

## SMALL BUSINESS SNAPSHOT



**MICHAEL SNYDER** THE DESERT SUN.

Mark Spohn is a proponent of saving historic commercial buildings as opposed to razing them.



# Giving new life to old buildings

**BY MIKE PERRAULT**

The Desert Sun

Mark Spohn hopes to foster new attitudes about old buildings.

The longtime commercial real estate broker, who moved to Palm Springs five years ago, recently decided to put his skills to work doing what he could to help save historic commercial architecture in Palm Springs.

Spohn speaks to preservation organizations and others across the city about his initiative called "Old Buildings, New Attitudes."

"The greenest building is the one that is already built," said Spohn, vice president of Sperry Van Ness Commercial Real Estate Advisors.

Spohn has more than 30 years of experience leasing and selling office and retail properties, including more than two decades in Los Angeles.

He was a regular visitor to Palm Springs all those years, developing an appreciation for the city's architecture. That prompted him to do what he could to preserve Palm Springs' commercial character.

"I am making it my goal to find investors to rehabilitate (historic buildings)," Spohn said.

"There is a need to be proactive in adaptive reuse of historic buildings by encouraging private investment."

Spohn sees it as not only preservation but an economic development issue. In PowerPoint presentations, Spohn rattles off a list of historic development projects: the Riviera, Colony Palms and Horizon hotels; The Willows; the Seeburg and

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**MARK SPOHN**

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Commercial Real Estate Advisors

Gallery buildings.

An ongoing renovation of the 58-room, 71-year-old Spanish Inn at 640 N. Indian Canyon Drive in recent months aims to preserve the former Ambassador Hotel, once a getaway for Hollywood icons such as Lana Turner and mogul Howard Hughes, Spohn said.

Palm Springs City Manager David Ready said the city supports "the renovation, the new attitude, the remodel" concept.

"The big impediment has been, 'Does (the project) pencil out?' Are the numbers there for the developer to make a profit?" Ready said.

To help encourage renovation of commercial properties such as boutique hotels, city officials in May expanded a hotel incentive program. It rewards developers who complete major remodels by giving them a hefty rebate on the bed tax.

## Timely program

Robert Imber, a board member of the Palm Springs Modern Committee and trustee for the California Preservation Foundation, said there is an abundance of Palm Springs historic architectural assets in need of rehabilitation, so Spohn's program is

timely and beneficial for the region.

"In Palm Springs, other than the preservation organizations and a few specific projects in recent years, I am not aware of anyone other than Mr. Spohn forwarding such practical and efficient strategies that combine restoration and development at commercial properties," Imber said.

What's noteworthy about Spohn's approach is that it presents properties as intrinsically valuable because of their historical character, said Ron Marshall, president of the Palm Springs Preservation Foundation.

Many preservationists have been concerned that some developers have been more concerned with "real estate speculation" than making a building viable, which can be detrimental to the long-term health of the city, Marshall said.

Many folks think historic preservation is some arcane science, he said.

"Nothing could be farther from the truth," Marshall said. "The U.S. Secretary of Interior has established simple, straightforward standards that local governments are encouraged to follow for the treatment of historic

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# PRESERVATION: Saving historic buildings

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properties.”

Among projects the Foundation has been working on is ensuring “sensitive restoration” of the 71-year-old Welwood Murray Memorial Library, a city-owned property in downtown Palm Springs.

A survey the city conducted shows there are more than 100 historic commercial buildings. Their architectural styles range from mid-century modern to Spanish colonial revival.

Among architects who have created commercial buildings are Albert Frey, E. Stewart Williams, Richard Neutra, William Cody and Paul Williams.

Typical prices for such properties range from about \$3 million to \$10 million, Spohn said.

Many office, retail, boutique hotel and special-purpose buildings — while they are in need of repair — are well-built structures in prime locations, Spohn said.

Spohn emphasized that historic development projects must be as economically feasible as any others. If done right, they will benefit the community by retaining the architectural charm and character that distinguishes Palm Springs from other desert resorts, Spohn said.

One project Spohn is work-

## For sale

### Palm Springs historic commercial properties

■ Santa Fe Savings Building: \$3.8 million

■ Pacific Building, Kocher-Samson Building, Casa Palmeras Apartments: \$4.9 million

■ NOIA Building (anchored by Sherman's Deli): \$2.9 million

■ 849 Building: \$2.8 million

ing on is to draw a Liberace Museum that closed in Las Vegas to Palm Springs, where the entertainer had numerous homes.

Spohn said investors willing to renovate commercial properties often have emotional ties to the city or area architecture.

Other developers see an opportunity to tap financial incentives, including a federal historic tax credit that pays for up to 20 percent of rehabilitation costs.

Public-private partnerships also can help developers garner grants for façade improvements or take part in hotel tax abatement programs.

Some historic properties to watch in the future include La Serena Villas bungalow court, Town and Country Center historic courtyard, and the Harlow Club hotel in the Las Palmas historic commercial district, Spohn said.