

An Interview with George P. Mitchell

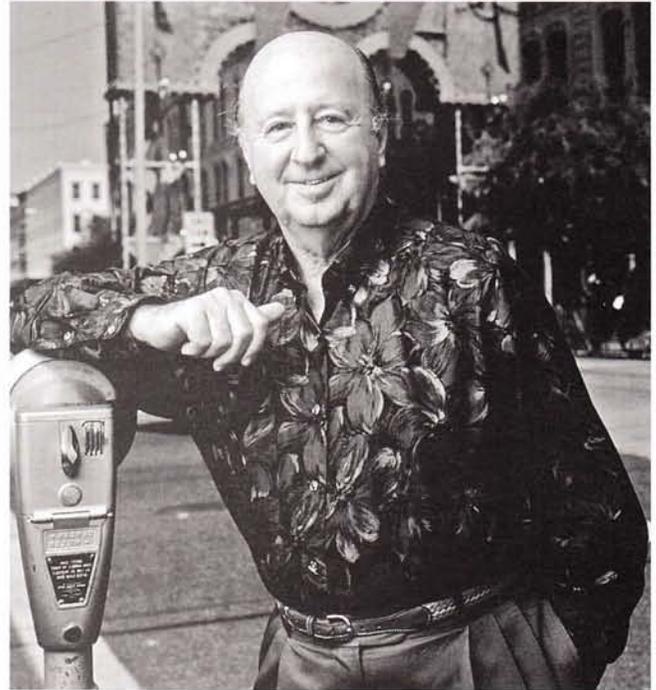
Interviewed by Marsh Davis, Executive Director of the Galveston Historical Foundation and Joe Pratt, Center for Public History at the University of Houston

GEORGE P. MITCHELL AND HIS WIFE CYNTHIA HAVE played pivotal roles in the rebirth of downtown Galveston. The Mitchells have personally undertaken the restoration of some eighteen historical structures in the area around The Strand. They have contributed their money, leadership, and passion to historic preservation in Galveston, helping to create and sustain the “preservation ethic” needed to rebuild historic Galveston.

George Mitchell’s family immigrated from Greece to the United States at the turn of the twentieth century, coming to rest in Galveston in 1907. His father, Savvas Paraske Vopoul Os, worked his way up from a railroad gang to the proprietorship of a dry-cleaning shop in Galveston. While Savvas worked on the railroad, a paymaster named Mitchell, despairing of pronouncing the Greek name, simply changed it to match his own. The name stuck, as did the work ethic that had motivated Savvas to immigrate in search of better prospects for himself and his family.

George, who was one of four children, took advantage of his parents’ hard work and gained an excellent education in the public schools in Galveston. He went on to graduate in 1940 with a degree in petroleum engineering and geology from Texas A&M University. After service in the Corps of Engineers during World War II, he built a major energy company, Mitchell Energy & Development Corporation. As this company succeeded, he also turned his attentions to the development of The Woodlands, originally a 25,000 acre planned community north of Houston, where his energy company had its headquarters.

Yet George and Cynthia remained attached to Galveston, and frequent visits there led to their commitment to do something to stop the urban blight that threatened. They devoted considerable personal energy and money to restoration efforts, playing an important role in the growing importance of historic preservation in Galveston.



ABOUT THE INTERVIEWER: Marsh Davis is the Executive Director of the Galveston Historical Foundation. Before moving to Texas, Marsh worked for the Historic Landmarks Foundation of Indiana. He received his training in historic preservation from the College of Architecture and Planning at Ball State University. Davis and Joe Pratt interviewed Mr. Mitchell on February 4, 2006 at The Tremont House in Galveston.

George Mitchell (GM): I was born [in 1919] and raised in Galveston. It was a very interesting area because it was great time to be born as a young boy, where you had a chance to go to school and go with your friends down the west end of the island and catch fish and go hunting and do many things that most boys don't have the freedom to do. So Galveston was really a wonderful town, as a young person.

My parents couldn't speak much English. In fact, my mother never spoke English, and because [of that] I had to speak Greek until I was thirteen years old. She died when I was thirteen. And my father had a very broken English vocabulary, but he got by somehow. He had a lot of perseverance, so he managed to get by.

It was an interesting childhood, and I think there were many immigrant families here at that time. In fact, I played with a bunch we called the "League of Nations," on 23rd and P. We had all nationalities you could think of as part of that gang. We played football on the sandlot street nearby, and on another paved street, we would have hockey matches on roller skates.

Joe Pratt (JP): Do you have strong memories of what downtown Galveston looked like when you were growing up?

GM: Yes, when I was younger, say 1936, 1938, you couldn't get the rats to come down here. It was that bad. It was terrible. Derelicts all over the place. You could buy about half of this stuff for one-tenth of the price.

But Galveston was a great place as a young boy. I was very fortunate because our high school, Ball High, was a very fine high school. In fact, I used to comment to my fellow students at [Texas] A&M [University] that when the Catholic schools' graduates came to A&M, they could not do the engineering. The students were not trained enough to be able to take engineering courses and science courses, and [I was] lucky that at Ball High, I had the experience to have great teachers, and that's why I decided to take petroleum engineering and geology.

JP: Did you have a sense when you were a boy that you were living in a historically-rich environment?



A young George Mitchell after a very successful fishing trip.

GM: Well, I say that I was on this side of Broadway. I wasn't invited to the Artillery Club functions, or any of those functions over there. They were on the other side of the railroad track, as I'd call it. But we had a wonderful group on our side—a lot of people who were immigrant families.... We never did too much association with those on the other side.

About twenty years ago, the Artillery Club sent someone to come to see me. He said, "We want you to be a member of the Club. They delegated me to get you to be a member." I said, "Oh, Bill, tell them thanks, but they didn't invite me back in the thirties and the forties, so I'm not going to be a member." And they said, "No, you can't do that." They screamed all over the place, and I turned them down. So they came back about three months later, and said, "I'll tell you what. They want you to get in so bad, they'll give you a half-price deal. Because you're a Houstonian." So, I mean, that's where we started the Houston memberships. So I said, "Well, okay." If I got a bargain, I did it. [Laughs.]

I graduated [from Ball High School]

in 1935, but I went back a year because I wanted to go to Rice [Institute]. My mother wanted me to be a doctor, so I had to go back to take third-year Latin, but when I was doing that, I was able to take...solid geometry, advanced trigonometry, advanced algebra. I did well in them. I worked in the oil fields that summer with my brother, who is a graduate of A&M and also worked with Exxon. Now he's an independent [oilman]. So I worked as a roustabout out in the fields, and I decided I wanted to be a petroleum engineer and geologist. So I changed from Rice, because I had been accepted by Rice that summer. I changed, and I went to A&M instead because Rice didn't offer petroleum engineering. They offered geology but not petroleum engineering. So that's why I changed, even though my mother had wanted me to be a doctor.

Well, I went off in 1936 or '37 to go to A&M, and I graduated Class of '40. I mean, those were years that we knew the war was coming, and then those of us that served in the Reserve also knew we

had limited time, and I was interested in getting to be in petroleum engineering and geology.... So then I went off to southern Louisiana to work for Amoco Petroleum for a year and a half, a tremendous opportunity, to get the experience. The Army grabbed me, anyway, a year before Pearl Harbor. The thing was, I knew at the time that being a second lieutenant or a first lieutenant, in the [U.S. Army] Corps of Engineers was canon fodder. Ten percent of my classmates were killed, and 10 percent were wounded in World War II.

By that time in Galveston, they had the Navy, I think. They had Fort Crockett; they had the Galvez Hotel at that time, and we knew about all those things that went on. But we never really got into historic preservation during the war.

After the war is when [my wife] Cynthia and I began to notice. We'd come down, and we had a summer place here, even early on, in '46 and '47, because that was my hometown, and we'd bring the children down here, and then I would commute back and forth to Houston. But we noticed, driving around, all the destruc-



In 1976, the Mitchells purchased and restored the 1871 Thomas Jefferson League Building (above). This was one of Mitchell's first restoration projects (right).

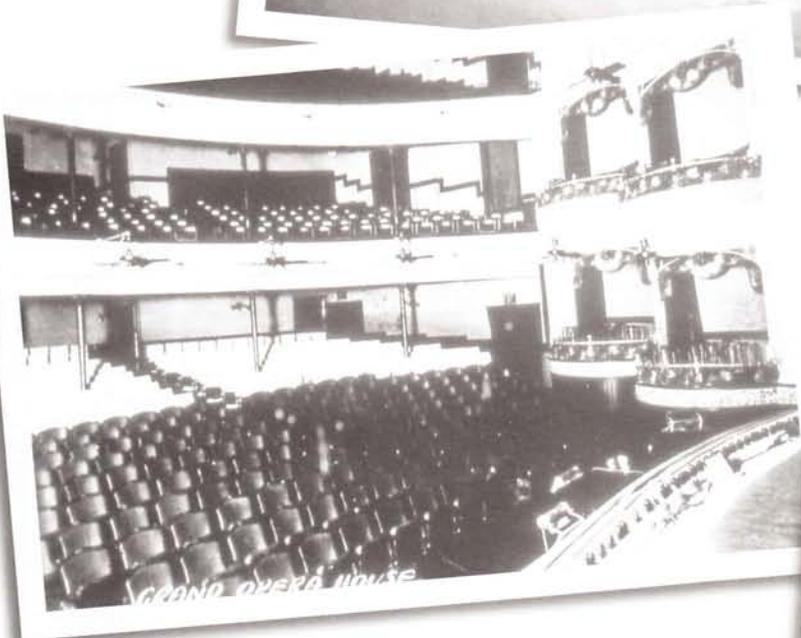


tion of the beautiful homes on Broadway. Every corner was being supplemented by service station sites or strip center sites. They were destroying the whole fabric of the town. And that bothered Cynthia and me. And, of course, that made us aware—and there was an old society, you know, [the Galveston] Historical Society.

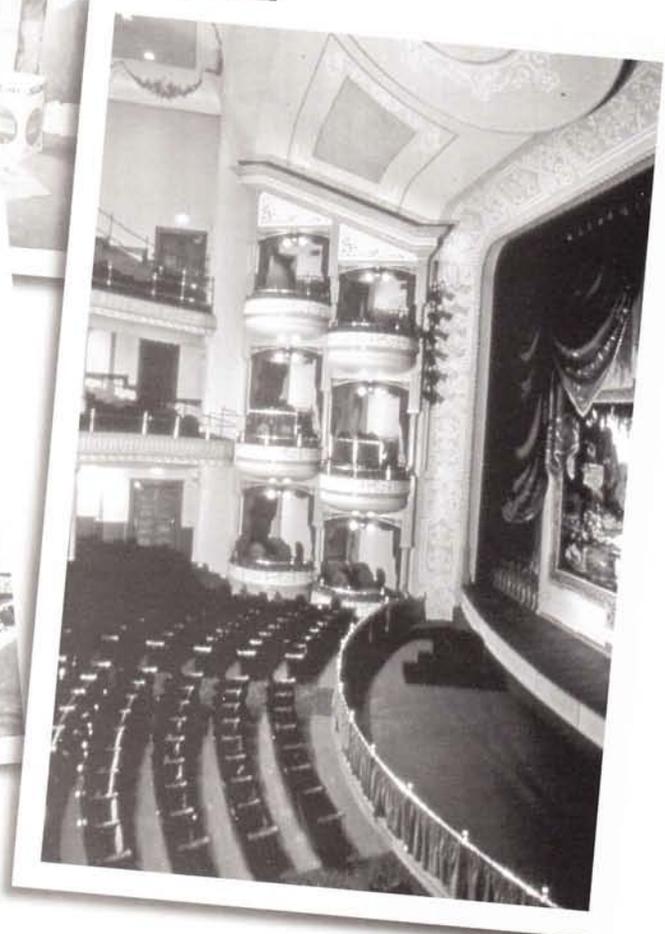
So we began to think about, well, what should we do about it, if we could? And we became, of course, busy working in oil and gas, and we were very successful finding oil and gas for a lot of people, as well as ourselves. And we began to build an interest in the historical preservation thing.

About that time, I got to know Peter [Brink, former Galveston Historical Foundation Executive Director and current

National Trust for Historic Preservation Senior Vice President of Programs], so Peter talked me into going to Charleston. He went with me. Charleston showed me what they had done, and they had restored a thousand proj-



The 1894 Grand Opera House survived the storms of 1900 and 1915, Hurricanes Carla and Alicia, as well as years of neglect. In 1974, the Opera House was finally restored (right) after concerned Galvestonians rallied in support of this historic landmark.



ects already at the time we went there, and how they did it. They did a great job. And they had four or five contractors that were buying [historic buildings] and redoing them with reasonable architecture and reasonable cost, and selling them to people from the east coast, and doing very well. We should be doing more of that in this area.

We came back, and we offered that the historical society here, East Texas or whatever it was east of Galveston—we'll pay your way to go to Charleston. I said, "I'll pay your way, to see what they've done." So they took me up on my deal, went there—it took them several months to take me up on my offer. It's tough to get things done. They had a limited budget. Yet there's wonderful people trying hard. So they went to Charleston and Savannah, and our friend [Lee Adler] from Savannah showed them around. Anyway, then they came back on through, so they talked to Mary Moody Northen, and she said, "I'll help you." And she did the revolving fund for them.

I think that the person who did the Emporium—[William] Bill Fullen, he did the first reconstruction down here. I guess the first [project] that we really took on was around 1975, when we took on the Wentletrap Restaurant [in the Thomas Jefferson League Building]. So we agreed to do that. Well, now, by that time we

were busy working with David [Brink, Peter Brink's brother] helping to restore the *Elissa*, and had very good luck with these foundations in Texas, the Houston Endowment, the Meadows Foundation in Dallas, and others to help raise money for the *Elissa*. And also, working with Evangeline Wharton, we helped restore the Opera House—with the Houston Endowment and others to help...and then whatever local people [we found] to get some help, too.

And, you know, we've had glorious ideas, but the *Elissa* budget was \$ 750,000; it ended being six million. And the opera house budget of \$ 750,000 became six million [also]. So that just shows you what happened when the historic restoration comes around. But they did a great job on both of them, so we're very thankful. This place here [The Tremont House]—it is unbelievable what it was before Cynthia and I took it on.

Those were very major restoration projects. And then, of course, the people had come back from Charleston with a lot of enthusiasm to preserve what we had. We had so much still left here; we were in much better shape than New Orleans was. They were getting ready to start. They've done a good job since then, but when they first started in the late

sixties, early seventies, Galveston was far ahead on still having historic structures, because we knew Galveston had the best Victorian-style structures in the Southeast, well the Southwest. Vicksburg had some, and a few others along the area. [In Texas,] Nacogdoches and others have a little up the state, but nothing had the quantity you had in Galveston, because Galveston's wealth was because [of] shipping, of the port, the cotton that came through here and the grain that was coming back and forth, so their wealth was so good among the wharves and the people here, they built beautiful structures here. Most of the areas have a few good structures but nothing of the magnitude Galveston had, because the economy was a booming economy in the sixties, really from about 1850, 1860, 1880.

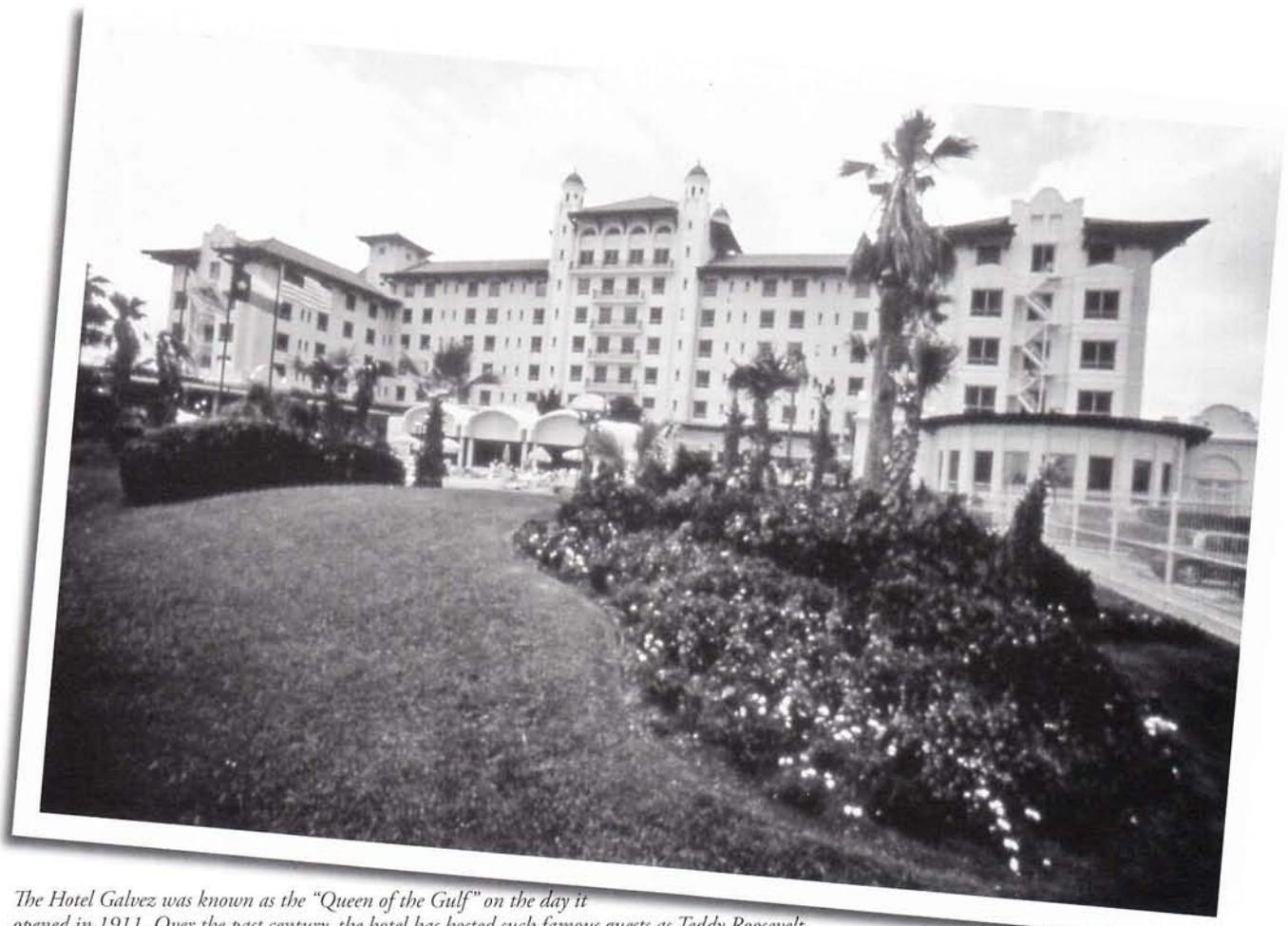
One thing we did—Peter would get me to help him when he had real problems, so he was trying to get the railroad museum building, and the Union Pacific had made a contract to sell the building to the wrecker's crew. So he had me call the head of Union Pacific and others, and we begged them to hold off, to let Peter see what he could negotiate with Mrs. Northen [Mary Moody Northen].

So we got them to hold off the wrecking crew for about six weeks or something like that, whatever it was, and he worked out with Mrs. Northen who agreed to pay for the building and not wreck it, which was a wonderful coup because that anchors The Strand. And we worked with Dancie [Ware] to get the first Mardi Gras in '85 to open this thing. We brought Mardi Gras back to Galveston. See, it



The Tall Ship Elissa was originally built in 1877 in Aberdeen, Scotland, and first came to the port of Galveston in 1883 with a cargo of bananas for sale. Nearly a century later, Galveston Historical Foundation purchased the ship for \$40,000 and began to restore her to her earlier glory.





The Hotel Galvez was known as the "Queen of the Gulf" on the day it opened in 1911. Over the past century, the hotel has hosted such famous guests as Teddy Roosevelt, Howard Hughes, and Frank Sinatra. In 1993, renovations began with the intention of recreating the original feel of the hotel.

started in 1867 in Galveston, and then it died during World War II, and we started it back when this building was put on the market in '85. So we got Dancie to have seven of the great world's architects to do the [Mardi Gras arches]. One of them is here now. The other five, we have models made of them, and we had them at the Smithsonian the whole summer because they thought it was such a beautiful design, and the architect did it for nothing, just to have a relation to the Mardi Gras, [the] first Mardi Gras we had. And so we built those two temporary structures...only lasted a year or two. This one, we kept it ten or fifteen years, and they finally raised enough hell so I just finally refinished it to be permanent.

[In these years] we were involved in Houston doing oil and gas, and then eventually started the Woodlands Project. I still was interested in Galveston, and Cynthia was very interested in Galveston, and did a lot of work for the National Trust for Historic Preservation, and really tried to restore things here. We took on fourteen

buildings on The Strand and the three hotels: the Galvez, this hotel [The Tremont House], and the Harbor House. So we restored the ones here, and I just said today, had we not restored what we did, you wouldn't have a downtown.

We worked with the people here and got interested, and we had some good help—certainly the Kempner Fund and, of course, the Moodys have done a share of work here—so I think that their activity was very important to help get the projects moving. And I think that they were really good at fund-raising in those days.

MD: *But as far as the architecture, though, you saw the value here before a lot of people did.*

GM: Well, that's right. We realized that the Victorian architecture here was very important to preserve, and then when we would redo a project, we worked very hard with the good architects that worked with us. Boone Powell [the architect] did a lot of work for us. And so I think that preserving the architecture was very important, and a lot of people didn't understand that.... So

many people ask me, "Why do you waste your money?"—because it costs perhaps a hundred percent more to do restoration. So there are ones that really and truly didn't understand why you would do that when you could do it cheaper by doing a conversion, more like what's going on now. And therefore, Cynthia and I first were strong to keep the architecture as much as we could.

And we had to fight the state on this project here [the restoration of the Tremont House]. We had some of the environmentalists fighting us. In that main lobby there, you see that beautiful red brick wall on this side. They said I had a \$3 million tax claim they wouldn't allow. And they said, "Well, you got to cover it up with plaster." I said, "Like hell I am. That's the most beautiful part of the whole project." So we argued for three years. They turned down my tax claim. So finally I got two people to make an analysis of the damage from the 1900 storm, and they found two areas where bricks didn't have plaster. And then the mansard roof on this would have been torn off by the storm. And we had struc-

ture that showed where it should go. So we convinced the people in Washington, not those around here, to allow my tax credit... Sheridan [Lorenz, my daughter] has the same attitude. They're fighting now about hand rails on loft spaces. I said, "Well, you just have to do what's sensible."

We'd work with Peter to identify buildings that we thought we would try to help on. I guess really the last one that we worked on was probably the Galvez, you see? We spent about \$5 million about five years ago to remodel it completely.

I don't know if you know what it was before. They had the entrance from the back. The inside was poorly done. They had a pool in the front there, and a lobby that had chlorine coming out all over the place. I said, "How can people eat [in] this damn place?" When we bought the Galvez,

what happened was I mentioned to Cynthia that the Galvez was for sale, and she said, "Well, if you care about Galveston, you'll buy that hotel." I said, "All right..." So we made a deal, and at first she said, "All right, you own it now. Tear out that damn smelly pool in the front lobby." But we completely redid it. We did the entrance, the front. We planted those beautiful trees from Arizona. Sheridan just redid the windows. They're beautifully done. Sheridan has done a great job on remodeling the basement and the first floor as well as all the other floors, so Sheridan now runs the three hotels, and she's tough.

MD: She's absolutely sincere in her love for this. I think my favorite thing that she did—it's kind of inconsequential here, but when she was living over on M, in that great house on Avenue M, she had a policy that when

the school children were walking by in the morning, if her gate was open, they knew that they could come in and have breakfast, and they would make a little assembly line. They'd make scrambled eggs and toast, and they'd have a good meal before they went to school.

GM: She's helped a lot around the school area, and she helped their families because they have some destitute—and she told them, "I'm going broke helping families." I said, "Well, we'll give you some money to help the families," so we gave her something to parcel out.

But anyway, we did fourteen buildings [in Galveston], and we spent a great deal of money, and like you say, it's tough to make The Strand turn around. It's doing better, but my prediction is that in five years, it will be the best shopping center in

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The Tremont House hotel has a long and storied history in Galveston. The first Tremont House opened in 1839 but later burned down. The second hotel (above), which hosted dignitaries from around the world, survived the 1900 storm, but succumbed to the wrecking ball in 1928. In 1984, the Mitchells revived the spirit of the Tremont and rebuilt the hotel just a half a block away from the original. The new Tremont House hotel occupies the 1879 Leon and H. Blum Building.

As early as 1867, Mardi Gras celebrations were held on Galveston Island. George and Cynthia Mitchell are credited with bringing Mardi Gras back to Galveston in 1985, the same year the restored Tremont House hotel (in the background) had its grand opening.



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this part of the country. I've got to get about four or five more good merchants like Chico's and a few others.... We lost Morgan's [a women and dress shop on The Strand], and I hated to lose him because his health—he went back to the family up in Missouri. But we [must] get more action.

We worked hard to get the cruise ships down here, and people keep wondering, "How in the hell did you get the cruise ships down here? We're going to come down and buy some real estate." It made everybody realize something's going on down here. So we're now pushing...to put two more cruise ships at the Del Monte terminal, which would give you the fifth place. They would have seven cruise ships in a row, and you get a picture of that, an aerial picture of that, Fort Lauderdale would be jealous. I'm telling you, they would be. And everybody's going to realize, "What the hell is going on in Galveston?"

There's an interesting story about that, because I kept asking the cruise terminal people—we had a committee, but they weren't very strong—so I'd ask the port, "Why don't you work on cruises?" They said, "Well, no, we don't have a chance." So I sent [a representative] to Miami four years straight, at my expense, five thousand dollars, to talk to the cruise ship companies: "Why don't you come to Galveston? Give it a try." Every time I do that, the port would send me a message, "You're wasting your time, Mitchell. You're wasting your money, and you're wasting your time. They won't come here."

I said, "Give me a package. Let me see what I can do." So I finally got them [to] say, "Okay, this is what the taxes will be; this is what this would be; this is what that would be," and it looked pretty good to the cruise ship people. Then I said, "We'll help you do the promotion for the first year." We raised \$250,000 of which I gave \$100,000 to do the promotion, to try it out. And Carnival accepted the deal. And they were so surprised after a year or two that 75 percent of the people were driving in, not flying. And that made all the difference in the world to them. So that's why they came, and then the other companies. Now, Carnival is the biggest company in the world on cruise ship lines. They're a \$5

billion company. And they got four or five separate companies.

JP: Could you discuss some of the challenges that you've faced with preservation projects?

GM: I think one of the biggest problems is when you estimate the cost. I built The Woodlands, so that's a billion-dollar project, so I've had a lot of experience worrying about the cost on structures. When you estimate the cost, like in the hotel, you probably spend at least 50 percent more than you think, even though you know you're going to have some problems when you get into it. So I guess that's what scares most people off; the cost escalation is really frightening sometimes, and you've got to have good architects work with you to try to keep it down. And I think that—it costs more. You can do it, tear and down and do it better with a contemporary situation, but you don't have the beauty of it like this place. I have people from all over the world come and they say, "I've gone all over the world, and this hotel is nicer than anything I've been in," and they say that about the Galvez now because it has a history from 1911.

I think in five years [The Strand] is going to be a very fine shopping area, and it's getting to be a good shopping area now. So I think most of the structures we have will be self-sufficient even with the later

costs.

Yet, most people say, "You're losing money." And let me tell you what hurts you: The taxes are too damn high, and insurance is too high.... We did all the stuff across the street because of the hotel here. We wouldn't have done it if it hadn't been for the hotel here. We're trying to preserve the street. [Ship's Mechanic Row] is a beautiful street, and it's probably one of the most beautiful streets in town. So by fighting hard, the tax structure and the insurance, and finally getting the Strand more alive. If we get two more cruise ships, it would really take off.

So I think that if your location is on the Strand, you hear a lot of complaints now; you don't have enough income stream, because the cost is higher to repair them and to restore them. But I think they are getting very close to making money. Some are, and a few of them, most of them are not. My hotels [The Tremont House, the Galvez, and Harbor House] are just now making cash flow before capital. That's getting pretty close to profit. Give it another couple of years, and I think they'll be profitable after capital. And we're watching them now because it would be nice to see that they're all making a profit, and then all your stuff would go good, and people would help you with more deals.

MD: Beach Town, to me, is fascinating. It



Like the Darragh House (1886), the historic 1873 Washington Hotel was lost to a devastating fire. Because of extensive visual evidence, both photographs and drawings, the building was able to be reconstructed (right). The Darragh House was demolished following its fire. The ornate fence that stood in front of the historic house, however, was preserved.

must give you some satisfaction, because the way they're marketing Beach Town is traditional neighborhoods, like Old Galveston, the quality of Old Galveston. And I'm thinking about what you've promoted for years and what we try to promote as well, is saving the real thing.

GM: I think they're trying to do a good job, because we did Pirates Beach and several of them down the island, and they were very successful, but they were just resort developments. We did adhere to the design of that era, mostly contemporary design, but they've been very successful for the island.

JP: How hard has it been to convince people to move into the downtown area in Galveston?

GM: We made a study, I did, thirty years ago. We recommended 500 families would be down in the Strand area. So, I mean, we've had two or three projects done like that. So the downtown is very important, and that's why we're doing the loft spaces now. We're trying to do thirty or forty of them... You probably have five or six developments now with loft space that are looking very promising. And it looks like there's pretty good demand for them. So I think that we're trying to adhere to the architecture of the outside of the buildings,

like you have them, and then the inside you can do some things, more difference. But I think that the downtown is looking very promising because people want to live downtown now, and they like Pirate's Beach, but that's a different type living. That's resort living. And the west end of town has a big future, if it doesn't erode away, and that's what you have to worry about.

Until seeing *The Great Storm* [a documentary about the 1900 Galveston Storm], I didn't realize that the federal government did not pay for our raised levy and our seawall. The City of Galveston sold bonds for it. The federal government helped them design the seawall, which they just won a national award for the design three years ago. From a hundred years ago to three years. Can you imagine that? Boy, they're really alert.

[The seawall] is a magnificent structure—it probably will protect Galveston from another hurricane about 70 to 80 percent, so they're lucky, because if Katrina had come through, it would have been tough, or Rita. Of course, a major storm like that will hurt us, but not as bad as it did in 1900.

You have to see *The Great Storm*. If you want to understand Galveston, I tell everybody, go see *The Great Storm*.

What bothers me is why the hell they let Pointe San Luis be there because they just are in the path of tragedy in the future. Well, you get the hell out of there if there's a hurricane coming. But if you have a home with a bunch of pictures and a bunch of things, people won't leave. They will not leave, and that's a danger.

Now, if you have a second home and have access, a way back to the causeway, above five-foot tide, it's okay. But if you don't watch it, you're going to have another storm like Rita come right in the island, you're going to have a disaster on the west end, so that's why I recommend this city on their planning to think about—be sure they have the road access, and the developments are really second homes.

JP: In your opinion, what was the turning point in coming to believe this process was going to work in Galveston?

GM: Well, I think, when the people came back from Savannah and Charleston, when they saw what had been accomplished there, and really it's remarkable they had already started a thousand structures, and





The 1858 Hendley Building, Galveston's oldest brick and granite commercial building, is on Galveston Historical Foundation's "Heritage at Risk List." Historic preservation graduate students from Ball State University's College of Architecture and Planning completed a week-long survey of the building in March 2005. This resulted in a full report on the status of the structure, including options for rehabilitation and future use. These options will be explored further.

they had a good program. They had a program where they would buy the structure with a revolving fund. And then restore them, and they had, like, five contractors that did good work, reasonable. Did it for profit. And Galveston never did do that. I said, "Get four or five contractors that'll help you do that." Well, you got some little ones doing it now, but not on a massive scale.

JP: *What do you consider your greatest success here and your most disappointing setback?*

GM: Well, I think that trying to help the Galveston Historical Society [Foundation] get stronger and to keep pressure on restoration like they're doing now, and work for the city, and try hard to preserve the structures that you have.

The most beautiful structure we had was a home [the Darragh House] that was on [Howard] Barnstone's book, *The Galveston That Was*, on the front. It was a beautiful historic building. And it had some damage. They had a person that wanted to buy it, and they had the fire and had other damage, \$100,000 of damage.

So I said, "All right, you got this structure. Someone was wanting to buy it, and they had the capital because you had a fire. And you got a contractor who said he could repair that damage for \$110,000. And you can probably still sell it to somebody, because the iron fence and the structure is just gorgeous." So I said, "I'll tell you what: I'll put the money up if you do it, and if you get the money back, you pay me, and if you don't, then that's okay." They decided to turn it down so they'd get the insurance. I just can't believe it.... Well, I talked to Peter [Brink]. He tried to stop it. I called him. I said, "Peter, you got to stop it. It's so stupid." And I talked to the board. I said, "You people don't have any guts anymore." I told them that.

What happened, they turned it down, and they tore it down to collect the \$90,000 insurance that they had, because they wanted to do other things with it.

Someone wanted to do other things with it. Now, they regret that.... It made me mad as hell; you can imagine. I had it wired where they didn't have to lose anything.

Another thing that bothered me was the Buccaneer Hotel. I hated to lose that beachfront structure because it disrupts the whole beachfront, and the Buccaneer Hotel—I tried to save it, but it had already been committed to that group from The Woodlands, the church group, and they were going to remodel and build it. It's still being built there.

MD: *Are there any landmarks here in Galveston that you see that are really threatened, still, that you think we ought to focus on?*

GM: I think downtown, the produce plant on the other side of the Strand— yes, the Hendley Building. Someone ought to talk to them about loans that they could

discount and get a tax write-off.

MD: *We're working on that one.*

GM: That would really finish off your Strand if you got that all developed.

MD: *That's a tough one.*

GM: I think also finishing off the post office, and then--what puzzles me--is this Medical Arts Building--why someone doesn't finish doing something about that. Then all the loft spaces.... We get that money to do the post office, and keep the loft spaces moving, get them done and see what happens.

Your insurance and your taxes are too high. The merchants on The Strand can't make it with the insurance and taxes we got. So we're fighting hard, trying to keep it down, but it's tough with Rita coming by. That's what makes it so impossible for these merchants to make a go of it. So out of [our] fourteen buildings, we probably lose money on every one except one or two. And I keep telling them, "Just give us five years. They'll start making money." They said, "You better have a lot of oil and gas money." [Chuckles.]

[To address the problem of high costs,] we worked with Peter...on the law where they got commercial tax deductions; that was done twenty-five years ago. Now I told Peter, "You ought to get people to do structures on the east end, housing structures that have a tax write-down if they do their money on their own home.

MD: *Yes, there are commercial rehabilitation tax credits that the income-producing properties can get, but there's never been a federal income tax credit for residential.*

GM: That's right. You see, that would really fire up his whole east end.

MD: *From your perspective, how would you compare historic preservation in Galveston as opposed to Houston.*

GM: Houston is a tragedy. They've done nothing to try to prevent loss of beautiful houses. Fact is, a new one was just torn

down in the Heights last week. There's no excuse for that. Houston has destroyed most of the historic houses, and they had quite a few. Galveston has had more; Galveston had more wealth in the 1860s and 1870s than Houston.

JP: *Can you imagine changes in Houston's law that would actually make a difference in terms of preservation?*

GM: Yes, I think the city council ought to figure out how to stop tearing down these structures right now. You know, they

a law passed. And that's what Mr. Mitchell and Mrs. Mitchell did, by setting an example, they created a preservation ethic here that people can see.

GM: We're lucky we had the small east end group. They're very small, but a pretty good bunch of people, back in 1970 and '80. And they did the east end district things like that very early on. But then they really got fired up when I sent them to Charleston and Savannah, and they've been very helpful, and they kind of watch things now.

You have some people in Houston, but they are probably not strong enough to get the city council to really put a strong moratorium on structures. A lot of them come at me. I say, "Listen, I'm so busy in Galveston." [Laughs.]

Cynthia was very involved. She won the national award about seven or eight years ago. She's done a lot with the National Trust [for Historic Preservation], and helped them.

MD: *The Louise DuPont Crowninshield Award, which is the National Trust's highest award.*

GM: Yes, she did a lot of work here. She worked with every project I did around here, and even The Woodlands. We had a lot of things going, but we didn't do anything there for preservation. The Woodlands was nothing but twenty-seven acres of forest when I took it on. Peter was a good motivating force, and now Marsh is here to take up where he left off. And it's tough.

JP: *Do you have any closing thoughts on the future of Galveston?*

GM: I tell you, Galveston is really on the upswing. I think price is

picking up. I know Tiki Island, Galveston prices are up 25 or 30 percent on the beachfront. On the west beach and other places, so I think everybody is beginning to wonder what the hell is going on down there because cruise ships and everything else, so they're all moving in here. ♣



claim they have done something, and they have stopped a few, but there are so few left in Houston now. Really, they've lost the critical mass, in a way, but I still think whatever they have, they ought to preserve. That means that they'll have to get the city council to have regulations that really have severe approval on tear-down efforts, and I really think they should do that.

MD: *Mr. Mitchell mentioned what works here in Galveston. I call it a preservation ethic that you have to have even before you can get*