

# Common Ground

CAI's Magazine for Community Association Leaders

HISTORIC PRESERVATION  
DISASTER PLANNING  
LEARNING MANAGEMENT  
INFORMING RESIDENTS

**UNETHICAL**  
**IMMORAL**  
**DISHONEST**  
**UNPRINCIPLED**  
**IMPROPER**

Do you know when you've crossed the line  
between right and wrong? PAGE 18



**ROYAL HAWAIIAN.** The Palm Springs, Calif., association voted in the late 1990s to remove some of its architecturally significant elements, including the “flying sevens” (left) and the tiki apexes (below).

century California gem. Distinctive features of the community’s signature Polynesian style include wooden tiki apexes on roofs and sharply angled buttresses called “flying sevens.”

In the late 1990s, the association’s board voted to remove architecturally significant elements, including the tiki apexes and some of the flying sevens, to eliminate maintenance costs. In 2001, new owner Bill Lewallen learned that the remaining flying sevens were in jeopardy. “The property was pretty much in shambles, but I fell in love with it—the clerestory windows, the gabled ceilings, the flying sevens. And a developer would never be able to accomplish this low density today—just 40 units on five acres. I realized we were sitting on a goldmine.”

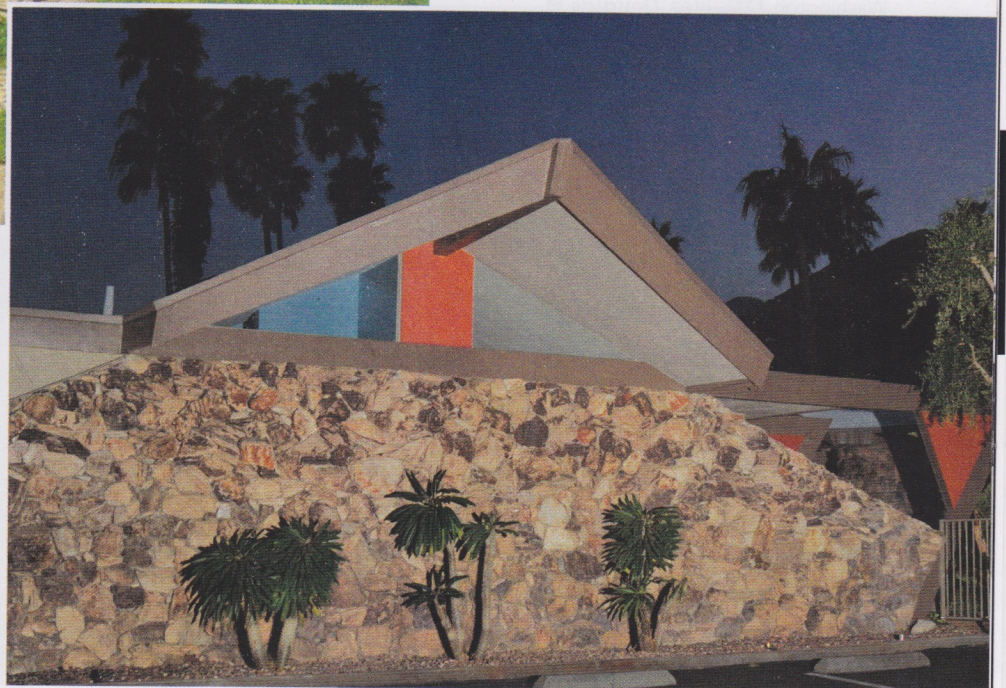
In less than a year, Lewallen joined the association board, quickly becoming president. Lewallen, also a Palm Springs Preservation Foundation board member, enlisted experts to write the history and context for the community’s historic site application and speak to the city council and community about the importance of preservation. “I educated myself and as many people as I could,” he recalls.

It will then determine which combination of options works best for the community. Residents already decided they would keep their slate roofs and copper gutters, despite the availability of less expensive alternatives.

### RESTORING WHAT WAS LOST

Residents of Royal Hawaiian Estates in Palm Springs, Calif., are discovering that preserving the integrity of architectural details is a practical as well as aesthetic goal.

Founded in 1960, the 40-unit homeowners association is a mid-20th



**CALIFORNIA GEM.** Royal Hawaiian residents began restoring and replacing the community's signature Polynesian-style elements in 2010. The community already has benefitted from the decision.

His efforts succeeded. Every owner voted to spend money on restoration, and in February 2010, the city council designated its first residential historic district to Royal Hawaiian Estates.

Funded by three grants from the Palm Springs Preservation Foundation, the community began working to replace the lost tiki apexes. Two years after achieving historic status—and with more restoration to come—Lewallen already sees real benefits. Prospective buyers interested in mid-century California architecture are coming to look at the property.

“We literally changed the community. We are attracting more and more people who are interested in historic preservation and historic architecture,” he says.

That makes a difference, particularly in today's depressed markets. “We recently had two homeowners buy here within two weeks of when the units went on the market. Both immediately requested variances to return their courtyards to the way they were in the 1960s,” says Lewallen.

In an association where moving forward sometimes means taking a reflective look back, that's a return on investment worth counting. **CG**

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## Finding the Funds

In some jurisdictions, owners can receive property tax relief for historic properties. Check with local preservation experts in your area. Here are three examples:

■ Properties certified as historic by the Charlotte-Mecklenberg Historic Landmarks Commissions in North Carolina are eligible for a recoverable abatement of 50 percent of their assessed value. The Frederick, a condominium conversion of a 1927 apartment building in Charlotte, is among the program's beneficiaries.

■ California residents can use the Mills Act, which instructs the tax assessor to assess units as if they were rental property (disregarding the market value) and on the basis of the income stream the unit could generate. That produces a lower tax assessment in most instances.

■ In New York City, under a program call J-51 Tax Abate-

ment, buildings in landmark districts can get a property tax credit spread over nine years for 80 percent of the cost of repairs and improvements, regardless of whether the building is historic. If the building is historic, the credit can be 100 percent of the certified cost of repairs. About 50 percent of Manhattan is in a landmark district.

**Grants.** Like Royal Hawaiian Estates, historic communities may be able to tap local preservation organizations for grants. Local professional organizations also can be a good source of in-kind services. Greenbelt received help from the Potomac Chapter of the American Institute of Architects.

Local governments may be able to use U.S. Department of Housing and Urban Development Community Development Block Grant funds for preservation. Just be sure to ask if preservation is an approved use in your area. —**B.J.**