

HW:

For many moons STM/W has thirsted for a reasonable roster of Nixon Foundation wheels. To say that her thirst has gone unslaked is like dismissing Watergate as a third-rate burglary.

Comes now the attached LA Times story in the SF Chronicle for Dec. 26, naming some 17 or so of the supposed total of 25x members of this illustrious group. This has further whetted her appetite to the extent that she has dug up all previous clippings and synthesized a list of all but four of the total. Results attached.

We feel for a starter that the reason some members now want to disband probably has something to do with the Laguna Niguel deal, for the latest on which see the Chron clip on Kalmbach dated Dec. 25. It's pretty complicated, and the whole thing is beginning to look like it's going to get much more interesting.

jdw30dec74

Richard M. Nixon Foundation:

President Firestone [3]
Vice-president Bobst [3]
Treasurer Drown [3]
Secretary DeMarco [3]

Directors:

Ehrlichman [5]
Haldeman [5]
Kalmbach [5]
Mitchell [5]

Board of executive trustees: Seven members [1]

Chairman Haldeman [1]
Vice-chairman Ehrlichman [1]
Vice-chairman Hitt [6]
Secretary Kalmbach [1]
Finch [3]
Garment [3]
Kendall [6] (? - "Nixon Foundation board")
Mitchell [3]

Development committee: Five members [1]

Head Firestone [1]
Ehrlichman [1]
Schreiber [5]

Trustees:

Adams [6]
Eisenhower [1]
Graham [1]
Harris [6]
Nixon, Edward [1] [4]
Nixon, F. Donald [1]
Perot [6]
Perry [6]

References:

- [1] NYT 23 May 73, Everett R. Holles
- [2] SFC 31 Dec 73, AP and UPI
- [3] WXP 1 Jan 74, Robert Fairbanks
- [4] NYT 18 Jan 74, Eileen Shanahan
- [5] WXP 6 Sep 74, Lou Cannon
- [6] SFC 26 Dec 74, LATimes

Richard M. Nixon Foundation

Formed in May 69 [1]
26 trustees [1]; "25-member board" [6]

Adams, Earl	Trustee [6]
Bobst, Elmer H.	Vice-president [3] (Former president, Warner-Lambert Corp.) [3]
DeMarco, Frank Jr.	Secretary [3] (Kalmbach law partner) [3] (Joined the foundation Jan 73; became secretary at Kalmbach's suggestion) [1]
Drown, Jack	Treasurer [3] (Los Angeles publisher's distributor) [3]
Ehrlichman, John D.	Director [5] Board of executive trustees [3], vice-chairman [1] Development committee [1]
Eisenhower, David	Trustee [1]
Finch, Robert H.	Board of executive trustees [3]
Firestone, Leonard K.	President [3] (Director, Firestone Tire and Rubber Co.) [2]
Garment, Leonard	Board of executive trustees [3]
Graham, Billy	Trustee [1]
Haldeman, H.R.	Director [5] Board of executive trustees [3], chairman [1]
Harris, Clinton	Trustee [6] (Trustee, Whittier College) [6]
Hitt, Patricia Reilly	Board of executive trustees [3], vice-chairman [6] *
Kalmbach, Herbert W.	Director [5] Board of executive trustees [3], secretary [1]
Kendall, Donald M.	Board of executive trustees? [6] (Trustee, Whittier College) [6]
Mitchell, John N.	Director [5] Board of executive trustees [3]
Nixon, Edward C.	Trustee [1] "A nominal trustee, without any powers whatever" - Arthur Blech [4]
Nixon, F. Donald	Trustee [1]
Perot, H. Ross	Trustee [6]
Perry, Hubert	Trustee [6] (Trustee, Whittier College) [6]
Schreiber, Taft	Foundation development committee [5] (Vice-president, Music Corporation of America) [1]

TOTAL 21

* (Former ass't secretary, HNW) [3], under Finch [1]
(Trustee, Whittier College) [6]

From story on "Flood of Cards, Gifts for Nixon"
(SFC 25 Dec 74, UPI):

"Paul Presley, a friend of Mr. Nixon whose property is
next to that of the former President "

Paul Presley runs (owns?) the San Clemente Inn.

Kalmbach Link in Building

By Bob Wyrick and Martin Schram

Newsday

Washington

Clients of Richard Nixon's former attorney, Herbert Kalmbach, stand to profit from a \$16.5-million land development project near the site of a huge government office building that the Nixon administration acquired early this year under controversial circumstances.

The Federal government took title to the pyramid-shaped Rockwell International building in Southern California after pressure from the Nixon White House, including efforts by Robert Finch, who was presidential counselor at the time of the negotiations.

The government's ownership has increased land values in the area substantially, according to commercial and real estate experts.

Finch, who is now a private attorney in Los Angeles, acknowledged having pushed for the government takeover of the Rockwell building and said in an interview with Newsday that he had talked with Kalmbach a number of times during the time he was making these efforts.

But Finch said he could not recall whether the Rockwell building had been mentioned in his conversations with Kalmbach. Finch is a close friend of Kalmbach's and was his college classmate at the University of Southern California.

Disclosure of Kalmbach's clients' interest in land near the Rockwell building has added still another concern to the minds of congressional members who are already critical of the federal acquisition. Among the criticisms has been the fact that the Nixon administration acquired the building, which is located ten miles from Mr. Nixon's San Clemente home, at least in part as a temporary storage facility for his presidential papers.

Representative Jack

Brooks (Dean-Texas), chairman of the subcommittee on government activities, says that he is "seriously concerned about the possibility of somebody outside of the General Services Administration (the agency responsible for acquiring the building) promoting the whole deal."

Brooks said he has asked the General Accounting Office to investigate the entire transaction, including any possible involvement by Kalmbach.

The Rockwell building was acquired by the government on March 3 in a controversial swap arrangement in which U.S. officials turned over three government facilities in the Los Angeles area to Rockwell International in exchange for the million-square-foot modern pyramid that stands in the midst of the undeveloped hills and valleys of Laguna Niguel.

Rockwell International, a major defense and aerospace contractor originally constructed the building in 1971, but the mammoth structure remained vacant because of an unexpected lag in the space industry.

At the time the trade with the government was proposed in mid-1971, a government economist assigned to evaluate the trade called the building a "white elephant."

That official, Earl Armbrust, who works in the Office of Management and Budget, voiced a number of objections to the proposed swap.

In a memo dated Jan. 12, 1972, Armbrust argued that the building was a "white elephant" that Rockwell could not sell on the private market, that the government had no immediate use for it and that it appeared to be a building "in search of a mission." However, Armbrust eventually approved the transaction after Finch continued to push the deal. Armbrust later was promoted by Mr. Nixon to chief OMB general manager branch.

The Kalmbach link to the land near the Rockwell

building involved both a mortgage company that financed the purchase of the land by a private developer and a second company that also stands to profit from the development of this near-barren hillside property.

The complex holdings of the firms linked to Kalmbach worked like this:

One of the largest investors in land near the Rockwell building prior to the government takeover was Alison Mortgage Investment Trust (AMIT). Kalmbach was once a trustee of the firm; he also put up his own seed money to help finance AMIT. Kalmbach dropped these personal and financial ties to AMIT prior to the firm's investment in the land near the Rockwell building. But the Kalmbach law firm continued to represent AMIT's chief executive officer, Roger H. Alison, and a member of Kalmbach's old AMIT associates in a variety of legal transactions under other firm names. (During this period, Kalmbach also was serving as Nixon's personal attorney, Kalmbach resigned from his law firm ten months ago, after pleading guilty to charges stemming from his role in the Watergate scandal. He now is serving six to 18 months in prison for illegal campaign fund solicitation.)

In 1973 — eight months before the government took over the Rockwell building but while negotiations were in progress — the Kalmbach-connected mortgage company (AMIT) advanced developer Randall Presley \$4,624,000 in cash to purchase 1,324 acres of land about one-half mile from the Rockwell building. The mortgage company put up an additional \$11,876,000 for Presley to develop the land and build homes on the property — a total of \$16,500,000.

Under the terms of the Presley loan agreement — providing development plans are approved and carried out — AMIT will be paid a minimum of \$4,125,000 in interest over a five-year peri-

od. Presley was to have approved this year that would allow him to build homes in the \$60,000 to \$90,000 price range on the site.

The development also affords an opportunity for other profits to be made by a company managed to Alison and other Kalmbach clients. This company is KAG Investment Co., which Kalmbach originally helped to create with his own seed money. The Kalmbach law firm continued to represent Alison Investment Co., the parent company that now wholly owns KAG Investment. KAG Investment is a company whose officers advise AMIT on which types of loans to make. For this advice KAG receives an "incentive fee" on loans made by AMIT — including the loan to Presley. (The size of the fee KAG received from the Presley loan could not be learned.)

Officers of AMIT and members of Kalmbach's old law firm acknowledged that the firm represented Alison and his associates in various legal transactions, but they said that the Kalmbach firm resolved no financial benefits from the investment near the new federal office center. They also told Newsday that Kalmbach himself had no financial interest in AMIT or any of the other firms involved in the land development project. Kalmbach, through his attorney, refused to comment.

The government acquired the Rockwell building for use as new federal office center through a trade of \$19,500,000 worth of government property to Rockwell. Although the area around the building is now undeveloped, government occupancy is expected to spur development and increase land values of the surrounding property. Rockwell officials and local real estate officials agree.

Financing consultant John Chapman, who represents several surrounding property owners including Presley, is pushing for the development of a "new community" around the federal office center, which he believes

Regional administrator for the GSA which finally approved the swap in March 1973, said that he anticipates the building will not be occupied fully for one to three years.

Although the government had been negotiating for the plant since 1971, Thomas Eschman, San Francisco

Brooks subcommittee was asked in 1973 to approve the swap between the government and Rockwell but was eventually become the downtown area for a city of a half million people.

Controversy

Nixon Library Is in Trouble

Los Angeles

Eight trustees of the Richard Nixon Foundation have recommended that the foundation be dissolved and that its assets be turned over to Whittier College, the Los Angeles Times has learned.

Those supporting the recommendation believe there is now little chance the foundation can achieve its original goal—creation of a Nixon library and museum.

The trustees calling for dissolution are Leonard Firestone, president; Jack Drown, treasurer; Patricia Reilly Hitt, vice chairman of the board of executive trustees, and trustees Earl Adams, Robert Finch, Clinton Harris, Hubert Perry and Taft Schreiber.

To close out foundation operations, at least 13 members of the 25-member board must agree.

Mrs. Hitt proposed dissolving the foundation last week in a letter she wrote to foundation trustees. Mrs. Hitt, of Laguna Beach, served in the Nixon administration as an assistant secretary of the Department of Health, Education and Welfare.

Mrs. Hitt outlined the original mission of the nonprofit foundation as "undertaking the creation and perpetuation of a presidential library and museum for the collection and study of papers and memorabilia of the 37th President of the United States."

But, she said, "the prospects for being able to carry out that mission in the foreseeable future are unfortunately clouded at this time."

She said the foundation has not engaged in fundraising, nor selected a site nor adopted a design or concept for such a library and museum.

The foundation, which Mrs. Hitt said "has been in a quiescent state for a considerable period of time," requires funds for studies, surveys, supplies, office space, equipment, travel expenses and advisory services to the oral history project conducted from 1971 to 1973 by Whittier College in California.

As a result, the foundation's assets consist only of materials and studies developed by the oral history project and a few other items, such as furniture, files and records.

When Mr. Nixon was pardoned, President Ford also ordered that the former President would retain custody of his White House tape recordings and documents. However, Congress overturned the arrangement, voting to keep the records under government control. The courts are to make a final determination on the ultimate ownership of the documents.

The oral history consists of interviews with relatives and longtime friends of the former President and is understood to cover the first 20 years of his life. None of the assets of the foundation, includes materials from the Nixon presidency.

At a Whittier College trustees meeting on December 2, a resolution was adopted to indicate the willingness of the college to accept and ad-



LPI Telephoto

PATRICIA REILLY HITT

A leading trustee

minister the foundation assets.

Four members of the Nixon Foundation board also serve as trustees of the college. They are Mrs. Hitt, Harris, Perry and Donald M. Kendall.

Three foundation trustees are on trial in Washington for matters relating to the Watergate coverup. They are John D. Erlichman, H. R. Haldeiman and John N. Mitchell. A fourth, Herbert W. Kalmbach, is serving a sentence at the Federal Correctional Institution at Lompoc for collecting illegal campaign contributions.

Other trustees include Mr. Nixon's son-in-law, David Eisenhower; brothers Edward and F. Donald Nixon, evangelist Billy Graham and Dallas millionaire H. Ross Perot.

Technically, Mr. Nixon has no legal role in deciding the future of the foundation, but the Times has learned that the former President has been consulted and has expressed no objection to dissolving the foundation.

Those closely associated with the foundation made it clear that a move to dissolve the foundation would not have been made if Mr. Nixon had objected.

Los Angeles Times