

See Moulton Page 2

### An Open Letter About Leisure World's Future

From Ross W. Cortese, January 18, 1968

Dear Rossmoor Leisure World Resident:

I want to take this opportunity to thank each and every one of you in Laguna Hills who has expressed his concern to me about the future of Rossmoor Corporation [Rossmoor] and Leisure World. This letter to you is my report of the present status and future plans of the corporation and of your Leisure World, Laguna Hills.

During the past year Rossmoor critically analyzed its operations with the result that it has reduced its expenses to a more favorable relationship with present and anticipated income. The sales of some of our industrially zoned property in the East and commercial property in the West have enhanced Rossmoor financial position. Negotiations are in process for the sale of additional property, including land which we contemplate will be used to continue the Leisure World concept in both Maryland and New Jersey. Negotiations with a qualified financial group for the sale of the Walnut Creek project are well underway. The Walnut Creek project will be continued under the existing Leisure World concept. These actions and others are being done for the purpose of allowing us to concentrate our efforts and resources on the continued development of Leisure World, Laguna Hills.

As for Leisure World, Laguna Hills, the future has never been brighter. Since commencement of Mutual No. 21 sales last November, the sales organization has sold more than 140 new manors.

See Cortese Page 4

### ***Moulton from Page 1***

opments, such as Leisure World Laguna Hills, rising from the rolling hills of the Moulton Ranch.

Born in Chicago in 1854, Moulton was the son of J. Tilden Moulton, a graduate of Harvard Law School, who had distinguished himself in legal and journalistic circles serving as master in chancery of the U.S. Court in Chicago and as one of the first editors of the *Chicago Tribune*. Among his friends was Abraham Lincoln, a visitor several times in the Moulton home in Chicago.

When his father died, young Moulton went to Boston, where his mother's family was engaged in a wool industry that spanned several continents.

In 1874, using his family's connections, Moulton set out to seek his fortune in the West. Traveling on a steamer to Panama, and crossing the isthmus by railroad, he boarded another steamer working its way to the Pacific from Panama. At that time San Francisco was the only major port along the California coast, and there the young adventurer debarked.

To reach Southern California, Moulton had to board another steamer for Anaheim Landing (near Seal Beach), from which he made his way to the little hamlet of Santa Ana. There he hired a rig for the Irvine Ranch, his destination.

Moulton had a letter of introduction to the Irvine Ranch, a supplier of wool to the family wool industry in Boston.

The ranch hired him to do odd jobs for \$35 per month with room and board. But bigger things were ahead.

At that time, C. F. French was ranch manager and the principal crop on the Irvine Ranch was wool. Realizing that there was gold in sheep, Moulton teamed up with French and bought a flock of sheep. To finance the endeavor, Moulton borrowed \$1,700 from his uncle in Boston. The investment proved so successful that Moulton was able to buy out French's interest after the first year.

Now Moulton was really involved in the sheep raising business, with his herds grazing as far north as Bakersfield. One grazing area was Long Beach, and it is told that shepherds would cook their food on fires lit from gas escaping from crevices along the beach.

After years of leasing, Moulton purchased his first land in 1896—a whopping 19,500 acres designated Rancho Niguel which eventually became the Moulton Ranch. He managed the down payment with a \$75,000 loan from his uncle in Boston. Later other acreage was added, bringing the ranch to a total of 22,000 acres.

Boundaries for the vast ranch were the main road through El Toro and Laguna Lakes on the north to Mussell Cove on the rugged coast between Three Arch Bay and Dana Point, through which the Aliso Canyon wound its way. The Moulton sheep at one time grazed leisurely along the foothills and as far



**GOOD OLD DAYS** — Picturesque scene shows caravan loaded with grain for the warehouses. This scene was typical of early days on the Moulton Ranch, which in 1913 was considered the top grain producing holding in Orange County.  
Courtesy of Bowers Museum

**Moulton from Page 2**

north as Bakersfield, to the site where Long Beach now stands. To the south, they munched their way deep into the San Juan Capistrano region.

Diversifying it interests, Moulton began raising grain around the turn of the century and also went into the cattle industry. In 1913, they abandoned sheep raising altogether, because cattle were easier to handle.

Despite drought, wind and dust storms, and other pitfalls, the Moultons saw their vast ranch grow to become a California landmark.

The 1913 edition of the *Santa Ana Register Quarter Centennial* edition described the Moulton Ranch as follows: “On grassy slopes and rougher, brushy hills of L. F. Moulton Co. ranch graze hundreds of head of beef cattle. Those cattle find their watering and resting places in the sycamore lined bottoms of small canyons which the grazing lands go to make up some 15,000 acres devoted by Mr. Moulton to the cattle industry... typical western scenes, round-up, vaqueros and bucking broncos are remnants of scenes that once were everyday affairs in Orange County.”

At that time, the remainder of the ranch’s acreage was under cultivation, and from 15 or more leases came the largest production of grain from any single holding in Orange County. Crops included barley, wheat, beans and hay.

Barney Clinard, one of the Moulton Ranch tenants, was a familiar figure in 1913. He reportedly took to the warehouses more grain than any other grower in the county. One of his teams, ten mules and two lead horses, were among the finest in Orange County. In 1968, one of Moulton's two daughters, Mrs. Louise Hanson, and her husband Ivar lived at the place once rented by Clinard.

**Nellie Gail Moulton**

In 1903 Moulton met Nellie Maud Gail. She had been born in Kansas and moved to New England when she was 18. At the time Louis and Nellie met, her father, Titus Gail, was postmaster and general store manager in the town of El Toro. They were married in 1908.



**Nellie Gail**

They made their home at the ranch house, which in 1968 could be seen from Paseo de Valencia, near the Gate 2 entrance to Leisure World. There she raised her two daughters, Charlotte and Louise. In 1968, Charlotte and her husband Glenn Mathis lived there.



**“MY, HOW IT HAS CHANGED”** — During a tour in July, 1965, Community Relations Director James Gormsen (left) explained future plans to pioneer rancher and co-founder of the Moulton Ranch — Mrs. Lewis F. Nellie Moulton (center). Her guests included Mrs. Olive Daniels (left of Mrs. Moulton) and Edward C. Shell. Leisure World, was built on a 3,500 acre portion of the 22,000 acre Moulton Ranch. Courtesy Leisure World News

Mrs. Moulton, still active in her late 80s, divided her time between her Leisure World Laguna Hills home on Avenida Sevilla and her seaside home in South Laguna.

In 1911, Moulton joined in a partnership with Pierre Daguerre, his ranch manager. Daguerre bought one-third interest in the ranch for \$35,000. Daguerre was killed in a tragic accident in 1913. His wife continued to manage the ranch.

When Moulton died in 1938, Nellie Gail Moulton and Josephine Daguerre operated the ranch together. Later management was passed on to the Moulton daughters and their husbands. In the 1950s, Daguerre’s two daughters sold their interest for more than a million dollars.

Today, with progress stepping faster, portions of land have been carved from the ranch for housing developments, shopping centers and a future industrial complex for North American Rockwell Corporation. Of the original holding, approximately 9,500 acres are still in the family and ranch.

Leisure World, Laguna Hills stands on the Moulton Ranch. It was in 1964 that Ross Cortese purchased approximately 3,600 acres to build Leisure World.

Despite all the progress, a bit of the world that Lewis F. Moulton knew still exists as cattle graze on rolling hills adjacent to Leisure World and old Saddleback mountain still looks on.

### **Cortese from Page 1**

With your assistance, 1,800 sales in 1968 is an attainable goal. The sale and construction of 1,800 manors will represent a substantial increase in the value of your community and will allow us to start construction of Clubhouse III. [See Notes 1 and 2]

Speaking of plans, let me tell you of a few of the events which we have planned for the immediate future:

The Beverly Manor Convalescent Hospital property is now in escrow. This facility will be situated on approximately 6 acres adjacent to the medical center complex. The facility will contain 200 beds. Construction is expected to start within the next ninety days. [See Note 3]

The sale of a 3-acre motel site located near the Globe Theme Area to an organization composed of Leisure World residents is in escrow. The first phase of construction, consisting of 72 units, is expected to start in the spring of this year. The second phase will consist of an additional 36 units and will be constructed when market demands require. [See Note 4]

We are presently negotiating leases with two more restaurants. Both leases will be with highly qualified restaurant organizations.

Plans for the development of a second shopping center at Moulton Parkway and El Toro Road are well underway. Already, lease negotiations have started for a large supermarket and quality service



**The Aliso Canyon chapter of the Daughters of the American Revolution dedicated a plaque in May 1968, "This sycamore was probably 50 years old when the Pilgrims landed in 1620." The giant sycamore still resides in the Aliso Creek Park. Courtesy Leisure World News**

shops. The U.S. Postal Service has notified us that they contemplate a major post office facility on this site. Rossmoor will continue its efforts to attract qualified and capable commercial tenants at Leisure World. [See Note 5]

You are enjoying the facilities of many churches here at Leisure World which occupy sites Rossmoor was very happy to donate. The Catholic, Lutheran and Methodist Churches and a Synagogue have been constructed and are available for your use to worship as you desire. The Presbyterian Church is now under construction. Grading operations will commence in the next 30 days on sites donated to the Christian Science and First Baptist churches. It is anticipated that construction will begin on the Episcopalian Church sometime this year. [See Note 6]

You may have heard that condominium ownership is being considered for the purpose of providing another method of financing. Here's why: The 5¼% maximum interest rate that FHA will allow on our type of project makes financing extremely scarce and exceptionally expensive. In this period of time when most institutional investors are seeking yields in excess of 7 per cent, it is readily apparent that a 5¼% interest rate is not attractive. This situation has required the investigation of the feasibility of conventional financing, either on a condominium or cooperative basis. Please let me assure you that neither the condominium ownership or use of conventional financing will in any way affect or alter the existing Leisure World concept. We feel that this new method of financing will tend to increase sales of new manors and thereby benefit everyone. We will continue to maintain our same high standard of construction. [See Note 7]

Arrangements for financing that will allow us to start construction ahead of sales and occupancy of new manors within 60 to 90 days after purchase are being considered. We feel that providing earlier occupancy will have a most beneficial effect on the rate of new sales and in turn will accelerate construction of additional community facilities. Construction prior to sales will not change the existing Leisure World concept.

You are among 10,000 people residing in 6,000 Leisure World, Laguna Hills manors. These 6,000 manors represent more than \$120 million in value. The FHA mortgage loans total more than \$100 million, which means that you have an actual capital investment of approximately \$20 million. Furthermore, there is a total of \$9.2 million worth of

community, recreational and medical facilities now in place, \$3.5 million of which has already been conveyed to you. We have been informed that the cash reserves of the Golden Rain Foundation and the mutuals aggregate \$2,689,053. Besides the monetary value and the sound financial condition of your community, by your cooperative efforts, you have established Leisure World, Laguna Hills as a community of beauty beyond compare for which every one of you can be rightfully proud.

In my opinion Leisure World, Laguna Hills has by your efforts, carried out by your administrator and the careful work of the mutual boards, their committees, the Golden Rain Foundation and its committees, established a community which is beyond compare. I compliment you, the Golden Rain Foundation, the mutual boards and the Leisure World Foundation for making Leisure World, Laguna Hills the very fine community it is today.

Based upon the many wonderful letters I have received from Leisure World residents expressing appreciation for the way of life they now enjoy, in the light of this letter assuring you of your promising future, I know that you will feel confident to invite friends and relatives to visit and purchase with full faith in the secure future of Leisure World. Rossmoor fully intends to follow the Leisure World, Laguna Hills master plan and to see it through to its completion.

With your continued help and support, we will make that future even more promising.

Sincerely, *Ross W. Cortese*



**Pleasant Pachyderm—Children and adults were intrigued with the playful ways of Anna, the baby elephant star of the Leisure World Pet Show held at the stables during the last week of June, 1968.**

Courtesy Leisure World News

**Note 1 – The Economy and 1968 Sales**

Rossmoor invested more than \$15 million in Leisure World, Laguna Hills before selling the first manor. Once sales started the public response was even greater than it had been at Seal Beach. It was a hot day when the first group of 10 families moved in on September 10, 1964.

By the end of 1964, 1,018 manors had been sold at an average price of \$14,500. The 2,068 manors sold in 1965 may have caused unwarranted optimism. The 1966 sales tapered off to 1,620 manors, but 1967 was the real harbinger of ill tidings as sales dropped to 1,152. Sales in Mutual #21, which would be the last of the mutuals using the cooperative form of ownership, started in November, 1967. By mid-January more than 140 new manors were sold. Based on this information, Cortese projected sales of 1,800 manors during 1968 which would generate sufficient revenue to start construction of Clubhouse III. Unfortunately, the market collapsed and only 452 units were sold in 1968.

In the September 19<sup>th</sup> issue of the *Leisure World News*, Cortese reported that Rossmoor had sold the Taj Mahal, their world headquarters building, to Dulaney and Associates, Inc., a stock broker. Rossmoor continued to occupy considerable space in the building as a tenant. Cortese stated, “For the past two years we have curtailed expenses whenever and wherever possible, and our recent decision to sell the Taj Mahal was dictated by economics. It is another move in our efforts to cut back overhead to match curtailment in expansion.”

Cortese continued, “When the economy of this country, as well as that of other nations, created the adverse conditions in the money market that immediately affected home building and real estate transactions, Rossmoor felt the shock as well as other developers. The force with which those conditions struck the building industry approximately three years ago were not only unexpected, but unbelievable.”

On October 31, 1968, Robert Price stated in the *Leisure World News*, “Folks in Leisure World can be assured that all of their several corporations are taking an aggressive interest in the current publicity and discussions regarding any expanded use of the El Toro Marine Corps Air Station for use by commercial aircraft. All Laguna Hills Corporations have authorized your management and legal teams to do whatever is necessary in opposition to such a move. We are authorized to make the position of your corporate directors clear to all governmental officials,

### **Cortese from Page 5**

including members of the Orange County Board of Supervisors. We will keep the community advised as to developments in this area.”

### **First Laguna Hills Mutual**

Consolidation of Mutuals 1 through 8 and 10 into the First Laguna Hills Mutual was officially launched on January 1, 1968, when the incorporating board of directors took command, naming officers, making committee assignments and carrying out the routine matters of the mutual. Proposed in 1966 as a means of providing residents with maximum economy and effectiveness in operation of mutual affairs, consolidation was approved by more than a two-thirds majority of each of the nine mutuals.

Following membership approval, the consolidation plan was studied and approved by the Federal Housing Administration (FHA) and the California Corporate and Real Estate Commission. Bylaws were then drawn up that required the assets and liabilities of the nine mutuals be transferred to First Laguna Hills Mutual (FIRST LHM) on January 1, 1968.

With consolidation, FIRST LHM included more than 3,000 manors and 5,000 residents. The incorporating board of directors of First LHM consisted of a representative from each of the nine former mutual boards of directors. The incorporating board served until the membership elected its own board, which was done by secret ballot within 90 days of incorporation as required by the bylaws.

### **Note 2 — Parcels Purchased for Hospital and Clubhouse III**

On July 4, 1968, GRF announced that it had agreed to purchase from Rossmoor, the medical center itself, 6.5 acres of land at the rear of the medical center, and 1.9 acres at the northwest corner of Paseo de Valencia and Via Estrada, across the street from Gate 2. It also included the parcel at the northwest corner of Calle Aragon and Avenida Sevilla, near Gate 3, destined for Clubhouse III. Total purchase price for the medical center parcels from Rossmoor, including the center's parking lot, was \$2.7 million, including a down payment of \$545,000.

The medical center was being used by GRF under a 75-year lease agreement with Rossmoor that required annual rental of \$159,000 that was paid for from the resident's \$3-per-month portion of the monthly carrying charge. Under terms of the purchase, the GRF would own this property in 25 years, paying for

it from the same \$3 per month with the annual payment totaling \$173,000. The money for the down payment was taken from the medical facilities reserve fund, held in trust for the acquisition of medical facilities.

The land behind the medical center, included in the purchase, was earmarked in the community's master plan as the site for a future hospital.

The Community Facilities Board said that purchase of the property was necessary to prevent the possibility of its being used for some strictly commercial purpose.

Included in the negotiations was the acquisition of land and the plans for Clubhouse III. Rossmoor was under no compulsion to begin construction of the clubhouse until other existing community facilities had been paid for. By acquiring the land and plans, the GRF said it could expedite construction of Clubhouse III with payments made from funds generated by the sale of new units in Mutuals 22 and 23.

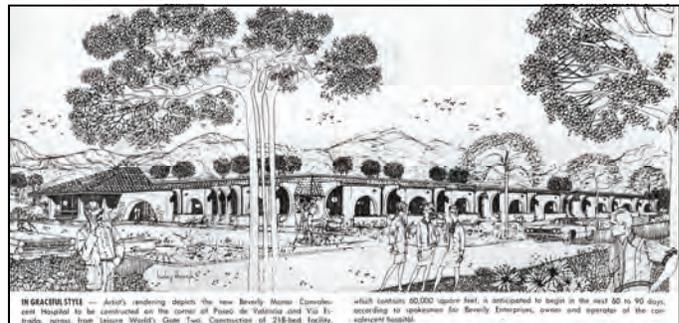
The planning of Clubhouse III was an arduous task. One major decision was whether to have an outdoor amphitheater similar to that at Leisure World, Seal Beach, or an enclosed auditorium. The advantages of year-round use outweighed the additional cost, and an inside theater was incorporated into the plans.

Ground was broken on June 17, 1970. The official grand opening was held on March 12, 1971.

### **Note 3 — Beverly Manor**

Escrow for the sale of Rossmoor land to Beverly Manor Convalescent Hospitals closed the last week of June 1968. At the outset, Beverly Manor of Laguna Hills would be a single story facility that would accommodate 218 patients in both private and semi-private rooms, each with a private bath and several suites which included a bedroom and living room. Plans called for expansion to 400 beds. Groundbreaking took place on October 31<sup>st</sup> and construction started in November, 1968.

The facility was located on the 3.3-acre site at the corner of Paseo de Valencia and Via Estrada across



**IN GRACIOUS STYLE** — Artist's rendering depicts the new Beverly Manor Convalescent Hospital to be constructed on the corner of Paseo de Valencia and Via Estrada, across from Leisure World's Gate Two. Constructed of 218-bed facility, which features 60,000 square feet, is anticipated to begin in the next 60 to 90 days, according to spokesman for Beverly Enterprises, owner and operator of the convalescent hospital.



**The directors of the Laguna Hills Motel Corp. gathered as decorating touches were completed, instant landscaping applied and rooms were readied for the grand opening of the motel.** Courtesy Leisure World News

from the Gate 2 exit (where the temporary fire department was housed in 1968).

When the facility opened, care was available for 218 persons, including those requiring skilled nursing care and board and care guests, who require minimum nursing care. Beverly Manor is now known as Country Villa, Laguna Hills.

**Note 4 – Laguna Hills Motel**

Harry A. Brunson, president of the Laguna Hills Motel Corp., said, following the January 25 meeting, “It’s full speed ahead for plans and specifications on the 72-unit motel soon to be constructed in Laguna Hills.”

Construction of the Laguna Hills Motel, first in the area, began in late May. It opened in November, 1968. Designed to follow the Spanish architecture of Leisure World, it is located near the El Toro off ramp of the San Diego Freeway on Paseo de Valencia.

Unique in its origin, the \$750,000 community project was the first of its kind ever planned, financed and constructed by an organization of retired men and women. All 86 stockholders were residents of Leisure World, Laguna Hills.

Built on 2.6 acres purchased from Rossmoor, the facility included two buildings. In two-story style, the motel was constructed to achieve a hotel effect on the second floor, where access to the rooms is through an inside corridor, while lower floors are traditionally motel with private parking directly in front of the

rooms. Each room included a color television, direct dial telephone, extra length beds and heating and air conditioning thermostats, adjustable by guests.

This facility is now the 121-room Laguna Hills Lodge adjacent to Laguna Hills City Hall.

**Note 5 – Post Office**

In February, plans to lease a new Laguna Beach Post Office were announced by Laguna Beach Postmaster Eugene T. White. The building was to be on the northeast side of Moulton Parkway, south of El Toro Road, adjacent to the Mobil Service Station. The proposed building would have replaced the space in the Leisure World Shopping Center.

**Note 6 – Churches**

For more information about Leisure World’s churches, please see the May 2009 edition of *The Historian*.

**Note 7 – Condominiums**

The full page ad, below, appeared in the June 20, 1968 edition of the *Leisure World News*.

**FOR THE FIRST TIME...**

**CONDOMINIUM OWNERSHIP WITH INDIVIDUAL TITLE TO YOUR MANOR NOW AVAILABLE AT LAGUNA HILLS**

 <b>DOWN PAYMENT</b> \$4,200 – \$8,400	<b>FULL PRICE</b> \$13,500 – \$30,500
 <b>MONTHLY PAYMENT</b> \$108.00 – \$198.50 plus taxes	 <b>MONTHLY PAYMENT</b> \$108.00 – \$198.50 plus taxes

Or pay all cash and your monthly Association fee is only \$42.00 per month which includes

- ... all exterior maintenance, painting and repairs ...
- ... all gardening and landscaping ...
- ... around-the-clock security service ...
- ... use of 18-hole golf course and driving range upon payment of minimal fees ...
- ... intra-community transportation ...
- ... use of tennis courts.

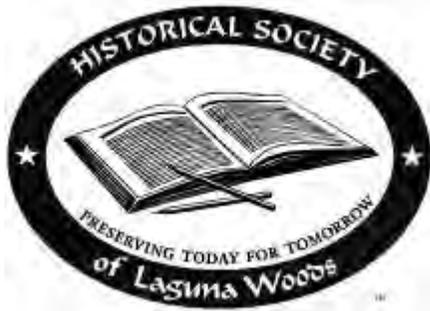
  
Wilma Reed  
Sales Counselor

  
Ed Wilson  
Sales Counselor

**Call or see your Sales Counselor today.**

**Rossmoor Laguna Hills**

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**to Residents**

**PHASE II** (Future Development)

**PHASE I** (Future Development)

**LEGEND**

U.C.B.	United California Bank
Med. Cen.	Medical Center
Vet.	Veterinarian
D.R.	Driving Range
S.L.	Savings & Loan
M	Motel
S.S.	Service Station
F.S.	Fire Station
Ch.	Clubhouse
C.S.	Church Site
Coml.	Commercial
C.H.	Convalescent Hospital

The shaded portion of this map, dated September 12, 1968, shows the proposed Second Laguna Hills Mutual area, prior to approval by the members of Mutual 9 and Mutuals 11 through 16. See page 6.

Courtesy Leisure World News

**Opinions expressed by authors in *The Historian* do not necessarily reflect those of the Historical Society of Laguna Woods.**

**Bob Ring, Editor**