

Musician Calls for Historic Decision on Mansion

REAL ESTATE: Taylor Swift likely to boost cachet but not price of 'landmark' home.

By **HELEN ZHAO** Staff Reporter

The Samuel Goldwyn estate in Beverly Hills could soon be a historic landmark thanks to the efforts of its owner, pop star **Taylor Swift**. It's a move that might not help boost the value of the property, however.

Swift reportedly purchased the two-acre estate from the heirs of the famed film producer in 2015 for \$25 million after it listed earlier that year for \$32 million. The home was acquired by **Leo Realty Ventures**, which shares the same Nashville, Tenn., address as her official fan club, Taylor Nation.

As the home undergoes renovations to restore the property to its original 1934 glory, the Beverly Hills Heritage Commission approved the musician's application for historic landmark status in mid-January, which will require final approval from the City Council. A vote is scheduled for April.

But assessing the value of such status for the 11,000-square-foot home depends on whom you ask. Historic landmark homes carry a certain cachet that might make them more valuable to some buyers who treat homes as collectibles.

"That's why there are vintage cars that have a big price tag. They're more expensive than a new Ferrari. Same thing with homes," said agent **Stacy Gottula** of Beverly Hills' the Agency, who listed the Goldwyn mansion along with **Joyce Rey** of Coldwell Banker.

That could have been what Swift was after with her Beverly Hills estate, which was home to two generations of Goldwyns and a served as a gathering place for many of the movie mogul's celebrity friends.

"Whoever was going to buy that property was going to buy it because they wanted a piece of history," said Gottula. "They feel a connection to that property."

But historic landmark status can decrease

the value of a property to developers, due to restrictions on the renovations that can be performed. The U.S. Department of the Interior sets standards for historic preservation, stating that alterations of features, spaces, and spatial relationships that characterize a property must be avoided. The Beverly Hills heritage commission, as with other local boards across the country, largely follows those guidelines.

"A developer wants to be able to tear something down, bring out the wrecking ball, and build something from scratch," said agent **Ruth Shari** of Coldwell Banker, who also serves on the Santa Monica Landmarks Commission.

Monumental challenges

Consider the opposition of Bob Hope's family to the historic designation of a Toluca Lake estate. After the Los Angeles City Council nominated the Moorpark Street home as a cultural monument in September, Bob and Dolores Hope's daughter, **Linda Hope**, told the Los Angeles Cultural Heritage Commission that her father would have been opposed to the designation.

"I know he would be disappointed if we couldn't sell this site for maximum value in order to further fund our foundation," she told the commission in November.

Hope went on to say the property had been on sale for years, and the City Council's nomination had a negative impact on the process.

"When we were finally able to find a buyer who made us a respectable offer, this motion was introduced and the buyer was scared away," said Hope. "Ever since, we've had no viable offers. And any designation will make the sale process more burdensome than it already is."

The L.A. commission voted against the designation and a vote will go before the City Council on Feb. 21. The council would have to vote unanimously in support of the nomination in order for the estate to be designated as a historic monument.

Most applications for historic cultural monuments are submitted by property owners themselves, said **Kenneth Bernstein**, manager of

the city of L.A.'s Office of Historic Resources.

Tax breaks

There are also financial incentives in place for owners of historic landmark properties. One such benefit is a 20 percent to 80 percent reduction in property levies for 10 years through the Mills Act, while tax credits are also available to help fund renovations. Owners might also benefit from a charitable contribution write-off for preserving the façade of a historic home by "donating" it to a preservation organization.

Those benefits make historic landmark projects more financially viable, said architectural conservator and designer **Xorin Balbes**, who flips historic landmark homes such as the Frank Lloyd Wright Jr.-designed Sowden House and Talmadge Villa, both in Los Feliz. The villa was the former home of 1920s silent-film star Norma Talmadge.

Balbes, the L.A.-based co-owner of **Temple Home**, said he takes advantage of write-offs when buying historic homes, and then secures landmark status if it's not already in place. He then renovates and sells the properties.

"I restore the most important aspects of the architecture," said Balbes. "For all those things that aren't the most important aspects, I then insert my own design sensibility into them."

Homed In: Taylor Swift acquired the Samuel Goldwyn estate for \$25 million in 2015.

ALBERTO E. RODRIGUEZ/GETTY IMAGES



Federal Attention Buoy's Stock of Aquifer Owner

WATER: Trump team puts Cadiz's desert project on list of infrastructure investment.

By **HOWARD FINE** Staff Reporter

Shares of **Cadiz Inc.** received a boost from news that its planned water storage and conveyance project in the Mojave Desert was included on an infrastructure investment priority list compiled by the presidential transition team.

Cadiz's project was ranked No. 15 out of 50 priority projects on the list, which was obtained by McClatchy News Service and published in the Kansas City Star and other publications last month.

Cadiz shares jumped 15 percent to \$14.60 on Jan. 25 and closed at \$14.53 on Feb. 8. They have nearly doubled since President **Donald Trump's** election on the hope that the new administration and Congress will prioritize infrastructure projects.

"We are appreciative of the inclusion on any list of priority infrastructure projects," Cadiz Chief Executive **Scott Slater** said in a statement. "We are ready to bring reliable water to Southern California and put people to work."

Slater said by email that he hopes the project's priority listing would boost the chances that the federal Bureau of Land Management will reverse a decision that at least temporarily blocked the project and potentially opened it up to lawsuits.

He said he was a bit puzzled about how the project ended up on the priority list, since there



On the Map: Chief Executive Scott Slater at L.A.'s Cadiz in an October 2013 photo.

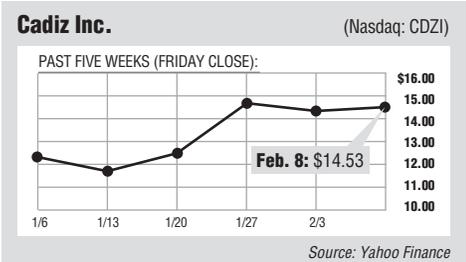
is no planned federal funding component. The first phase of the project is expected to cost roughly \$250 million, to be financed through private construction loans that would be repaid through contracts with water agencies.

Cadiz, based downtown, has been trying for 25 years to develop a water storage and sales project for an aquifer under its 45,000-acre holdings in the Cadiz Valley east of the Marine Corps Air Ground Combat Center Twentynine Palms.

An initial plan to store more than 1 million

acre-feet of water in the aquifer was rejected in 2002 by the Metropolitan Water District of Southern California. The company came back in 2009 with a scaled-back plan and has signed agreements with six water agencies to pump up to 50,000 acre-feet of water a year out of the aquifer and send it via pipeline to the MWD-operated Colorado River Aqueduct.

That plan received environmental approvals four years ago and survived numerous legal challenges from environmental groups, which said pumping out groundwater would impact



the desert ecosystem. The last of those challenges was exhausted last year when the state Supreme Court denied an appeal.

Environmental groups saw a new chance to challenge the project, however, when the Bureau of Land Management in October 2015 unexpectedly blocked Cadiz from receiving a ministerial approval for its pipeline, thus requiring another complete environmental review and several more years of waiting for a final BLM determination.

Cadiz has been trying for the past 15 months to overturn that decision, rallying support from members of Congress.

It's unclear just how much weight this priority list will be given now that Trump is in office. Many other lists of priority infrastructure projects have been offered up in recent weeks, including one last week from California.

That list does not contain the Cadiz project, though it does contain another desert project being spearheaded by an L.A.-area company: **Eagle Crest Energy's** \$2 billion energy storage project at an abandoned mine near Joshua Tree National Park.