



The Historian

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1975 — A Year of Continued Economic Recession

This article is the fourteenth 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 1975 *Leisure World News*.

Refugees Wander Into Community

Two refugees from nearby Lion Country Safari visited the community on August 10 and 11, and although they were observed by several Leisure World security officers, they were not apprehended. The creatures were identified as capybaras, an aquatic rodent from South America.

"They're perfectly harmless," a Lion Country Safari representative explained.

The security officer who first spotted the capybaras thought they were bears. His attempts to apprehend them were fruitless. He described the pair as having from four-to-six-inch long brown hair. One weighed about 60 pounds and the other about 100.

Capybaras normally grow to be about four feet long, live near sources of water and eat grasses and aquatic plants. It was believed that the animals had been making their home at the lake adjacent to the golf course on Moulton Parkway.

Capybaras are excellent swimmers and can remain completely submerged for up to five minutes, an ability they use to evade predators. They can sleep in water, if their nose is not submerged. As temperatures increase during the day, they wallow in water and then graze in late afternoons and early evenings. They rest around midnight and then continue to graze before dawn.

The Nation

By the end of 1975 the economic recession that started in 1973 began to improve. It differed from many previous recessions by being a stagflation—high inflation, slow economic growth and high unemployment. Among the causes were the government's 1971 deci-



The two refugees visited Leisure World during August, 1975. They were part of a group of 30 capybaras in captivity at Lion Country Safari.

sion to terminate the convertibility of the U.S. dollar into gold, the 1973 oil crisis, a steel crisis due to increased competition of newly industrialized countries in the metal industry and the 1973-1974 stock market crash. Although the economy started to expand in 1975, inflation remained extremely high until the early years of the 1980s.

The Leisure World Economy

In Ross Cortese's "It's A Great World" column in January 2, 1975, edition of *The Leisure World News*, he noted that the 1970 Census predicted that by 2000 the U.S. population would increase from 215 million to approximately 265 million, and one-third of all Americans would be over 45 years of age. It was on information like this that Rossmoor Corporation based its belief that growth prospects for total-living community developments would be very attractive. [Editor's Note – The 2010 Census showed that the

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Like many other developers, the 1968 recession caught Rossmoor over-extended. Rossmoor's picturesque world headquarters, known as the Taj Mahal, was sold in 1968 to help meet the crisis.

U.S. population was just over 308 million. The U.S. 45-and-older population was 39.4% of the total population and the 65-and-older population grew to 40.3 million, 13% of the total.]

The public's response to Leisure World Laguna Hills in 1964 was even greater than it had been at Seal Beach. Sales during 1964 were 1,018 units at an average price of \$14,500. In 1965 the sales were 2,068. This created optimism and encouraged Rossmoor officials to envision worldwide possibilities. In 1966, sales tapered off to 1,620, but 1967 was the real harbinger of ill tidings as sales dropped to 1,152 manors, which set the stage for the 1968 collapse when only 452 manors were sold.

By August 1975 there was a concerted effort to sell the apartments in the Towers. Only 245 of the 311 apartments had been sold, which meant that Rossmoor was charged with the monthly payments due on each unsold manor. Their prices ranged from \$53,900 to \$89,500. Rossmoor offered prospective buyers a lease-purchase option that allowed them to live in a Towers manor on a lease basis for 12 months. If they purchased the manor within six months the monthly rent was applied toward the purchase price.

Other divesting transactions came at the end of 1975 when the properties that housed the Alpha Beta Market and the adjoining land which became the Laguna Hills Mall were. At the end of 1975 Leisure World faced the world with a population of 18,075 and with a potential of 2,353 buildings, although there were quite a number of unsold manors.

Security

Rossmoor's established procedure of building perimeter walls when an area was completed created problems in Phase 3 (Gates 7 - 10). Residents of the occupied areas protested loudly that this was an open invitation to unwanted visitors. In January, 1975, GRF and the housing mutuals approved a \$70,000 appropriation to install barbed wire around the periphery of Phase 1 and 2 by raising the walls and adding more barbed wire topping. The perimeter of the golf course and garden center was completely fenced.

By 1975 security was compromised by residents indiscriminately giving out guest passes. In April, GRF approved a ruling that the existing guest passes would be phased out and new passes would be issued only on written application from the resident. One application was required for each guest pass requested and there was a limit of five passes issued to each manor. This in no way restricted telephone calls to a gate to admit visitors.



In April 1975 the old blue cars (shown in a 1969 photo above) were replaced by clean, trim white cars (below) bearing the Leisure World Security Emblem on the side. At the same time the security force was augmented by 20 new officers and additional security patrols.





During August, 1975, bumper decals were applied to residents automobiles in order to increase security.

In August new bumper decals were applied to approximately 1,300 cars owned by residents. The decal registration required residents to show a valid state driver's license, state vehicle license registration card and their Leisure World identification card.

As a result of these actions, in November security reported there had been no cases of unauthorized entry into the community.

Emeritus Program

Nothing illustrated the growth of activities in Leisure World quite as much as the Leisure World campus of Saddleback Unified School District. The emeritus program started in 1965 almost on a trial basis and was supported by Tustin Union High School. The January 1974-75 list of classes printed in *The News* offered more than 70 different subjects available in 107 classes. The registration fee was \$5 per semester for the first class and \$2 for each additional class.

Community Governance

Administrator Bob Price used his column in the February 13, April 24 and June 19, 1975, editions of *The Leisure World News*, to clarify the resident's misunderstandings regarding responsibilities of GRF, the housing mutuals, Professional Community Management, Inc. (PCM) and Rossmoor Corporation. His purpose was to dispel "the myth that any responsibility for management rests with the Rossmoor Corporation."

He continued, "All Mutual directors are elected by the people in their respective areas. GRF directors are elected by the mutual directors. By this process the relationship between the mutuals and GRF is preserved whereby GRF holds most community facility properties in trust for the mutuals. Corporation membership in GRF, which is the voting membership, comprises the several mutual corporations—the mutuals being governed by their elected directors. The mutual direc-

tors duly elect the Golden Rain directors.

"Each of you personally is a resident member of Golden Rain, which is a direct result of your membership in a mutual corporation. This membership entitles you to all of the benefits, privileges and enjoyment of GRF facilities and activities. Contrary to some common thinking, GRF is not responsible for governing the affairs of the total community. Its responsibility is limited to ownership of community facilities (clubhouses, golf course) and operation of a communitywide program of special activities and services for the members of the various mutuals.

"Overall management is provided by PCM, agent for all corporations, including the several mutuals and GRF. PCM has the responsibility of managing the affairs of and providing services to all of these corporations to the satisfaction of their respective boards of directors. It is more than a coincidence that this must be done for all corporations in a manner that preserves the concept of a single community."

Unification of Co-ops

In August 1975, the boards of First and Second Laguna Hills Mutuals voted unanimously "to commence necessary action to cause the formation of a (single) new corporation, named United Laguna Hills Mutual." The unification proposal was part of a continuing program, which began in 1975, to reduce the number of corporate entities. First and Second Laguna Hills Mutuals were the result of a previous amalgamation of the assets of 21 smaller corporations. The proposal required the consent of two-thirds of the members of each of the two mutual corporations.

By October the unification of First Laguna Hills Mutual's 3,247 manors and Second Laguna Hills Mutual's 3,076 manors was approved and the assets and liabilities of both corporations were acquired by the new United Laguna Hills Mutual on December 31, 1975. The approval plan required that the incorporating directors of United would be selected from the directors of the two mutuals.

GRF Bylaw Change

GRF directors voted in July 1975 to remove the administrator, Robert L. Price, as a voting member of the GRF board in an effort to "increase resident control." The change, which required FHA approval, was approved in September. The result was that Price remained a vice president of GRF and a resident would be elected to replace Price. In a separate statement Price applauded the change that effectively "separated management from the governing responsibility."

Management Agreement

Professional Community Management began providing management services to Leisure World on January 1, 1973, when it succeeded the Leisure World Foundation as the management agent. The contract, which was scheduled to expire on December 31, 1975 contained a clause guaranteeing a one-year renewal providing that none of the parties involved announced cancellation intentions before November 1, 1975. In September, all of the corporations, with the exception of Third Laguna Hills Mutual and Mutuals 35, 50 and 56, passed resolutions approving a three-year management agreement with PCM. However, several of the mutual corporation directors favored a one-year pact because of a 1974 lawsuit by Rossmoor against PCM and the Leisure World Foundation.

By December the directors of First, Second and Third Laguna Hills Mutuals and GRF rescinded resolutions passed earlier authorizing a three-year management agreement because of “unrest in the community” and the legal incidents involving Rossmoor and PCM. The rescission action automatically continued the existing contract for an additional year.

Policy

Painting – In March 1975 the First Laguna Hills Mutual Board of Directors adopted a cost saving “paint-as-needed” policy in lieu of corporation’s three and six-year painting cycle. A few months later Second Laguna Hills Mutual took the same action.

Alterations – In his September 25, 1975, column in *The News*, Administrator Bob Price reminded owners that Leisure World is a community where the property within the walls is private, even including the streets. It is the care of homes and ancillary properties which is the primary responsibility of the housing mutuals and GRF. The condominium boards are guided in their responsibilities by the Declaration of Covenants, Conditions and Restrictions (CC&R’s) and the boards of the cooperatives are guided by the Occupancy Agreements. Both documents state that any alterations to a manor must be officially approved by the appropriate mutual. He urged owners to contact PCM for guidance and approval when contemplating additions or alterations to their manors or landscape.

Landscaping around a manor—except within patio areas, are under the control of the mutual. The mutual board is responsible for maintaining these grounds. Residents can assume the responsibility of border planting and care, provided that such landscaping is approved by the mutual. Vegetable plants and fruit

trees, other than the ornamental varieties, would not be approved.

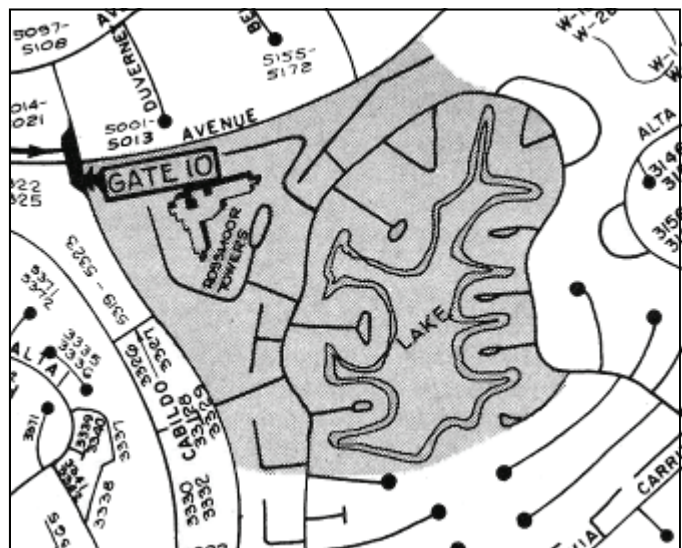
New and Enlarged Facilities

As the population increased, Rossmoor and GRF added facilities.

Executive Golf Course

In October 1974 Rossmoor suggested the possibility of building a par-3 nine-hole golf course. The golfing facility would be located on a site previously earmarked for a lake, directly southeast of the 14-story Rossmoor Towers. The plan included a starter building, putting green, six tennis courts and ample parking facilities.

This suggestion was favorably received by GRF because the golfing facility would be used by many more people than a lake and the maintenance costs would be considerably lower. In July 1975 GRF was advised by Rossmoor that planning was underway for a proposed par-three nine-hole golf course located adjacent to the Towers. At the conclusion of the August GRF board meeting, GRF President Admiral Roland Smoot stated, “There is no doubt that the golf course will be constructed rather than the originally planned lake.” Construction of the \$1 million project was not expected to begin for several years.



Prior to 1975 the advertising for the Towers said that “Towers’ living will feature its own lake. The remains of an old agricultural reservoir, formerly used by the Moulton Ranch Company, will fall within the site of the future lake to be situated at the Southeast corner of the Towers site. Currently this body of water occupies only 1.5 acres. When reconstructed, the lake will cover approximately 12 to 13 acres, and will consist of one main channel which will branch out into eight fingers.”

Courtesy Leisure World News

GRF Purchases Clubhouse VI

The manors adjacent to the clubhouse had originally been built by Rossmoor as guest houses for prospective Leisure World residents. When the program was discontinued in 1975 the manors were renovated and sold as Mutual 77. Golden Rain purchased the clubhouse and pool for \$180,000 plus \$20,000 for fixtures and furnishings. Clubhouse VI would accommodate dinner

dances for approximately 60 people, a lecture or meeting for approximately 100. The facility included a small conference room large enough for three or four card tables.

Library

At the February 1975 meeting, the GRF Board allocated \$2,500 to retain the services of an independent architect to conduct a study to expand the library. The library had literally grown itself out of its home with its splendid accumulation of books.

At its meeting in May—after evaluating four possible sites for a new library—GRF approved partial demolition of the existing library and reconstruction of a 6,000 square foot building at a cost of about \$189,000. The board also decided that all future plans would be approved by the library board.

At its December meeting GRF approved \$220,000 for construction of a 4,000 square-foot library next to the Leisure World Administration Building. The new facility was expected to open in the last quarter of 1976.

Garden Center

The garden area is another activity which outgrew its facility. With a waiting list longer than the number of active gardeners, GRF authorized the purchase of acreage on Via Campo Verde to more than double the farming capacity.



Roland Smoot, left, president of GRF and Edward L. Olsen, PCM president cut the ribbon officially opening Clubhouse 6 on May 30, 1975. Courtesy Leisure World News

GRF purchased 17 acres south of the stable area at the corner of El Toro Road and Moulton Parkway at a cost of \$314,000. The estimated cost of development was \$1 million. Six of the 17 acres will be devoted to the Garden Center and the balance of the acreage was allocated to expansion of the maintenance yard and a second recreational vehicle storage area.

At their May meeting GRF directors considered levying a \$10-per-year charge on residents using any of the community's garden plots beginning in 1976. At that time nearly 500 residents were on the wait list for a garden. Since plots were assigned on a lifelong basis, GRF was also considering revoking the assignment, if the plot was not properly cared for by the licensee.

In October, the president of GRF accepted the deed for the land for the new garden center from Rossmoor. GRF paid \$310,000 for the 17.1 acres.

Bowling

At its April 1975 meeting, GRF adopted a wait and see attitude when a resident requested that GRF build a bowling alley for the estimated 500 resident bowlers. GRF's Capital Improvements Committee reported that a 16-lane bowling alley would cost between \$165,000 and \$170,000 for equipment and an additional \$200,000 for the building. The board concluded that further consideration would not be necessary if Rossmoor's announced intentions to construct a 40-lane bowling center in the commercial area along Moulton Parkway became reality.

Shuffleboard

At its May meeting GRF received a plea to improve the shuffleboard facilities. The group asked that 10 new shuffleboard courts be built in an enclosed facility on the open lawn area east of the existing Clubhouse 1 courts. The proposed facility was to replace the five existing outdoor courts which residents were reluctant to use in rain, hot weather, or on cold evenings. The estimated cost of such a facility including the building, lights and courts was estimated to be between \$125,000 and \$150,000.

A request was also made to repaint and provide wind protection at the six courts at Clubhouse II at an estimated cost of \$3,000 to \$5,000. To underscore the requests, it was noted that the Laguna Hills Shuffleboard Association had 1,200 players and was three times as large as any other single organized group of its kind in California.

NEIGHBORS

Leisure World's Neighbors – As Leisure World grew, so did the business centers surrounding the community.

Shopping Centers

Laguna Hills Mall

In 1975 Laguna Hills Mall was moving rapidly toward completion. The Broadway had its formal opening on August 4th. J. C. Penney would be ready to open without fanfare in November. Laguna Federal Savings and Loan Branch office opened in February.

Construction of the Laguna Hills Mall began in April 1971 as a joint venture between Rossmoor and the Ernest W. Hahn organization, a nationally known shopping center developer. Planned to be built in two phases, the first phase included a full-sized Sears store at one end and Buffums' department store at the other, with some 45 specialty shops intervening. This phase was completed and formally opened on October 4, 1973, although Sears had opened the previous March, and many shops opened in the interim.

Construction of the second phase began immediately thereafter, planned around two additional department stores—The Broadway and J. C. Penney—with an additional 30 specialty shops. Both phases were enclosed within an elongated, air conditioned mall that provided a comfortable strolling and lounging area. This phase opened in April, 1975.

With completion of the Mall in sight, word was released that Ross Cortese had sold his interest in that area to his associate in the building project, Ernest Hahn, Inc.



Interior of Laguna Hills Mall in early 1976. The Center featured Buffums, The Broadway, Sears and J. C. Penney.

The January 1, 1976, edition of *The Leisure World News* reported that “Rossmoor sold its interests in several Laguna Hills commercial properties, including a 50% ownership of the Laguna Hills Mall, to reduce the firm’s debt and improve its cash flow.”

Rossmoor’s loss of \$9.5 million for the year ending Sept. 30, 1975, was reported by the Dow Jones News Service in November. “Rossmoor is not in financial trouble,” Rossmoor President Robert E. Rosenwald said. He explained that Rossmoor determined that the money from the sale could be used for “more productive investments.”

The buyer, Continental Illinois, is an equity real estate investment trust based in Southern California. The sale included the Alpha Beta Shopping Center [Nordstrom Rack], the Valencia Center, where Ralph’s [Mother’s Market] was located, four restaurants, Bob’s Big Boy [Carrows], Don Jose’s, Reubens [King’s Seafood] and Coco’s [In-N-Out Burger], and five service stations. The announcement indicated that Rossmoor would not build any more New Worlds.

Moulton Plaza Finally Appears

By mid-1970 Leisure World had grown to 11,500 manors, nearly 20,000 residents, and manors were being built in the gate 9, 10, and 11 area. Time was ripe for the new center.

In August 1975 Rossmoor announced that construction would start within a few months on the 127,000 square-foot Moulton Plaza commercial recreational center.

The earlier idea of an enclosed mall was abandoned. The center would be anchored by a major supermarket, bowling alley, a financial institution, two or more restaurants, a pharmacy, and more than a dozen specialty shops.

Since the location qualified for inclusion in the Leisure World bus route, it was expected to become one of the most active of the shopping centers surrounding Leisure World. The expected completion date for the project was late 1976.

Laguna Hills High School

In September, the Saddleback Unified School District announced that its fourth high school would be constructed on a 40-acre site at the corner of Alicia Parkway and Paseo de Valencia in Laguna Hills. The school, which would eventually house 2,200 students, was scheduled for completion in September 1977. The school’s closest building was planned to be approximately 300 feet from Leisure World’s southern wall.

MCAS-El Toro

The battle over a commercial airport at the Marine Corps Air Station continued as it would for another 25 years. In April, the Orange County Board of Supervisors voted to approve a request to begin discussions with Riverside and San Diego Counties about a new tri-county jet airport at Rancho California, a planned community in Riverside County.

In May it was announced that Camp Pendleton and Los Alamitos Naval Air Station had been abandoned as possible airport sites for joint civilian-military use airport.

This was followed by news in late November that the proposal calling for joint commercial-military use of MCAS-El Toro “appeared to be on its death bed as the Department of Defense was expected to flatly deny any such use.”

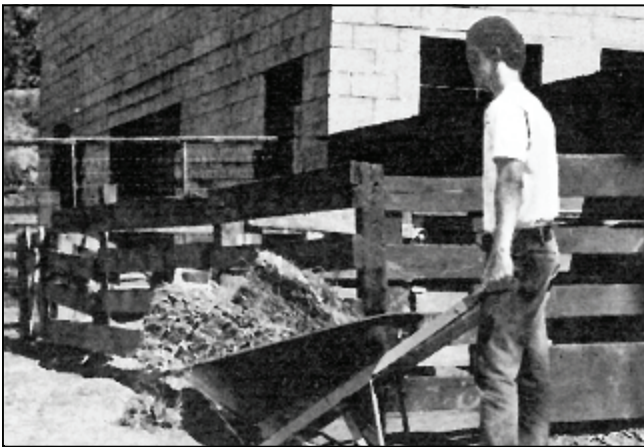
Saddleback Kiwanians Help Joplin Boys

Every Tuesday during 1975 about five Saddleback Kiwanis members made the 15-mile winding drive into Trabuco Canyon to meet with the Service Gents at Joplin Boys Ranch.

Comprised of boys, 16 to 18 years old, who have appeared in juvenile court three and four times for varying offenses, Service Gents are comparable to Key Clubs at high schools. Not only do the 12 members help those who need it, they also take new ranch hands and help indoctrinate them.

The boys were incarcerated at the ranch for six months. They were not allowed to be a member of the Service Gents until they had been at Joplin for two months, the result of which is a constant turnover.

It was a give and take situation between the Service Gents and Saddleback Kiwanis.



Kiwanis has helped the 60 boys at Joplin Ranch by donating a drill press, air compressor, wheelbarrow, socket wrenches and lots of time. Courtesy Leisure World News

Island Damsel Redressed



In 1975 Ross Island was another area outside the boundaries of Leisure World that intrigued many residents. It was considered by many to be a “mutual” for birds. The lake was a part of Rossmoor Sanitation [now El Toro Water] District’s treatment center. It was often a resting place for mallards, pintails and other migrating birds during the summer months. [The lake no longer exists.]

In early July the Angel of Ross Island received another wardrobe change. According to the vice president of Rossmoor Sanitation, two Leisure World artists who he had chosen to identify as Toulouse Lautrec and Vincent Van Gogh, occasionally visit the damsel in the middle of the Rossmoor Lagoon and give her a change of clothes.

With paint brushes in hand, the mysterious fashion designers give the miss a change from a two-piece bathing suit to a one-piece or vice versa. A visit to the mannequin required travel by row boat, but the fearless artists make their way out, presumably when no one was looking, and redressed the maiden.

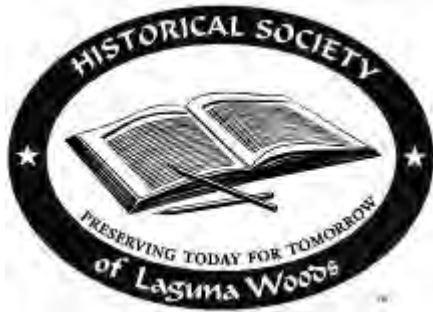
The mannequin was originally placed on the island by Leisure World resident Andy Lambden. It is a good luck charm for golfers playing on the Leisure World course. Her one-armed torso was visible from Hole 4.

If the phantoms decide to strike again, the sanitary district had one request, “Please wear your life jackets.”

Courtesy Leisure World News

Editor — Bob Ring

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