1977 — Tenerife Tragedy, Drought, Record Sales

This article, adapted from a December 29, 1977 article written by Leisure World News staff writer Myra Neben is the fifteenth in this series. Additional information was taken from Fulfilling Retirement Dreams, published by the Historical Society in 1989 and numerous issues of the 1977 Leisure World News. Please note: All dates without a year refer to 1977.

The last days of 1976 were wet ones for Leisure World as over a half inch of rain fell on the community on December 30. It should have been a good sign for 1977 but it wasn’t. The possibility of a water shortage became reality as dry weather plagued California throughout the rest of the year. But water, or the lack of it, was only one of the issues during 1977.

Disaster at Tenerife

The biggest story of the year was not a happy one. Twenty-seven Leisure World residents died in a tragic plane crash at the Los Rodeos Airport (now known as Tenerife North Airport) in the Canary Islands, off the Atlantic coast of Africa, on Sunday morning, March 27. This accident, in which 583 were killed, remains the worst accidental air disaster in history. The impact was felt as residents remembered friends and neighbors who looked forward to a cruise and vacation trip only to die in a fiery holocaust aboard a jumbo jet. Ten Leisure Worlders were more fortunate—they survived but many spent months in the hospital recovering from burns.

Two Boeing 747 jumbo jets, Pan American Airways 747 Flight 1736 and KLM Royal Dutch Airlines Flight 3805 had both been diverted to Los Rodeos Airport from their original destination, Gran Canaria Airport. Canary Islands separatist rebels had detonated a small bomb in a florist shop at Gran Canaria. The threat of a second bomb forced the authorities to close the airport while a search was conducted. As a result, many planes were diverted to the smaller Tenerife airport where air traffic controllers were forced to park many of the planes on the taxiway, thereby blocking it.

Further complicating the situation, dense fog rolled in covering Los Rodeos’ single runway, dramatically reducing visibility. When Gran Canaria reopened, the aircraft parked on the taxiway forced both 747s to...
taxi on the runway in order to get into position for takeoff. Because of the fog, neither aircraft could see the other, nor could the controller in the tower see the runway or the 747s. Since the airport did not have ground radar, the only means for the controller to identify the location of each airplane was by voice reports over the radio.

As a result of several misunderstandings in the ensuing communication, the KLM flight attempted to take off while the Pan Am flight was still on the runway. The resulting collision destroyed both aircraft, killing all 248 aboard the KLM flight and 335 of 396 aboard the Pan Am flight. Sixty-one people aboard the Pan Am flight, including the pilots and flight engineer, survived the disaster. [Please refer to the March, 2008 Historian for additional information.]

**Orange County Redistricts**

On March 22, Orange County Supervisors adopted a redistricting plan which split the Saddleback Valley between two supervisorial districts. Supervisors placed Mission Viejo, Aegean Hills, El Toro and Lake Forest along with portions of the unincorporated Irvine Ranch and the El Toro Marine Corps Air Station in the new Third District under Supervisor Ralph Diedrich of Fullerton. Supervisor Chairman Thomas F. Riley cast the lone no vote against the measure which left Leisure World, Laguna Hills, Laguna Niguel and most of the O’Neill Ranch in the Fifth District.

**Leisure World’s Continued Growth**

Leisure World continued to grow during 1977, and from the way new manors were grabbed up it was obvious that the community maintained its reputation as an extremely desirable place to live. Leisure World had 11,459 homes with about 19,000 residents. Only 585 residences remained to be built and sold.

On January 29, approximately 800 prospective customers and onlookers crowded into the Rossmoor’s sales pavilion to witness the lottery sale of 121 new manors at an average price of $75,000. Rossmoor rang up $9 million in new sales in less than six hours as the names of 237 prospective buyers were drawn from a gaily decorated wooden drum. Prior to the drawing Rossmoor tried to eliminate speculators from the list of prospective buyers.

On April 30, Rossmoor held its final lottery, attended by 1,200 people, at which they sold 240 manors at an average price of $96,000 and collected $23.1 million for 240 manors. Rossmoor announced that this was the last of the Leisure World lotteries. The final tract of 543 to 629 homes to be built on a 58-acre parcel of land adjacent to Gate 9 would be sold on an “early reservation” system.

**Population**

By September 30, Leisure World’s population had grown to 19,125 living in 11,924 occupied manors. Increases in the budgets of the various mutuals assured that residents’ monthly expenses would go up in 1978. The resale transfer fees, which were used to fund community facilities, were increased from $850 to $1,750. With the completion and sale of the last 533 manors in the Gate 9 area, community facilities income from new manor sales would end.

**Construction**

In mid-May, Rossmoor moved into its new office building at the corner of El Toro Road and Calle Sonora and began the renovation of Building 959 so that its 24 units could be sold as manors.

Gate 14, on Calle Sonora, opened on May 16, to allow customer inspections of the first 35 of the 414 manors in Phase IV. The models included one three-story, 21-unit Villa Nueva, two two-story, six unit Casa Milanos and a one-story building comprised of two Cabrillos and a Casa Rosa.

**County Planning Commission**

In December, after a wait of nearly six years, the Orange County Planning Commission approved Rossmoor’s 58-acre project on El Toro Road and Calle Corte (Gate 9). The project included 533 condominiums, with 10 acres left clear in case the county decided to locate the proposed San Joaquin Hills transportation corridor (CA-73 Toll Road) or an ex-
The first four buildings of Phase IV were nearing completion, when this glimpse of a three-story Villa Nueva building was seen through the archway of a Casa Milano on May 1, 1977.

Courtesy Leisure World News

In March—April 2013, the tension of Oso Parkway through the property. The 10 acre property, on which 120 units could be built, became Woods End in 2000. The project was opposed by members of the Laguna Greenbelt which wanted to preserve a 10,000 acre buffer through Laguna Canyon, and argued that the project was in the greenbelt. Planners determined that the area was not within the greenbelt, but was visible from it.

Ridge Route Drive was in the News in April as the Orange County Planning Commission discussed whether to propose an overpass over the freeway or to merely align the road for a future overpass. Eight months later the Board of Supervisors made it clear that an overpass was not in the future for Ridge Route.

Water and Energy Conservation

In February, residents started voicing their opinions to the Golden Rain Foundation (GRF) about its decision to lower the temperature of the pools. GRF responded by telling residents the heat was turned down in response to a directive from the Public Utilities Commission to save energy. “Jim” Waterman, then a director of GRF and later its president, noted that the water problem was becoming as serious as the energy problem. Conservation became the watchword for Leisure World as the sun continued to shine. The Conservation Committee began to write a column in the News informing residents about things that could be done to save water. Leisure Worlders were threatened with water rationing if they did not curb their consumption of the increasingly precious commodity.

Fortunately, rationing was not needed as the community began to heed the warnings and residents continued to curb their use of water. During the first six months of 1977, there was an 8% reduction in water usage in Third Mutual and a 10% reduction in United Mutual.

There was virtually no rain to ease the situation until August, when more than two inches of rain fell, but everything was so dry that the storm did little to ease the drought situation.

Governance

Inevitably, changes occurred in the community. The Leisure World corporations approved a new three-year contract with Professional Community Management and a general manager was chosen for Leisure World from among 300 applicants who responded to an ad in the Wall Street Journal. Harold “Hank” Litten took charge as general manager at the end of February. The position was created on the recommendation of the Arthur D. Little Company’s study of Leisure World’s management, and became a condition of PCM’s contract to manage the community. Prior to the creation of the general manager position, Administrator Bob Price, Controller Russell Disbro and Director of Operations Robert Mitchell all reported directly to PCM president Edward Olsen.

During his first day on the job Litten stressed long range planning as a top priority for Leisure World. Litten’s duties as general manager, according to Olsen, included evaluating the recommendations of the Arthur D. Little study of Leisure World management which Litten had read several times.

In October, Southern California Edison electricians began installing devices on community water heaters and air conditioners as part of experimental “automatic powershift” program. Through the electronic devices, the appliances will be shut off for short periods of time on days when energy demand is at its peak. Devices were to be installed in all manors by June 1978.

Courtesy Leisure World News
A native of Whittier, CA, Litten was general manager of a real estate subsidiary of a major South Carolina conglomerate prior to joining PCM. He spent five years as director of administrative services, public relations and advertising at TRW Systems, a major aerospace organization, where he managed a staff of 654 and a budget of $21 million.

**Administrator Bob Price**

With the addition of a general manager, Litten said, “PCM administration would become more centralized, and communications would be enhanced. Communications is the key on any job, big or small.” To strengthen communications, Litten appointed former Administrator Bob Price as the director of community relations.

In January, the executive board of the Saddleback Area Coordinating Council elected Price as its president. In March, the public elected Price as a trustee of the Saddleback College Board of Trustees.

Price said, “Since Hank Litten has assumed most of my former responsibilities, my new position is based on the concept of the Little Report’s finding that more emphasis is needed on community relations.”

**Cityhood**

In December, the seeds of incorporation of the Leisure World area were sown in a talk on local government given by Price to the Governance Committee. Price pointed out that Laguna Niguel and Mission Viejo were on their way to becoming cities.

Price noted that, “Cityhood would allow Leisure World to have more control over local planning and development. Incorporation would mean that the city would have the say as to whether the proposed San Joaquin Hills transportation corridor could go through the Gate 9 area. It would also have considerable influence on Rossmoor’s battle with the county for approval to build the last phase of Leisure World.”

Price said, “A city would receive state shared sales taxes, gasoline taxes and other taxes. There is a good deal of income that would come our way that is not currently shared by the county.” The Governance Committee members indicated they felt it was time to consider the possibility seriously.

As planned, Robert L. Price retired on January 31, 1978 after 14 years of service to Leisure World, 13 of them as the community’s administrator.

**Plans for Clubhouse V**

In early January, GRF gave preliminary requirements for Clubhouse V, estimated to cost $1 million, to the architect. The plans called for 22,000 square feet indoors, a foyer, a social lounge, a reception office, a supervisor’s office, a conference room, two meeting rooms.
A sign in the center of a barren piece of ground indicates where the new Leisure World Clubhouse 5 will be erected.  

Courtesy Leisure World News

rooms (1,700 and 700 square feet separated by a sliding wall), a main dining room capable of seating more than 400 for dinner with room for approximately 800 dancers and a commercial kitchen. The plans also specified a storage room, an electronic workshop and ham radio station, a table game room, a billiard room with six tables, restrooms and janitorial storage. Outdoors, the specifications included a 35 by 75 foot solar heated pool, a Jacuzzi, a first aid room, and parking for 400 cars with a bus stop and turnaround. The architectural design of building was to be similar to the other clubhouses.

In April, GRF rejected a proposal for the design to include a covered pool based upon the cost estimates of $237,000. In lieu of an enclosure, the board suggested that consideration should be given to windbreaks, a pool cover, solar and radiant heating and an overhead cover for a portion of the perimeter of the pool. The estimated cost of these additions was $82,000.

In July, GRF received detailed renderings of the proposed 24,000 square-foot clubhouse which showed that it would include four separate buildings, connected by covered walkways. The clubhouse design included an administration wing, a classroom wing that would open into a garden area for outdoor classes, and a ballroom area which could seat 460 for dinner or could be divided into two rooms.

An active game area was located in a separate building which eliminated the need for soundproofing the lounge. The active area included a table game room, and after discussions with billiard players, a billiard room without windows. A solar heating system was to provide most of the heat for the pool, with gas heat supplementing it during the winter.

All access to the proposed stucco clubhouse was to be from Punta Alta into parking areas that provided for 290 cars with another 100 parking spaces along the streets. Although construction was expected to begin in late October, Clubhouse 5 was talked about for the rest of the year.

**Clubhouse II**

In August, a plan to add 40 spaces to the Clubhouse II parking lot was approved by the Orange County Planning Commission.

**Clubhouse I**

In September, GRF directors approved the concept of refurbishing Clubhouse I. The first phase of the three-part remodeling would expand the Clubhouse 1 parking lot from 89 to 110 spaces. The parking lot would be redesigned so that mini-buses would circulate independent of automobile traffic as well as providing room on the curb for the community’s 14 buses. Rain and sun shelters were also planned for the terminal.

The second phase of the project would provide for an new expanded exercise room and a mini-gym. The rooms would be separated by a removable partition. The present exercise room would be turned into a table tennis facility. The new mini-gym would also accommodate badminton courts and provide equipment storage. Phase three of the project was the construction of a new shuffleboard facilities that had been in the discussion stage for three years.

In March, a donation by resident Wilson Kline in memory of his wife, Alice, added a four-faced clock to the tower of Clubhouse I.  

Courtesy Leisure World News
Final approval of the three phases was dependent upon funding. The 12,000 sq. ft. of new construction area was to be funded by trust improvements funds which were generated by resales.

**Warehouse**

On March 21, a workman was using a torch to cut off a wheel bearing in one of the mini-buses when a stray spark ignited leaking fuel near the rear of the vehicle. Workers at the warehouse initially extinguished the fire, but heat from the blaze apparently caused more seepage and the fire flared a second time. The fire spread to the garage portion of the warehouse, but was prevented from spreading to other portions of the building by fire walls.

Upon arrival firemen from six engine companies quickly contained the fire, preventing the destruction of the remaining portion of the building with contents valued at $750,000. The fire destroyed one mini-bus valued at $20,000 and damaged another plus a Leisure World fire marshal’s station wagon was also destroyed in the fire along with some tools and equipment in the warehouse.

**Golf**

In January, Rossmoor proposed construction of a privately owned golf course on the present site of Aliso Viejo Country Club. The idea envisioned a 140 acre, non-profit country club and golf course adjacent to Leisure World’s Gate 14 residential area. Rossmoor’s preliminary estimate indicated the cost of proprietary memberships would be about $7,000. The response from Leisure World’s golfers did not encourage further discussion.

In July, at the same time as GRF directors were discussing clubhouse improvements, they also set in motion a three-year program of major improvements to the golf course that immediately met with strong objections from golfers. The project, which would have doubled the size of the starter building and redesigned the 27-hole golf course into three nine-hole courses, was to be financed by an increase in greens fees, golf cart rental fees and a new fee for private cart use. The revenue from the fees was expected to generate more that $400,000 during the following three years to fund the program.

Opposition to the project was spearheaded by the Men’s and Women’s Golf Clubs. Questionnaires were circulated among members of both clubs to determine golfer attitudes toward the proposal. In August, both clubs passed resolutions vowing to bring legal action against GRF if it did not rescind the fee increases. At its September meeting, GRF quieted the storm by deferring the fee increase until January 1, 1978. At that time, it also denied a request for money to finance preliminary architectural drawings to continue study of the starter building remodeling.

At its October meeting, after almost three months of
controversy, GRF reversed the decision it made in July and cancelled both the project and the increased fees.

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

**Saddleback Community Hospital**

In August, Saddleback Community Hospital was accredited for two years by the Joint Commission on Accreditation of Hospitals. The Joint Commission’s accreditation surveys are voluntary. Saddleback Hospital, which opened its doors to patients January 27, 1974, sought accreditation because it represents a benchmark of quality that is higher than required for a governmental license.

In October, GRF approved new terms for a home support services contract with Saddleback Community Hospital that were identical to the contract it had tabled in August for further study. The contract required the hospital to provide a doctor and nurse to make house calls in Leisure World 24 hours a day, seven days a week.

During 1976-77, Leisure World paid the hospital $10,600 monthly for home support service. The agreement expired on June 30, but the hospital agreed to accept the same monthly payment until December 31 when it would increase to $12,450. These costs translated into 89 and 99 cents per manor, per month, respectively. The charges to Leisure World residents who used the home support service ranged from $8 to $40, depending on the length and nature of the call and whether it was an office or home visit.

GRF agreed to appoint a committee to study the home care program in light of the many new resources, such as the Orange County Paramedics, that evolved after the program began in 1964. In December, the first representative was named to the GRF Health Committee charged with studying the community’s contract with Saddleback Hospital and medical care in the area in general.

In November, the Office of Statewide Health Planning and Development recommended that Saddleback Community Hospital’s application for the addition of 10 beds to its critical care unit be denied because the hospital’s application indicated “it failed to meet numerous requirements” of various state regulations pertaining to hospitals.

In July, Saddleback had submitted an application to the State Board of Health to add 10 beds to its critical care unit which had 10 intensive care beds, 12 coronary care beds and 13 definitive observation beds. These beds were frequently fully occupied causing patients to be referred to other area hospitals.

**Moulton Plaza**

In mid-July, residents were invited to the grand opening of Moulton Parkway Plaza featuring ribbon cutting ceremonies for El Rancho Market and Moulton Parkway Pharmacy.

In September, Alpha Beta Market, the first supermarket to serve the community, closed its doors. The store, which opened in 1965, “had become outdated by age” and had been plagued by problems of insufficient parking. The Akron department store took its place a short time later.

**As the Year Ended**

Year’s end brought new developments that will no doubt forecast change for 1978. Leisure World may see its last growth spurt in 1978. On December 19, the Orange County Planning Commission approved Rossmoor’s plans for the last 533 condominiums to be constructed in the community.

The year ended just as it began, with an uncharacteristic, but much-needed rainfall for Southern California. But the last storm of the year left unanswered the question if water, or the lack of it, would continue to be a major part of the news for years to come.
In the last week of June, 1977, detailed renderings of the proposed Clubhouse V were displayed at a meeting of all directors, and most appeared to be impressed with the project. The new facility featured four separate buildings. Included was a rendering of the proposed pool area. The pool will be partially heated by solar panels but will be supplemented by gas heat during the winter. Please see page 4 for a rendering of the clubhouse.

Editor — Bob Ring

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