

TO: Members and friends of GREENMEADOW

**FROM: The 1987-88 Board of Directors of the Greenmeadow Community Association,
Incorporated**

Convinced that all our members, friends and prospective neighbors need to have accurate and factual knowledge about the unique community of Greenmeadow, your Board of Directors has prepared and approved this brief history together with summaries of the principles that have guided our organization since its beginning.

GENESIS

Our beginnings as a community date from the 1950's when entrepreneurs - Joseph Eichler large among them - were responding to the shortage of housing that resulted from the all-out national effort that was World War II. In the area then known as "The Valley of Heart's Delight", later to be called Silicon Valley, the orchards were being uprooted and replaced with houses, schools, industry and shopping centers at a feverish pace.

In 1953 and 1954, when Greenmeadow units I and II were under construction, there were nearly 180 houses in approximately the same stages of completion at the same time. Crews of construction specialists moved down the streets, sequentially putting in the foundations, laying the tubing for radiant heating systems and hurrying because the concrete trucks were right behind them to pour the slab floors. Behind them came the carpenters, framing the structures, followed by the finishers who completed the houses as fast as they could because original purchasers were moving in at a comparable rate.

THE SPIRIT OF COMMUNITY

Attracted by the reputation of Palo Alto as an outstanding place to live - with its benign climate and educational opportunities - and Greenmeadow's affordability, architectural excellence and the innovative concept of grouping the homes around a community center, these original settlers were aware that somehow there was a built-in "spirit of community". That spirit seems to have survived almost intact to the present day.

The developers concept of providing a one-acre private park, a community center building and a swimming pool was encouraged and supported by the City of Palo Alto. (The City would not, for example, have to provide a park at its own expense.) Naturally, the developer asked for certain concessions in return for dedicating three acres - complete with improvements - to the private and exclusive use of the residents of Greenmeadow I and II. The City was ready to provide the necessary inducements. In the trade-off process, the City amended the existing zoning to permit an increase in density. The width of some streets and the size of some lots were reduced. In recognition of these concessions, the City, the developer and the owner-residents mutually agreed to accept major restrictions - including architectural review and a ban on second story additions.

By 1954 and early 1955 Greenmeadow Unit I and II were largely occupied and the "pioneers" looked eagerly forward to the exciting prospect of enjoying the exclusive, private use of their common facilities. For the reasons just outlined, they felt they had a vested interest, having given up lot area and accepted restrictions. None doubted, moreover, that they had paid for the facilities in the purchase price of their homes.

THE FIRST CRISIS

Encouraged and buoyed up by representations in the original sales literature and the continuing assurances of the developer that the facilities would be managed and operated for their benefit, the owner-residents were in for a shock. The Eichler Company soon announced restricted hours of use of the pool and community center to make way for a commercial swim school and nursery school. A usage fee of something on the order of \$75.00 per year (memories tend to be inaccurate) was also imposed - even for the now-limited privileges!

COMMUNITY RESPONSE

Galvanized into action by this news, the residents confronted the developer - now manager / operator - and demanded restoration of promised rights and privileges. At that meeting it was obvious to the residents they needed to band together, communicate with each other, and organize in a way that would enable them to deal with the Eichler Company as equals. By acclamation, such actions were approved, a provisional President and Board were installed, and thus the issue was joined.

Tense and difficult times followed. This narrative cannot hope to capture adequately the drama, the excitement, and the spirit of cohesiveness that characterized the next few weeks and months. Suffice it to say that between early 1955 and Thanksgiving Day of 1955 the founders:

- drafted Articles and By-Laws; sought and obtained legal counsel as well as City approvals, and in general looked after the interests of all concerned in ownership of the common property;
- organized and elected officers and formally adopted the Articles of Incorporation and the By-Laws of the permanent entity that would own and operate the common facilities;
- instituted a system of communication to provide the fast exchange of information needed in negotiations between groups;
- garnered the unanimity of support necessary to overcome a well-organized and determined opposition; and
- commenced negotiations for purchase of the property.

It was on Thanksgiving Day, 1955, that intense and skillful negotiations culminated with the first President, John Berwald, making an offer, accepted by the developer, for the Greenmeadow Community Association, Inc., to purchase the common land and improvements from Eichler Company for the remarkable price of \$10,000. There was perhaps more jubilation than Thanksgiving at the time but it was moderated by the fact that work remained to be done.

The first Board of Directors now needed to fulfill its commitment to own and operate the community facilities and the first task was of course to pay for the property. Lenders were not then and never have been particularly eager to loan money to non-profit organizations with volunteer membership. The first Board nevertheless persevered, and - on the basis of personal assets and reputations - took out a six month loan at the Bank of America with the hope and expectation that it would be repaid by the 180 residents of Greenmeadow I and the 63 residents of Greenmeadow II.

Records of transactions of the era were missing for some time but they have recently been discovered - neither in the best state of preservation - nor organized for easy research. It can be seen, however, that a payment schedule was set up along with the regular dues of \$1.00 a year and the then-current assessment for maintenance and operations and that within the loan period 238 household units redeemed their pledges to pay the purchase assessment of \$50.00. The loan was repaid and the title to their property was thus cleared on behalf of all 243 residents of Greenmeadow Units I and II. In 1957, in recognition of ownership, a "Certificate of Eligibility for Membership in the Greenmeadow Community Association" was issued to those properties.

GOVERNANCE

Articles of Incorporation and By-Laws, drafted by the founding provisional board and adopted on July 16, 1955 by the first Board of Directors have become the guiding principles of the Greenmeadow organization. Only minor changes in the wording that relates to Board procedures in the Articles of Incorporation have been made since their adoption. In the opinion and judgement of this Board, the purposes of the organization are so well stated in the Articles of Incorporation that we believe our members, friends and neighbors should be reminded of them periodically, and to that end, a copy is appended to this message.

If the Articles of Incorporation have survived the intervening years intact and worth restatement, the same cannot be said of the By-Laws. A cursory reading of the recently discovered archival material indicates that the task of tracking by-law changes in terms of chronology and subject matter had apparently proved to be too much for several volunteers. Individual memories and the record, however, confirm that on April 15, 1969, the first paragraph was changed to insert into the definition of eligibility for membership 27 residences comprising Greenmeadow III. Whether the formal Certificates were ever issued to those properties, or whether there was a pro-rata sharing of the cost of purchase from the developer, is unclear from the records and should perhaps remain so. It is apparent, however, that no more than 238 Certificates of Eligibility have ever been issued. Consequently, there are a number of members who believe no further definitions of membership are needed.

"THE COVENANTS"

In the post-war era of construction, as we have noted, subdivisions of the Greenmeadow type were proliferating. To insure a measure of stability and reliability in land development (not to mention responsibility on the part of developers) the State of California required the filing of Covenants, Conditions and Restrictions (known in the trade as "C, C and R's") to be appended as a Deed Restriction on every property in a subdivision. While the State had no specific requirements as to content, the Covenants - as they came to be known - were considered indispensable in a new area to insure orderly and compatible development and protection of established property values. In Greenmeadow there were those who viewed the Covenants not so much as rigid restrictions on their individual freedoms but rather as mutual promises made to each other to preserve and protect the community from what the original understandings deemed to be inappropriate development. Many considered the limitation to a single story to be a necessity if privacy is to be maintained on the small lots. There are those who still believe this to be true.

The laws governing land subdivision also recognized that once a subdivision was built out, property values would tend to stabilize. Thus C, C and R's routinely provided for automatic

extensions for 10-year periods unless at the end of 25 years a majority of the owners of the lots should agree to a change in whole or in part.

In 1979 a Task Force appointed by the Board polled the Greenmeadow Community and concluded that a majority favored retention of the Covenants without change. They will thus remain in force until July, 1989, at which time they will automatically renew for another 10 years unless a majority at that time agree upon changes. A copy is attached for information and for your records in case they were not made a part of your deed.

The original C, C and R's provided for an "architectural control committee" and, of course, the developer was to be a member since houses were still being built and the intent was to provide continuity and compatibility of design. Today, on the other hand, there are no vacant lots so the principal concern is that proposed alterations and additions maintain design integrity. There is a further desire on the part of some to consider the function of the Architectural Review and Covenants Committee (ARCC) as less one of enforcement of rules and more as a source of guidance and help (calling upon available professional and market resources) for the benefit of the homeowner - who may be involved in home remodeling and/or improvements for the first time. The 1988 Board has approved a restatement of the charge of the ARCC. A copy is appended for your information and records.

"THE BLOCKHEADS"

The founders and authors of the original By-laws recognized a need to maintain close communication between the Board and the membership and to that end established the Council of Representatives - who promptly and happily became known as the Block-heads. Their duties included meeting and greeting newcomers to Greenmeadow; making them feel welcome and acquainting them with the history, by-laws and activities of the Association as well as the benefits of membership and active participation. (They were in a sense, the "salesmen" of the community spirit.) From their personal knowledge about the membership, they were intended to constitute the nominating committee for the annual Board elections. Over the years, however, as community relationships grew more and more impersonal, the nominating process was changed in the by-laws and the block-heads tended to make fewer efforts to meet newcomers and assist in their orientation in the community. There are those who believe any plans for the future should include revitalization of these amenities.

THE COMMON FACILITIES

As time passed and the buildings and grounds noticeable matured, the by-laws were amended from time to time to require that funds be set aside for such necessities as new roofs and equipment and miscellaneous repairs. By 1984, the pool was in need of extensive repairs and modernization. A dedicated group of swimming members and the 1984-85 Board arranged various contracts to reconstruct the pool; incorporating and refinancing the solar heating facilities, separating divers from swimmers and complying with standards and regulations so that if the swim team should set a record, it would be official. Some of the related work is currently being implemented as funds can be allocated.

The Association thus assumed a 30-year obligation, borrowing \$117,500 - which includes \$12,500 for the earlier solar heating system - and committing the membership to payments for principal and interest of \$14,000 per year. (All these numbers are rounded to the nearest \$100.) Local real estate people say that the common facilities constitute one of Greenmeadow's major assets. The members of the Board feel that the asset value has been substantially enhanced by the pool improvements. Questions have been raised, however, in

the light of Greenmeadow's history, as to which of the properties might be held responsible in the unlikely event of a default on the loan or a major liability involving the pool.

On balance, it should be noted that the buildings and grounds are in excellent condition for their age and are being well maintained by several dedicated and responsible volunteers.

THE FUTURE

The 1988 Board appointed a long-range planning committee to identify your concerns and priorities and to recommend actions to guide the organization during the next five years. In the first quarter of 1988, the committee provided an opportunity for ALL members to communicate their desires, concerns and wishes for consideration. The planning process is continuing.

During the time the committee is categorizing and prioritizing the material generated at its first meeting some of the Board members will be searching for answers to questions related to the one above about responsibilities and liabilities and whether it is prudent, practical and feasible to continue to conduct a \$150,000/year "business" with a volunteer organization.

If the long range planning activity fulfills its expectations there will be recommendations for not only addressing detailed concerns but also for:

- defining membership realistically and allocating the responsibilities of membership on an equitable basis
- enhancing the spirit of community through improved communications among members
- facilitating the architectural review process to encourage the full, voluntary and willing cooperation of all concerned
- reinforcing our founding principle "to sponsor community activities and provide creative and cooperative programs which will contribute to the educational, social, and recreational advancement of its members."