The Historian

Preserving Today for Tomorrow

Volume 5 Number 4 July — August 2011

History of Leisure World - 1969

This article is the tenth 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 1969 *Leisure World News, The Orange County Register* and *The Los Angeles Times*.

1969 - A Year of Continuing Growth

In 1969, Leisure World was increasing in size and experiencing growing pains. At the same time, governing bodies had to deal with challenges from the surrounding community.

Leisure World Grows

Leisure World's population had grown to more than 11,000 by early 1969, with sales approaching 22 manors per day, despite early Federal Housing Administration (FHA) restrictions which limited buyers' ability to secure loans. A decision in June 1968 to build the housing as condominiums rather than as cooperatives did succeed in easing financing.

In February 1969, the first of the condominiums, Mutual 22, opened. As Ross Cortese had explained in the August 1969 issue of the *Leisure World News*, the difference between the two forms of purchase was the title: the condo owner received a deed; the coop owner, a stock certificate. The monthly payment for the maintenance and operations remained identical for the two, except for the fact that the condominium fee did not include the mortgage payment and property taxes.

In 1969, monthly carrying charges for condos was $59.26, which increased to $64.40 in 1970. The cooperatives experienced a comparable increase of $4.98, which was not apparent because the monthly charge also included amortization of the FHA loan. This differed from mutual to mutual. Cortese stressed that all residents were to enjoy the same uses and privileges and share the same prorated costs of operations community facilities.

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Names in the News

Over the years, Laguna Woods has had its share of celebrities—some noteworthy; others offbeat. In 1969 Eugene S. "Smokey" Rhoads' historic flight made international headlines; Ernie Hood's hobby got him into Ripley's Believe it Or Not; and Herbert Adams' legacy lives on.

Aviation was his Life

Who first flew across the Atlantic? You might be surprised to learn that it was not Charles A. Lindbergh but 1969 Leisure World resident "Smokey" Rhoads along with five other crewmen of the "NC-4" Curtiss Seaplane. [Lindbergh

See People Page 7

"Smokey" Rhoads, in 1920, the year following the NC-4's historic flight across the Atlantic. Around his neck is the Order of the Tower and Sword presented to him and fellow crew members by the King of Portugal. On the right, Smoky scans a 50th anniversary booklet published by the Smithsonian Institution about the historic flight.

Courtesy Leisure World News

MUSINGS

Bob Ring

The following is the work program for the Historical Society's fiscal year that starts on July 1, 2011. It includes the resource commitment necessary to preserve, protect and present our local history.

Veterans History Project. During the 2010-11 fiscal year the Board of Directors entered into a new partnership with a third-party vendor to provide interviewing and video recording services for the Veterans History Project. While these services have resulted in additional expenses, the Historical Society's active management of the program has already doubled average annual participation.

Honoree of the Month. The 2010-11 fiscal year saw the Honoree of the Month Program change it's regular location to Clubhouse 7 in order to accommodate larger audiences. The 2011-12 fiscal year work plan includes funding for eight ceremonies.

Archives Modernization. In 2008 the Historical Society embarked on an ambitious, five-year, $50,000 plan to enhance the accessibility and functionality of its historic archives. With the majority of policy and computer infrastructure improvements now in place, efforts have been focused on converting paper records into secure electronic formats. This will continue in the 2011-12 fiscal year.

The Historian will continue to be published every other month. It averages eight pages, which makes it the largest and most historically relevant periodical published by any historical society in Orange County.

Speaker's Bureau. The Speaker's Bureau program will continue to provide speakers in 2011-12.

El Toro Airport Oral History Project. The Historical Society continues to partner with TV-6 to record full-length interviews with notable figures associated with the potential reuse of the Marine Corps Air Station–El Toro as a commercial airport. This project should be completed during the fiscal year and culminate in the form of a television program for channels 6 and 31.

In spite of the challenging economic conditions experienced by the Historical Society and other non-profit organizations, the Society's work plan continues the programs and activities that our members have come to expect.

1969 from Page 1

By April 1969 most of the new owners had moved into Mutual 23, the second condo mutual. This increased manors in the community to 6,537, with a population of 11,440.

In July 1969 a new section, Mutual 30, named Fairway Vista, opened. It overlooked the 9-hole golf course that was under construction. The Garden Villas are three-story buildings with a garage underneath and an elevator that traveled between the garage and each floor, with stairs at each end of the building. The buildings had 24 manors, comprised of one-, two- and three-bedroom units. As built, kitchens were equipped with a garbage disposal, two ovens, an electric range, dishwasher and a 15-cubic foot frost-free refrigerator, with decorator-finished cabinetwork throughout. Every floor has a laundry room. In 1969, prices ranged from $27,900 to $35,900 for two-bedroom manors, up to $47,500 for luxury units which have more than 1,700 square feet of floor space.

In October four months after Fairway Vista opened, the *News* reported that the Leisure World had more than 12,000 residents living in 6,873 manors.

Community Governance

In the April 1969 issue of the *Leisure World News,* Bob Price, Leisure World Administrator, clarified the community's corporate structure. There were a total of 42 directors who served on seven boards:

GRF	14
First Laguna Hills Mutual	9
Second Laguna Hills Mutual	7
Mutual 15, 18, 19 & 20 (3 each)	12

The last segment of the San Diego Freeway opened on January 28th, giving motorists a direct link to Costa Mesa and other coastal cities as well as the San Fernando Valley. Courtesy Leisure World News

As Price explained, mutual directors were elected by residents in their respective mutuals. Directors of Golden Rain Foundation of Laguna Hills (GRF) were then elected by the mutual directors. By this process, he said, "the relationship between the corporations and GRF is preserved whereby GRF holds the community facility properties in trust for the mutual corporations. Corporate membership in GRF, which is the voting membership," he continued, "is comprised of the several mutual corporations—the mutuals being governed by their elected directors. Therefore the mutuals elect GRF directors. It's just that simple," he pointed out.

Price emphasized that GRF was not responsible for governing the affairs of the total community. "Its responsibility is restricted to ownership of community facilities and operation of a community activities program of services. Overall management is provided by Leisure World Foundation, management agent for all corporations and each corporation, including the several mutuals and GRF. Resident membership in GRF, on the part of each individual, is automatic with becoming a member of a mutual corporation." [Note: PCM, Professional Community Management, replaced the Leisure World Foundation on January 1, 1973.]

Consolidation of Mutuals

Under the FHA program, under which most of Leisure World was developed, 90 percent of a possible 30,000 units had to be sold before FHA would provide insured financing—an almost impossible task. The original plan for Leisure World was to have 60 mutual boards with 180 directors to set policies for a projected 30,000 residents. It didn't take long to realize that having this many mutuals was going to be an unworkable and prohibitively costly alternative. The solution was to consolidate the mutuals. Consolidation would have the added benefit of spreading the risk of potential future adverse conditions as earthquakes, fires or floods over a larger number of manors, minimizing the financial impact on the owners of the affected areas. [See October 2010 and January 2011 issues of *The Historian*.]

During the first week of June 1969, the California Real Estate Board granted permission for Mutual 18 to join the First Laguna Hills Mutual. Five months later, the California Real Estate Board granted permission for Mutuals 19 and 20 to submit a proposal to members to consolidate with the Second Laguna Hills Mutual. Consolidations needed the approval of two-thirds of the members of that mutual.

On October 16 an informational letter prepared by the board of directors of Mutuals 19 and 20 was published in the *Leisure World News* to explain and clarify the proposal to transfer all of the assets of the two corporations to Second Laguna Hills Mutual, a California nonprofit corporation, in consideration for Second's issuance of voting memberships in Second and Second's assumption of all of the liabilities of each corporation. When it was approved, each corporation would dissolve and distribute to each of its members one voting membership of equal par value for each membership owned by its members.

Golf Course Lease

From January 1964 to August 1968, the Rossmoor Corporation had been responsible for the maintenance, taxes, utilities and mortgage interest for the golf course. That changed in August 1968 when Rossmoor transferred the lease, with all expenses except mortgage interest, to GRF rent free. Although, at the time of the negotiations, Rossmoor had requested a rental amount to cover the mortgage interest, that request was dropped since GRF could not afford the cost.

The lease was to be in place from August 7, 1968, to December 31, 1970, with either party able to cancel the agreement effective December 31, 1969. On September 9, 1969, Rossmoor notified GRF that they were, indeed, taking that option and terminating the lease a year early, on December 31, 1969. They proposed a new lease on the same terms, except GRF would now pay Rossmoor $119,000. Rossmoor's offer did not include any amount of return on its equity in the golf course of approximately $1 million, but only the amount of interest to be paid to the bank.

On October 10, 1969, the Leisure World Foundation and a committee of GRF countered with $60,000. Rossmoor refused the offer four days later, but by mid-December, negotiations were successfully concluded. A separate, new lease was signed providing for continued GRF operation of the golf course. Under terms of the lease GRF would pay all costs of maintenance, utilities and operation, plus an annual lease fee until the golf course was purchased by GRF.

Facilities Agreement

In December, 1969, Rossmoor and GRF signed a new Community Facilities Agreement. This agreement, like the 1963 pact it replaced, provided funds from the sale of new manors to enable GRF to purchase community facilities. The funds were considerable. As the sales of manors increased, the funds available for construction of community assets grew. In 1969, the purchase of each new manor generated $1,625, earned as each sale closed escrow. By July,

In September 1969 Gate 6 officially opened on Paseo de Valencia, north of El Toro Road. The new gate averaged about 500 vehicles a day during the first week. However, traffic was expected to increase dramatically.

Courtesy Leisure World News

these funds totaled $1,534,000.

Provisions of the new agreement called for GRF to ultimately pay Rossmoor for the three community facilities not then owned by GRF, including the golf course, Aliso Park and the maintenance building. The agreement also provided for the construction of new facilities—particularly Clubhouses III and IV—for which funds were accruing in the Community Facilities Trust Fund. The plan was to withdraw $400,000 from the fund to build Clubhouse III followed by another $400,000 to construct Clubhouse IV.

The agreement provided for a small increase in the contribution made by each new member to the facilities fund that provided cash towards the construction of clubhouses and other facilities. This change increased the community facilities fee from $600 to $700 effective with sales in Mutual 33. The following breakdown applied:

The Community Facilities		$ 700
GRF Membership Fee		675
Medical Funds	$400	
General Equipment Fund	50	
Working Capital	225	
Contribution to GRF Operating Capital		350
Total		$1,725

All of these fees accrued to areas that were the responsibility of GRF. In addition, there was a contribution to the mutual housing corporation of $100 which provided them with initial working capital.

In 1969 the monthly carrying charge cost for condos was $59.26 and it increased to $64.40 in 1970. This same general increase was reflected in the cooperative mutuals in the amount of $4.98, but this was not apparent because the monthly charge also included amortization of the FHA loan which differed from mutual to mutual.

The budget for 1970 was approved by the boards of directors of 12 corporations with a total of 57 resident directors all working in concert towards uniformity throughout the community. The decision to establish carrying charges was and is totally the responsibility of these respective boards of directors who act in the owners' behalf and endeavor to continue good service at minimum cost.

New and Enlarged Facilities in 1969

As the population increased, Rossmoor and GRF added facilities.

Leisure World Library

In April the pavilion building, the name given to the little building which had previously been utilized as a snack shop, was remodeled to provide a new home for the community's library and hospitality lounge. The pavilion became available when the office for new sales was moved to the model homes area.

The library—which started in Clubhouse II with only 100 books—featured a collection of 7,000 at its grand opening on June 27, 1969. The new facility was equipped with reading tables, lounge chairs, a regular check-out counter and a card catalog.

Clubhouse III Architectural Contract

On April 28, 1969, GRF authorized an architectural contract to design the Clubhouse III facility. The facility was to have three basic components: (a) several medium-sized multi-purpose rooms with dining/kitchen facilities; (b) a billiard room; and (c) a theater facility, with a full-sized stage, that would seat 888. Total cost of the clubhouse was estimated to be $650,000 of which $400,000 would come from the Community Facilities Fund which accrued revenue from new sales. The $250,000 balance was to be provided by GRF.

Theater space was to be used for special revenue generating productions that would help offset some of the cost of maintenance and operation. GRF purchased the land for the clubhouse during 1968.

El Rancho Cortese Stables

In August the GRF Fees Committee voted to reduce the hourly riding fee for children between the ages of 5 and 18 from $2.50 to $1.25 and to increase the monthly fee for boarding a privately-owned horse at the stable from $60 to $65 per month effective January 1, 1970.

GRF appropriated $10,800 for construction of three storage rooms at the stable to be built at the end of each of the three wings. This made the six horse stalls that were being used for storage available.

R.V. Storage Area

In early November the trailer storage facilities located near the golf course beyond Clubhouse II on Moulton Parkway was completed. Included were a dump station for chemical toilets, a wash rack for trailers and boats and several 110-volt electrical outlets to power small tools, vacuums and other electric appliances.

Leisure World's Neighbors

As Leisure World grew, so did the business centers surrounding the community.

Valencia Shopping Center

On March 20, 1969, Ross Cortese clarified his plans for what would become the Valencia Shopping Center. The excavation south of the Belmont Savings and Loan at El Toro Road and Paseo de Valencia marked the spot for a vault on the temporary site of Security Pacific National Bank [now Bank of America]. Security Pacific was the first tenant and offered full banking services. By July Ralph's Market was under construction.

Churches

On Sunday, May 4, 1969, the new St. George's Episcopal Church marked another milestone in its brief history with cornerstone laying ceremonies Sunday. During the special service, dignitaries placed items in a cornerstone box, including a cross taken from the historic St. George's Mission in El Toro, a Bible, prayer book, hymnal and copies of the *Leisure World News* and the *Rancho Reporter*. [See May 2009 edition of *The Historian*.]

On Sunday, September 2, 1969, the First Baptist Church of Laguna Hills opened its doors on Moulton Parkway for first services. Dedicatory services took place on October 12. The new church, which cost more than $400,000, included a sanctuary with seating capacity for approximately 400 and a dining-fellowship hall seating approximately 150. The Baptist sanctuary was the eighth church to be built and completed in Laguna Hills since Leisure World opened in 1964.

Post Office

In July the *Leisure World News* announced that a site had been chosen for a new Laguna Hills branch of the Laguna Beach Post Office. The U.S. Postal Service purchased an option on 77,000 square feet of land at the northeast corner of Calle de la Magdalena and Paseo de Valencia from Rossmoor for $50,000. In his letter to residents in 1968 Ross Cortese said that he expected the site to be adjacent to the Mobil station at the corner of Moulton Parkway and El Toro Road.

Postmaster General Winton M. Blount said the new branch would be built under the service's lease construction program, which kept the property on the local tax rolls. After a call for bids, the successful bidder would be assigned the option for the site and would purchase the property, construct the building and lease it back to the Post Office.

Challenges to the Community

As Leisure World and Orange County grew, numerous growth and zoning issues would need to be resolved.

Commercial Airport at MCAS-El Toro

The community's 32-year battle, to avoid having a commercial airport located in its backyard actually began in 1969. During the first week of January of that year, Leisure World residents, through GRF and the mutual corporations, went on record opposing the expansion of El Toro Marine Corps Air Station (MCAS-El Toro) into a commercial airport. The community asked the Orange County Board of Supervisors to direct the appropriate agencies to discontinue further consideration of MCAS-El Toro for commercial aviation use.

In response to concern about this issue, on February 6, 1968, the supervisors authorized William L. Pereira & Associates to create a Master Plan of Air Transportation for Orange County. In April the supervisors amended their request and asked the consulting firm to include a feasibility study of El Toro airport. This latter action was taken despite the fact that the Marine Corps had consistently discouraged such a study and a majority of South Orange County residents had steadfastly opposed it.

The report, completed five months later in September, recommended five possible sites in three different areas for a commercial airport: (1) MCAS-El Toro; (2) the Santa Ana Marine Corps facility where lighter-than-air blimps had been stationed; (3) the area bounded by the Los Alamitos Naval Air Station and the Seal Beach Ammunition Depot and the ocean; (4) the coastal hills between Corona del Mar and Laguna Beach and (5) the coastal shelf running up to two miles offshore from Newport Beach northwest to the county border.

In mid-July, 1969, the House Armed Services Committee, chaired by Rep. L. Mendel Rivers, formed a subcommittee to evaluate the possibility of relocating military installations which were tying up expensive real estate. The goal of the investigation was to “return valuable land to the local tax rolls.” Although hearings were several months away, Rivers’ mention of MCAS-El Toro specifically commanded the attention of some South Orange County communities.

Commercial airport proponents suggested that the committee consider joint use of MCAS-El Toro. At the same time Orange County's airport committee recommended that the county abandon the study of regional airports and focus the Phase II study of Pereira and Associates on metroports and air parks, leaving regional airport planning to the Southern California Association of Governments and the Southern California Aviation Council.

The controversy would not be resolved for another 32 years.

Mobile Home Park

In August 1969, the Macco Construction Company petitioned the Orange County Planning Commission for a land use variance to allow construction of a 231-space mobile home park adjacent to the northern boundary of Leisure World on what is now Ridge Route.

GRF, all Leisure World mutuals and Rossmoor opposed the application. At a hearing on August 27 the Planning Commission delayed action and scheduled another public hearing on October 29.

Leisure World boards and the Rossmoor Corporation requested that the planning commission deny the application, because they believed a mobile home park was inconsistent with the planned community concept and architectural style of Leisure World. Additionally, they stated that Rossmoor had considered, but rejected, the concept of building a mobile home park in what would become the Gate 14 area.

The rezoning application by Macco faced further problems because the property in question was directly below the landing path to the MCAS-El Toro. The county required that residential structures in such areas meet certain sound attenuation standards, and there was considerable disagreement as to whether a mobile home could be soundproofed.

[The variance was ultimately granted. Laguna Hills Estates mobile home park is located on Ridge Route opposite the City of Laguna Woods’ dog park, “A Place for Paws.”]

Saddleback College

On February 14, 1967, the electorate of 48 percent of Orange County approved the formation of the 376-square-mile community college district. Five citizens were elected to the Board of Trustees. The operation of the district started in a rented room at Mission Viejo High School. The operation was moved to a model home complex in Mission Viejo and then to its interim 15-acre campus.

A year later, on April 9, 1968, by a 73 percent plurality, residents of the district approved a $9.5 million bond to build a campus for Saddleback College, and on May 24, 1968, the college’s board of trustees held groundbreaking ceremonies at the interim campus on Crown Valley Parkway. By July 17, 1969, five of the 13 buildings had been moved from the interim campus. In addition to the 13 buildings, seven new buildings would be added to increase floor space from 36,000 to 72,300 square feet. Governor Ronald Reagan dedicated the new facility on October 15, 1968.

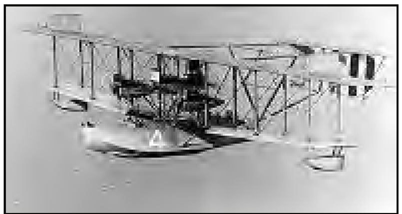
Classes for freshmen started on September 23, 1968, with a comprehensive academic program for both day and extended-day students. The college fielded its Gauchos team for football competition. It had a pep band, two choral groups, college and community choirs, a college newspaper and its first dramatic production. During the college’s second quarter, basketball, baseball and track teams entered competitive events.

Saddleback College District observed its second anniversary on February 14. The enrollment was 834 full-time and 372 part-time students. The next anniversary would see the campus at a new location with facilities doubled and enrollment of 1,700 full-time and 1,800 part-time students

Sale of Rossmoor to Crane Company

During the first week of April local newspapers announced the pending sale of Rossmoor to Crane Company of New York. In August Rossmoor announced that negotiations had been terminated by mutual consent. Rossmoor noted that the decision to terminate was “principally motivated by proposed income tax legislation before Congress which, if enacted, could have adversely affected the proposed transaction.”

People from Page 1



The NC-4 "flying boat" made the first successful trans-Atlantic flight in 1919. Courtesy Aircraft Market Place

made the first nonstop, solo flight.]

After the end of the war, the U.S. Navy decided to demonstrate the feasibility of transatlantic flight using three of their new Curtiss NC "flying boats." The transatlantic flight expedition began on May 8, 1919, when the NC-1, NC-3 and NC-4 aircraft flew the first segment of the flight from the Naval Air Station at Rockaway, New York, to Trepassey, Newfoundland, with intermediate stops in Chatham, Massachusetts, and Halifax, Nova Scotia. The flight would then continue on to Portugal and England.

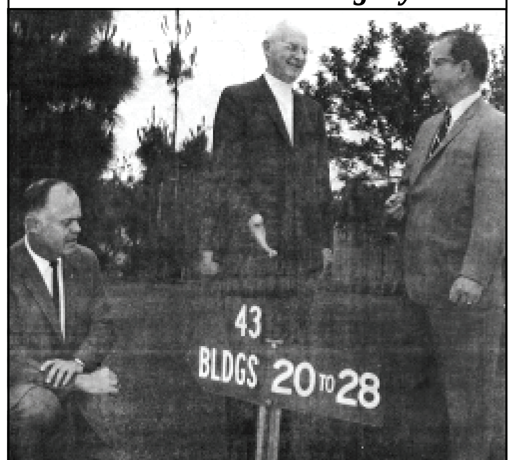
Before the NC-4's initial departure from New York, its flight engineer, E. H. Howard, tragically had one of his hands cut off by an aircraft propeller. Smokey, then Chief Machinist's Mate Eugene S. Rhoads, USN, replaced Howard. Thus, by chance, Smokey entered history books.

On May 16, 1919 the three seaplanes departed on the longest leg of their journey from Newfoundland to the Portuguese Azores Islands in the mid-Atlantic. After flying 1,200 miles which took all night and most of the next day, the NC-4 reached Faial Island in the Azores. It took 15 hours and 18 minutes to fly this leg because of fog banks along the route. Weather forced both the NC-1 and the NC-3 to abort their missions and land on the ocean.

Three days later, the NC-4 took off alone, bound for Lisbon. Mechanical problems forced it to land 150 miles away at Ponta Delgada on São Miguel Island in the Azores. After days of delays for repairs the NC-4 took off again on May 27 and landed at Lisbon harbor after a flight of nine hours and 43 minutes. It became the first aircraft of any kind to fly across the Atlantic Ocean—or any other ocean.

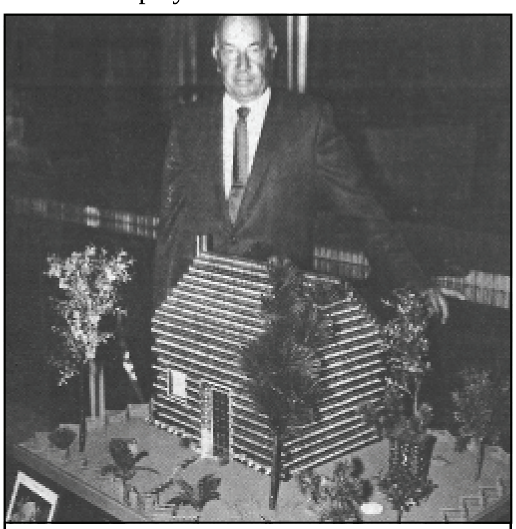
The flight from Newfoundland to Lisbon had taken 10 days and 22 hours. The actual flight time was 26 hours and 46 minutes. The NC-4 later flew on to England, arriving in Plymouth on May 31 to great fanfare, having taken 23 days for the flight from Newfoundland to Great Britain. All told it flew 3,925 miles at a maximum speed of 91 miles. All crewmembers received medals from England, Portugal and the United States. The NC-4 went on display at the National Naval Museum in Pensacola, Florida.

Cul-de-Sac Numbering System



In 1969 resident Herbert L. Adams, a retired C.P.A. who devised and designed the cul-de-sac system of directions in Leisure World, explained the process to Paul Shepard (kneeling), director of operations, and Robert L. Price, administrator.
Courtesy Leisure World News

Landmarks Built from Coins



Resident Ernie Hood, pictured with his Lincoln log cabin containing 16,800 uncirculated pennies, one of his models of famous landmarks built out of coins.
Courtesy Leisure World News

Ernie Hood enjoyed a different kind of fame. A penny saved, as far as resident Ernie Hood was concerned, was only a drop in the bucket toward one of his unique creations—models of famous landmarks built out of coins. The fifth and last one was a Lincoln log cabin containing 16,800 uncirculated pennies.

Hood, a retired electrician for MGM Studios, lived on Via Mariposa East. He built three Lincoln cabins and a Lincoln memorial out of pennies and a scale model of the White House out of dimes. In 1961 Hood built his first Lincoln cabin, which contained 9,600 uncirculated pennies, in 125 hours. It drew so much attention that it was purchased by the Ripley Believe Or Not museum in St. Augustine, Florida.

The White House was first shown in the Ripley museum in Times Square, N.Y., during the two years the New York Fair was running. Then it was moved to the Ripley museum in Atlantic City, where it remained until it was moved to a new museum in Chicago in 1968. Hood's fourth model, a Lincoln cabin made with 16,360 pennies was in the Ripley museum in San Francisco. In each case the Ripley museums compensated Hood for his investment in coins, but not for the work involved in building the models.

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In October 1969 news of the start of construction of Lion Country Safari, a 500-acre African animal preserve on Moulton Parkway prompted a visit by Guy Holliday, President of the Lions Club, the first lion to set foot on the site. Four-footed lions were scheduled to be on site 12 months later. Courtesy Leisure World News

Editor — Bob Ring

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

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