PRESERVATION CAN WORK IN HOUSTON: THE HUMBLE OIL & REFINING COMPANY BUILDING

by Victoria J. Myers



Today, the Humble Building is home to two Marriott Hotels and the Humble Tower Apartments.

Photo courtesy of Ben Giannantonio

The headlines involving historic preservation usually focus on the most visible structures. What should be done with the Astrodome? What effect will the restoration and expansion of the Julia Ideson Building have on future preservation projects? In an earlier time in Houston, could the Shamrock Hilton be saved? More often, however, preservation moves forward outside the public spotlight. Often done by private investors with the support of incentives from government, this work usually seeks to adapt sturdy, well-constructed older buildings to new uses. The social benefits can be numerous, including less disruption of city life than projects that first demolish an existing building and then construct a new one in its place. More significantly in the long-term, preservation efforts create a city whose tone and feel reflect an evolving community with a sense of its own past.

The modern petroleum industry shaped Houston's past, and few companies had a greater impact on the city's history than the Humble Oil &Refining Company. In 1999, *Texas Monthly* magazine named Humble Oil the "Company of the Century" because it "shaped the reality and perception of Texas oil around the globe." The success of Humble Oil influenced the city, the state, and the nation, while making its leaders wealthy members of Houston's social elite. The construction of Humble's original headquarters at 1212 Main Street was an important part of Houston's early development. Likewise, the later efforts to remodel and preserve the building revitalized an area of down-

town suffering from urban decay. The company completed construction on the original building in 1921. With the additions of Humble Tower in 1936 and another wing on the Travis side of the block in 1940, the structure served the company's needs until the early 1960s, when Humble Oil moved into its new building on Bell.

Oil built the city of Houston. While Texas' commercial oil industry began in Corsicana in 1894, the discovery of oil at Spindletop near Beaumont in 1901 established Texas, and specifically the Gulf Coast with Houston at its hub, as a new and important center for the nation's oil production. Of the nine founders of Humble Oil, seven started their oil careers either just before the discovery of Spindletop or soon after. They each had success in the Gulf Coast with smaller oil companies before pooling their resources in 1917 to form the Humble Oil & Refining Company. In 1919, Standard Oil of New Jersey (now ExxonMobil) purchased fifty percent of Humble's stock, making them the largest individual shareholder of the company, and Humble an important part of the largest petroleum company in the world.²

Reaping the financial rewards of Humble Oil, its owners left their mark on Houston via the company's economic impact and their own philanthropic endeavors. One of the company's premiere founders, Texas native Ross S. Sterling, opened a feed store close to Beaumont that supplied grain and hay for the animals hauling supplies to a local oil field. He established

or purchased additional feed stores and, eventually, banks near other Gulf Coast oilfield towns before investing directly in the oil industry. Around 1910, he purchased two wells near Humble, Texas, as did other individual investors speculating in the young, competitive Texas oil industry. In 1911, Sterling and several of his fellow investors pooled their resources to establish the Humble Oil Company, and Sterling became the company's first president.3 Six years later, Ross Sterling and his brother Frank collaborated with seven fellow Humble-area oil investors—Walter Fondren, Robert Blaffer, William Farish, Harry Wiess, Charles Goddard, Lobel Carlton, and Jesse Jones —to merge their six small oil companies into Humble Oil & Refining Company with the nine men serving as the company's first Board of Directors.4

In 1917, the Humble Oil & Refining Company purchased the Albert A. Van Alstyne house at 1216 Main Street. Erected in 1877, the Van Alstyne house was the earliest known of several

Victorian-style houses built in Houston, and one of several on Main Street. The Main Street homes gradually disappeared, however, as the growth of the city created a need for downtown commercial property. Houstonians in the early twentieth century established the city's reputation for an "out with the old, in with the new" mentality when it came to development opportunities. Owners of the Main Street residences began to sell the houses, and many used the profits from the sale of their properties to establish the new, elite, residential community of River Oaks. This gave downtown room to grow on the south side. Soon after Humble Oil acquired the Van Alstyne property, the company had the house demolished to make way for the company's first headquarters, the nine-story Humble Building on the corner of Main and Dallas.5

A New York architecture firm, Clinton & Russell, designed the original Humble Building. Completed in 1921, the milliondollar, neo-classical structure was constructed primarily of brick and limestone. A few years later, Art Deco designs spread across the nation, and Houston's business and civic leaders embraced the new architectural style in a conscious effort to modernize the look of the city. Modernistic buildings represented the city's future, and Art Deco architecture represented modern design. Some owners of neo-classical buildings, like Humble Oil & Refining, added Art Deco-inspired features to their structures in order to look contemporary and progressive. Renovations done to the Humble Building in 1932 added ornamental detailing between the windows of the top floors, and two-story,



The Humble Tower, completed in 1936, was the first city building constructed with air conditioning. Architects hid the cooling tower in the penthouse.

Photo courtesy of Houston Metropolitan Research Center, Houston Public Library, Houston, Texas limestone faux columns with an ornate finial on top. While not as ornate as the 1929 Gulf Building and other Art Deco designs in the city, these additions represented a more subtle, but still modern, approach to building design of the era.6

A year after the completion of these renovations, company officials realized that the ninestory building lacked adequate office space. They asked architects Kenneth Franzheim and John F. Staub to design an addition to the building, and their collaboration produced the seventeen-story Humble Tower, completed in 1936.7 In their comprehensive history of the company published in 1959, Henrietta Larson and Kenneth Porter described the building, "with the United States flag at its mast," as "a striking feature of the Houston skyline and a symbol to the general public of the company's importance."8

During the Humble Building's 1932 renovations, the addition of a central air-conditioner to the older building made it the first office in Houston with

this modern amenity. The Humble Tower addition became the first office building in the city originally constructed with a central air-conditioning system. Franzheim's Humble Tower design cleverly hid the unit's cooling tower with a neo-classical penthouse. Humble Oil's addition of air-conditioning to its office buildings set a trend for Houston's post-World War II development.9 The Depression and World War II had slowed the spread of air-conditioning in Houston, but its popularity picked up again after the 1940s. The affordability and increased use of air-conditioning encouraged businesses, and thus people, to relocate to the region, setting the stage for Houston's post-war

From its modern building complex on Main Street, Humble Oil & Refining Company managed its regional operations. In the early 1920s, the company's interests spread to southern Oklahoma and Arkansas, western Louisiana, northern Mexico, and throughout Texas.¹⁰ By 1960, Humble Oil's interests reached into Florida, Georgia, Alabama, West Texas, New Mexico and the Gulf of Mexico.¹¹ Forty years and two additions after establishing its headquarters on Main Street, Humble Oil relocated to a new forty-four-story building several blocks to the south on Bell in the early 1960s. In 1973, Humble Oil & Refining Company changed its name to Exxon Company U.S.A. as a part of the broader process of Standard Oil New Jersey's consolidation under the Exxon name. The building on Bell, now the Exxon Building, stands as an iconic Houston skyscraper, but what happened to the company's "humble" first office? Instead

of falling to the wrecking ball, as many of Houston's buildings have done, a joint effort of multiple entities restored the building, giving it new life. While the practical and financial benefits of saving the property made good business sense, this preservation project carried the added importance of keeping a part of Houston's history alive.

Tracing the story of the original Humble Building through the 1960s and 1970s from the available sources presented a challenge. Although the structure continued to serve as an office building, the records remain unclear as to when the first post-Humble/Exxon owner purchased the building. By the late 1970s and early 1980s, more and more companies relocated to business districts outside of downtown, and the realty market at the city's center suffered. By the time a group of Houston area developers led by Sam Lutfak purchased the building from GWL Realty in 1995, ninety-five percent of the offices stood vacant. At that time, most knew it either by its address, 1212 Main, or as the "Main Building." The same group purchased the Texaco Building a few months later, giving it more than one-million square-feet of mostly vacant office space between the two buildings. Hoping to capitalize on a new trend toward the development of urban residential space, the Lutfak group began plans to turn both the 526,000 square-foot Main Building and the 640,000 square-foot Texaco Building into loft apartments.¹²

The practice of turning office buildings into loft apartments reached Houston in the early 1990s when Randall Davis developed the seventy-nine-unit Hogg Palace Lofts at Louisiana and Preston. Davis had seen the success of loft apartments in downtown Portland and thought the trend would work in Houston. He was right. After his early success with smaller projects, Davis pushed the loft apartment market boom to a new level with the conversion of the vacant Rice Hotel into a 312-unit luxury apartment building that opened in 1998. Many of the other early developments created spaces in Market Square on the north side of downtown, but activity soon spread to central sections of the city. Several renovations included restaurants and bars on the lower levels, and as downtown residential units increased, the city saw entertainment venues move to the area as well. By 2000, the Houston Astros relocated to the team's new home at Enron Field (now Minute Maid Park) adjoining historic Union Station.13

The new downtown development drew the attention of one of the nation's biggest developers, Gerald D. Hines, who had established himself in Houston before moving into other major markets in the United States and around the world. In 1996, Hines considered purchasing the old Humble Building from Lutfak's group, which had focused its attention on the conversion of the Texaco Building, thus, making the Main Street property expendable. Hines saw the potential in residential development and estimated that the property could yield 300 apartments, but he questioned whether the demand would remain high enough to turn a profit. Ultimately, Hines found renovating the Humble Building too risky and chose not to purchase it. Due to Hines' decision and the Lutfak group's attention centered on its lofty plans for the Texaco Building, the old Humble Building's future remained uncertain.¹⁴

Neither the Lutfak group nor Hines revealed how their plans for the Main Street property would incorporate the building's historic value. Both companies saw a vacant commercial space convenient for urban professionals looking to live closer to their workplaces. The developers either ignored or dismissed the property's historic value as the headquarters of one of the most important oil companies based in Texas. In late 1997, a New Orleans firm, Historic Restoration Inc. (HRI) expressed interest in the building and brought forth a new plan for the property that took historic preservation seriously.

When HRI bought the Humble Building in 1998, the company already had experience renovating buildings in New Orleans, Detroit, St. Louis, and Baltimore. Its mission, according to the company's Humble Building Project Manager, Hal Fairbanks, was "to revitalize cities through the adaptive reuse of historic buildings." The company thought the original building and two additions appeared ideal for creating a multi-use space. It entered into the purchase agreement with a letter of intent from Marriott's corporate headquarters to convert the original 1921 building and the 1940 addition into two hotels, and the 1936 Humble Tower into loft apartments. This plan made better business sense than turning the entire space into residential units. Downtown apartments remained in high demand and renovations continued on other properties, such as the former Rice Hotel, but the city also needed hotel rooms to appeal to business travelers and tourists. HRI's plan met both needs. Furthermore, the company announced that the conversion would follow federal historic preservation guidelines in order to qualify for federal tax credits.15

HRI turned to the Greater Houston Preservation Alliance (GHPA) for assistance in preparing its proposals for local, state, and federal tax credits. This organization exists to raise aware-



The preservation project pays tribute to the building's heritage with an "oil derrick" fountain at the entrance to the hotel.

Photo by author.

ness about preservation in the city and offer guidance and assistance to individuals and organizations undertaking restoration or renovation projects. Involved almost from the project's beginning, GHPA aided the developers by providing them with the information necessary to apply for the tax credits.16

Federal tax credits for rehabilitation projects appeal to developers because the credits ease their financial burden. Restoration of a building either individually listed on the National Register of Historic Places or located within a designated historic district entitles investors to a credit equal to twenty percent of the rehabilitation project's costs. Buildings built before 1936, but not on the National Register, can receive a ten percent tax credit. State and local tax authorities also have tax benefits for historic places. and the combination of these credits often

means the difference between a project that is too expensive to undertake and a project that is fiscally viable. Property owners must have their plans approved at each level in order to receive the credits, and their plans must meet the standards of state and federal regulators.

With support from local preservation and history groups,

HRI submitted its design plans to the Texas Historical Commission for review. Texas officials quickly endorsed the project and recommended it to federal officials for final approval. Only the plan to add a parking garage to the building gave them cause for concern in seeking federal approval. HRI recognized the need to adapt the building to modern dependency on automobiles but worried that federal regulators might reject the structural changes, even though HRI planned to make it as unobtrusive as possible with blinds hiding the view of parked cars from outside the building. Fortunately, HRI sent its proposal to the state and federal regulators within a few months of purchasing the property, which allowed time to make the necessary adjustments to combine modern amenities with historic character.

The joint-venture also sought tax relief from local authorities,

something that paved the way for the city to improve its incentives for future restoration projects. The City of Houston and Harris County both approved tax exemptions for the historic property; however, the Houston Independent School District (HISD) refused to abate the property taxes on the building.



The copper cornice and finial design were added to the building in 1932. The preservation work that was done in 2003 included replacing a damaged section of the cornice with copper aged to match the original.

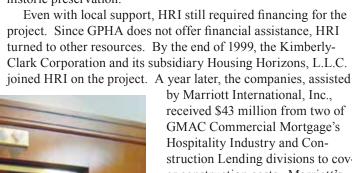
Photo by author.

historic preservation.17

by Marriott International, Inc., received \$43 million from two of GMAC Commercial Mortgage's Hospitality Industry and Construction Lending divisions to cover construction costs. Marriott's interest stemmed from its plans to establish two hotels in the finished building. After the announcement of the GMAC loan, HRI no longer appeared in conjunction with the Humble Building renovation. Offering vital support, Kimberly-Clark, through Housing Horizons, continued to finance costs beyond the \$43 million loan. By 2002, another partner joined the project - Leddy Ventures, LTD. When completed in 2003, the total renovation had cost \$70 million.18

As HRI promised when it originally purchased the building in 1998, the conversion of the Humble Building met federal preservation guidelines. Amid the complexities of financing, ownership, and tax credit issues, the National Park Service (NPS) added

1212 Main Street to the National Register of Historic Places in 1999. NPS also approved the renovation plans for the building as a "certified historic rehabilitation" project that made efficient use of the property without changing the historic character of the building, qualifying it for a twenty percent tax credit.¹⁹



HRI appealed to the Houston City Council

for aid in offsetting what it estimated to be

\$4.6 million in taxes over a ten-year span.

City Council responded in 1999 with a loan/

grant program intended to encourage pres-

ervation projects that required developers

to invest \$500,000 in the project and create

twenty-five full-time jobs. Supporters liked the program's potential to encourage addi-

tional large-scale restoration projects and, as

a result, attract more business and revenue

to the city. Buildings converted into hotels,

such as the two planned by HRI, would also

benefits of the program appealed to Houston

unanimously. While the Council's program

did not encourage community or individual

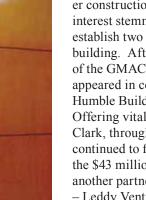
portant step for a city with a poor record of

restoration projects, it represented an im-

add to the city's coffers through the hotel

occupancy tax. The long-term economic

City Council members, who approved it





The brass elevator doors with intricate detail were refurbished to their original condition.

SpawGlass Construction managed the restoration, which began with asbestos removal at an estimated cost of \$1 million. The company cleaned the exterior façade and repaired a damaged section of the building's copper cornice, which included installation of new copper chemically aged to match the original. Inside, the company refurbished many of the building's original features. The renovation incorporated the existing rose-marble wainscot, plaster embellishments, crown molding, original steel accordion windows, mail slots, and polished brass elevator doors and level indicators. The designers converted the original boardroom of the 1921 building, with a vaulted ceiling and travertine fireplace, into a hotel conference suite appropriately named the Humble Room, complete with the original conference table. Additional work produced amenities for the apartments and hotel. The project used the existing roof terraces in the Humble Tower as private patios for the apartments, installed swimming pools for all three facilities, created street level commercial retail space, and added a garage to service the property. To make the building more energy efficient, the project incorporated a new chilled water and district cooling service provided by Northwind Houston L.P., a Reliant Energy affiliate.²⁰

Overall, the preservation of the original Humble Building succeeded because the organizations involved did not sacrifice the historic value of the building in order to capitalize on a modern need. Mayor Lee P. Brown, whose administration encouraged the development of the Metro light rail line through the Main Street corridor, delivered the keynote address at the grand opening of the restored Humble Building in September 2003.

He credited the effort with moving the city forward while demonstrating a healthy respect for the past.²¹ Texas Construction magazine named the Humble Building Project the Best Private Renovation/Restoration Project of 2003. The GHPA followed in 2004 by presenting it with a Good Brick Award. In describing the undertaking, GHPA said that "[t]he cooperative effort that made [the Humble Building] project possible provides an important example for developers, preservationists and [Houston's] elected officials."22

To the average person, the 1200 block of Main Street may not appear special. The building complex with two hotels and loft apartments lacks the memorable façade of some other downtown Houston skyscrapers, such as the Esperson or Gulf Building. Yet a closer examination shows that the old Humble Building boasts an attractive, substantial structure with a certain air of historic significance. The vintage photographs on the lobby walls provide glimpses of the building's history and of the company that built it. The Humble Building/Marriott Hotel project played a role in more recent Houston history as a symbol of the benefits of adaptive reuse, and it makes an important statement: preservation can work in Houston.

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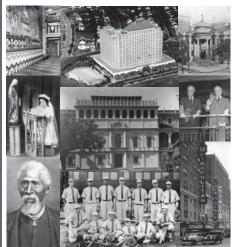
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