

'The jewel in the crown'

Shelter Island is turning 50; locals discuss its past, future

By Ronald W. Powell
STAFF WRITER

When Brian Osterberg was a schoolboy, the waters of San Diego Bay that wash against Shelter Island were clear and clean. "We used to go out and dig for clams — and they were very good," said Osterberg, 46, owner of Baker Marine Instruments and Repair. C.F. Koehler Jr. remembers listening to the fishing yarns and waterfront gab of old salts sitting around his father's boat-building and boat-repair business. "I'd come down every day after school and in

the summers. This was my playground," said Koehler, 39, who is head of Shelter Island's Koehler Kraft boatyard. "I had to have a broom or a shovel in my hands if I wanted to hang around. You had to help out." Shelter Island, a San Diego center of recreational boating, water-related businesses and hospitality, is turning 50. The proliferation of marinas, industrial waste from years past and myriad fuel spills have degraded water quality and make consumption of clams from the area ill-advised. Yet it remains a San Diego Bay enclave with its own eclectic ambience. It is a working place of blue-collar family businesses, spiffy hotels and restaurants, ending with a carpet of cool grass along the bay front that is perfect for

SEE Island, B4



This aerial view of Shelter Island circa 1952 shows the mile-long, manmade peninsula before it was populated with its present-day businesses. File photo courtesy of San Diego Harbor Department

▶ ISLAND

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The peninsula was constructed in the 1940s

walking, jogging and picnicking.

A three-story height limit provides the community an airy feel that is friendly to pedestrians and bicyclists.

"The way I always describe it is that, if the bay is San Diego's crown, then Shelter Island is the jewel in the crown," said Richard Cloward, executive director of the Port Tenants Association, which represents many of the more than 50 businesses in the area.

The San Diego Unified Port District administrators state tide-lands on San Diego Bay and is landlord to businesses on Shelter Island. The property is a heavy-hitter in the port's real estate portfolio.

In the fiscal year ending June 30, Shelter Island businesses paid \$5.5 million in rent. That is more than 9 percent of the \$59.2 million the port took in from its more than 400 tenants.

A bit of history

The island is actually a peninsula that was built in the 1940s by using dredged sand to connect the mainland with a sandbar. Two inlets were created: the Shelter Island Yacht Basin and the Commercial Basin, now known as America's Cup Harbor.

Against a backdrop of marinas, boat repair and boat building, owners of hotels and restaurants in the early years strove to imbue the area with a Polynesian sensibility. The Bali Hai Restaurant, for example, offered a Polynesian floor show six nights a week. The mai tai, the rum-fueled cocktail, was a popular beverage.

"The key to everything was our Polynesian atmosphere," said Billy Riley, 85, a pioneering businesswoman on Shelter Island. "We were more Hawaii than Hawaii."

Riley, who managed the Half Moon Inn and was later a part owner of a Shelter Island restaurant, said the Polynesian patina lured winter tourists from the Midwest and Phoenix.

Riley joined with Tom Ham, the energetic owner of Bali Hai,

to relentlessly publicize Shelter Island. Riley customarily wore colorful muumuus, while Ham favored splashy open-collared Hawaiian shirts and white slacks.

"We had to promote it like crazy to get it going," Riley said.

The momentum did take hold, as visionary Port Director John Bate always said it would. Bate lobbied for and guided the development of Shelter Island in the late 1940s and early 1950s in the face of critics who sometimes referred to it as "Bate's Folly."

In the early 1950s, Koehler said Bate recruited his late father, Clarence Koehler Sr., to move his boat-building and repair business from downtown's Front Street to Shelter Island. The son continues the business in the same location on Shelter Island Drive, specializing in the repair of wooden boats.

"Bate didn't wait around to get everyone's blessing," Koehler said. "He just got it done."

Sometimes that meant doing things on the cheap. Koehler remembers that in his youth, the riprap at the water's edge was made of broken concrete and asphalt pirated from city construction projects.

Other families

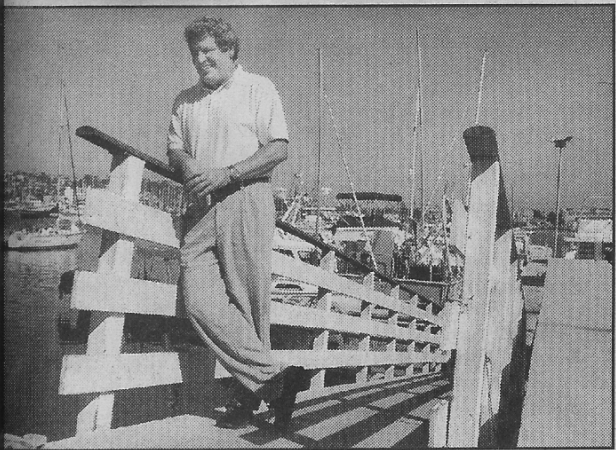
The ownership bloodlines continue in several other businesses that have endured since the early days.

Woored by Bate, Gerry Driscoll established the family's first boatyard on Shelter Island in 1951. Over the years, the family expanded the original boatyard, bought out the lease to operate another and now controls a wharf.

Tom Driscoll, who is the top executive of the family's Shelter Island businesses, is looking to expand even more. He wants to lease a place where he can repair mega-yachts — private pleasure vessels of 150- to 170-foot long. It's just a matter of waiting until the right lease becomes open, he said.

"In the old days, most of the businesses were owned by local single-owners — mom and pop type businesses," said Driscoll, 51. "Now, there are (some) big limited partnerships made up of people who live elsewhere."

Baker Marine is operated by Brian Osterberg and his chil-



Driscoll of Driscoll Boat Works is carrying on a family boat yard business on Shelter Island. *Laura Embry / Union-Tribune*



Bellevue Park Beach on Shelter Island is a popular attraction for residents and visitors. *Laura Embry / Union-Tribune*

Anthony, 22, and Chris, 19. Osterberg's father, Bert Osterberg, began work-part time at Baker in the early 1950s when it was among the first businesses on the island. Robert Osterberg had learned to repair binoculars and compasses while serving in the Navy, and he moonlighted at Baker doing the same work. Osterberg became a partner with Baker after retiring from the navy in the early 1960s. Brian Osterberg began working there as a teenager, becoming a partner in 1978. Now the sole owner, Osterberg cleans and repairs compasses, binoculars and other fine navigational instruments sent to him from around the world. Some of the binoculars he sells are so small enough to fit in a purse. Others, used by fishermen to scan the horizon for schools of fish, look like two black pipes sitting side by

Osterberg said he would not consider working anywhere else.

"We have to be here. This is our home," he said. "It's been my home nearly all my life."

A special place

Susie Baumann took over Bali Hai after her father, Tom Ham, died in 1973. Baumann, 57, said she went on the payroll as a high schooler in 1960, making \$1.25 an hour.

Baumann said that in the 1950s and 1960s, restaurants were in short supply in the county. There was no Gaslamp Quarter or ample supply of neighborhood restaurants. Bali Hai became a special place for a family's night out or for prom night.

Ham, who built Tom Ham's Lighthouse restaurant in 1971 on Harbor Island, always tried to serve meals at a reasonable price, said Baumann, adding that she is trying to continue

Shelter Island's early history

It's called an island, but Shelter Island is a mile-long, manmade peninsula east of Point Loma. It forms two basins: Shelter Island Yacht Basin and the Commercial Basin, now known as America's Cup Harbor.

The island has become a San Diego hub for marine-related business, yacht clubs, hotels, recreation and dining. Significant milestones in its development include:

1859: Shelter Island area is referred to on the U.S. Coast and Geodetic Survey Map as a "shoal or mudbank."

1934: Dredging begins to deepen the ship's channel and marks the start of the dumping of dredged materials into the area that is to become Shelter Island.

1947-48: Area known as the Commercial Basin is dredged, and much of the material is used to create the peninsula at the foot of Byron Street.

1948: Former Harbor Department engineer John Bate becomes port director, replacing Joe Brennan, who held the position for 30 years. Bate becomes an ardent booster for developing Shelter Island.

1948: In a door-to-door canvassing of Point Lomans, residents say they oppose development of Shelter Island out of fear that it will become a "honkytonk amusement center" with garish lights and tall buildings that block views. The Harbor Department adopts design guidelines that allay community fears.

1949: Bate's idea moves forward. The fingerlet is called Shelter Island because it protects yachts from southerly winds. Critics in the early years would call it "Bate's Folly." Some called Bate "Commodore of the Mudflats."

1950: Dredging material connects the sandbar to land. Also created is a 400-foot channel entrance to the Shelter Island Yacht Basin, which has an area of 200 acres. Some dredging material is used to raise Shelter Island to about 7 feet above high tide. The island is a mile long and averages 300 feet in width.

1950: Merchant Marine Capt. Robert Baker establishes Baker Marine and teaches a navigational course on Shelter Island.

1951: Gerry Driscoll establishes a boat yard on Shelter Island.

1951-52: The Port of San Diego installs utilities, landscaping, a fishing pier and a boat launching ramp.

1953: Paving begins on Shelter Island.

1953: Bali Hai Restaurant opens with stunning views of the bay and a Polynesian theme. It becomes a destination restaurant for the county.

1953: The ritzy and private Kona Kai Club opens, attracting celebrities such as Arthur Godfrey, Danny Thomas, then-U.S. Sen. John F. Kennedy, Clark Gable, Burt Lancaster, Tony Curtis, Janet Leigh and Bob Crane.

Source: San Diego Historical Society and Union-Tribune research.

the tradition.

In 1964, Richard Bartell stayed at the Half Moon Inn with his parents while visiting San Diego from New York. Twenty years later, he bought Humphrey's Half Moon Inn and Suites, which includes the site of Humphrey's By the Bay concerts. In 1996, he added the Island Palms Hotel and Marina.

He said both have solid occupancy rates and rate well among the seven local hotels he owns.

"Shelter Island offers a quintessential San Diego experience," Bartell said. "You can walk along Shelter Island and experience the lifestyle of the waterfront: yachts, marinas, boat repair, seafood restaurants and fishing."

The Port District is working with the city of San Diego on a plan to improve traffic access to the area. The port has approved a redevelopment plan to en-

hance pedestrian walkways, landscaping, parks and to create other amenities. However, port officials have not yet identified the source of funding.

Baumann said a pressing need for Shelter Island is a gateway sign that draws attention to the area. She said some business owners are working with the Port District to get such a sign installed.

If the peninsula has a problem, she said, it is not publicizing itself the way it did in the past as a destination as attractive as the Gaslamp Quarter or Little Italy.

"I'd like to introduce young families in the San Diego area to the island," Baumann said. "I'd like to let them know that it's a great place to be."

Baumann's idea is an echo of Shelter Island's past, a return to the days when John Bate, Billy Riley and Tom Ham touted its potential.