

PRESIDENT'S REPORT

1981

1982

by Edward R. Aotani, AIA

Our efforts during the past year have been aimed at recognizing that historic buildings and sites are an economic asset as well as a reflection of the unique cultural heritage of Hawai'i.

As Michael Ainslie, president of the National Trust, put it: "Preservation is the most promising strategy any city has for the future of its development. Preservation, sensitively combining existing architecture with new construction, is the way of the future. And, it is profitable."

That is a message that needs to be repeated now, over and over, because we are at an important time in the development of our cities and towns.

It is a time when we as preservationists must change our tactics. We must get involved in the political process, the planning process, and the development process.

We must change our image from being negative and on the defensive, to being positive and a contributing partner. We must identify precisely what we want to save, explaining how we want to do it, and we must have the skills to participate in the ongoing process of business and government.

We have opportunities to clearly show how we can accomplish these goals using our skills and I would like to review them.

TAX INCENTIVES

The 1981 Federal Economic Recovery Act offers a major tax incentive for preservation by providing rehabilitation tax credits on renovation costs for historic and other buildings 30 years and older. Our Vice President, Richard Coons, prepared detailed articles on the tax credits which appeared in *Hawai'i Real Estate Investor*, *Building Industry Digest*, *Hawai'i Architect* and our own *Historic Hawai'i News*. Hundreds of building owners and developers learned about the positive economics of rehabilitation by reading these articles and we are witnessing a major rehabilitation effort in downtown Honolulu, and significant work in Hilo as a result.

The first week in March, we co-sponsored workshops on O'ahu and the neighbor islands with the National Park Service and the State Historic Preservation Office on the specifics of how an owner or long-term lease can qualify to take the 15-20-25% rehabilitation tax credits. David Look, architectural historian with the Park Service, did an excellent job of explaining the process and answering questions for more than 90 people who attended.

Our Trustee, Richard Gushman, organized the "Nuts and Bolts Workshop" on March 20 to provide detailed information about the actual process involved in the rehabilitation of the Mini-Mendocina Building and the reconstruction of his own Model/Progress Building. The owners - Gushman and Bob Gerell, the contractors - Ron Knoll and Mickey Thielan, and the architects - Spencer Leineweber and Jim Reinhardt, compared notes on how they worked together on each building and Richard Coons provided an evaluation of the tax incentives which applied. More than 80 people attended that workshop and special effort was made to involve the members of the Downtown Improvement Association, American Institute of Architects, American Society of Interior Designers, Hawai'i Society of Certified Public Accountants, and Honolulu Board of Realtors.

A TURNING POINT

Historic preservation was recognized as a growth management tool by the Honolulu City Council at the Historic Preservation conference in January. Key speakers from Hawai'i were joined by leaders in the preservation movement on the mainland headed by Michael Ainslie.

Ainslie's visit was a real turning point for us. He provided a national perspective and information on the Trust's programs which gave new focus to our efforts.

At his suggestion, we approached the Kahuku Housing Corporation and Campbell Estate with the idea for a rehabilitation loan program for the homes in Kahuku town. We have been working together since February on the plan and a grant application to the Trust's Ventures Fund for the money to finance the plan. This positive effort has received the support of the governor, state historic preservation officer, the



At May's annual meeting, outgoing Historic Hawai'i Foundation President Edward R. Aotani (left) turned over the gavel to incoming President Richard A. Coons, CPA (right). (Photo by Monte Costa)

mayor, director of housing and community development, the ILWU, the Hawaiian Sugar Planters Association and the Housing Coalition.

The plan recognizes the worth of older homes in meeting the housing needs of our elderly and of low-to-moderate-income population. It offers a solution for those living in plantation towns throughout our state who want to stay in their homes and need to fix them up.

ESTABLISHING A NETWORK

Ainslie also recognized that we as an organization were at a critical time in our development faced with opportunities that demand a special effort in planning, strengthening, and developing our constituency to help us.

He suggested that we apply to the Trust for a Membership Development Grant to provide the funds to develop a major drive to strengthen our existing membership, recruit new members, and establish a network of preservation-related organizations throughout the state. We have received word from the Trust that our application has been approved and we are now in the process of developing our plan. With the help of Valerie Mendes and Duncan MacNaughton, we are in the process of raising \$25,000 in matching dollars for the grant.

PACIFIC BASIN SEMINAR

We have another opportunity which needs special consideration. We were honored to be asked to serve as coordinating agency for the Cultural Heritage Conservation Seminar scheduled for July and August of this year. The seminar is geared to recognize and encourage a partnership between tourism development and cultural heritage conservation. We will be sharing what we have learned and accomplished here in our state with representatives of Pacific Basin Islands and countries to guide them in establishing or continuing their efforts to preserve their architecture, archaeology, art, music, and dance...those aspects of their culture which provide a sense of place for their people and make them attractive to the visitor. We are proud of the good things we have done; we hope others can learn from the bad. We are joining hands in this effort with the Pacific Area Travel Association, National Trust for Historic Preservation, East-West Center, State Historic Preservation Officer, and Director of the Department of Planning and Economic Development.

ON THE COUNTY LEVEL

In the area of providing economic consideration for historic preservation on the county level, we look to success. Stephen Yamashiro is chairman of the Real Property Tax committee of the Hawai'i State Association of Counties. He has promised us action this year on our amendment to provide real property tax relief for state and national register properties. We will not get everything we asked for, but we have been assured that there will be a tax exemption for homes. We thank Honolulu Councilman Tom Nekota for initiating this amendment for us and all of our members who worked with us to let our councilmen know the importance of this positive step in the recognition of historic buildings.

The past two years as president of Historic Hawai'i Foundation have been very rewarding to me personally. I have enjoyed working with our trustees, members, and staff and look back with a great feeling of achievement for the work that we have accomplished. I also feel a great sense of gratitude for all who have worked together with me. As I turn over the office of president, I feel very confident that the positive motion we have initiated will be kept moving

ahead under the leadership of our new president and the dedicated members of our board.

I want to thank you all for the opportunity to serve as your president.

MAHALO AND ALOHA!

OUR GUEST EDITOR



Dr. Norman Goldstein

Associate clinical professor of dermatology at the University of Hawai'i School of Medicine and in private practice in Honolulu. Norman Goldstein, M.D., F.A.C.P., has been instrumental in the development of modern sunscreen lotions and development of

photographic technique for early diagnosis of skin cancer. He is past Treasurer and now Executive Committee Member of Historic Hawai'i Foundation, an active member of the National Trust for Historic Preservation, and the former president of Friends of the Alexander Young Building.

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