

CHAPTER TWENTY-ONE

A NEW kind of bootlegging appeared in south Florida as the sweaty month of September, 1925, drew to a close. When dealers were forced by the freight embargo to ration out the remaining lumber, and all building was threatened with a shut-down, men conspired in the dead of night for a few planks or beams, just enough to tide them over a tight spot so they could throw a house together somehow and get it on the market.

The freight embargo grew steadily worse. The lumber dealers organized at the J. A. McDonald Lumber Company plant, late in September, and prepared to allot each firm a certain percentage of all the wood that could be got into Dade county. Guy Stoms presided and declared that not more than 5 per cent of the normal supply was on hand in the various yards. Thirty thousand men employed in the building trades here were facing idleness.

Many a contractor's truck began moving about at night to pick up a load of lumber here or there. Houses became so flimsy that even a strong wind would have knocked many of them to the ground, and it was no wonder the hurricane of 1926 took such a toll. The demand for shelter was so great that tent cities had sprung up in Miami, in Hollywood and Sanford and elsewhere, for that was the day before the house car and the tourist camp had come into such general favor. The Miami Chamber of Commerce promoted the importation of 100 portable houses to rent at \$60 a month.

The Florida East Coast railroad finally was forced to declare a full embargo on dead freight. Thousands of people with freight in the warehouses wouldn't call for it. The railroad refused to build more warehouses, claiming it could not go into that business, and the city of Miami finally began to put up a warehouse near N. W. Thirty-sixth street. Eager to lay the blame elsewhere, citizens even declared the embargo was brought on by the Florida East Coast insistence upon building the double track between Miami and Jacksonville. Two thousand passengers daily were being brought into Miami on this one railroad.

But despite the embargo, the great real estate movement still was going at near top speed. The Biscayne Hotel at the corner of Flagler street and Miami avenue was sold by the United Cigar Stores subsidiary to Hugh M. Anderson and Roy C. Wright for \$1,500,000, as their own private speculation. In a year since N. B. T. Roney turned it loose, the corner had increased in value \$1,200,000.

Burdine & Quarterman prepared to vacate their Flagler street corner for the Hollywood corporation, and bought the property where their building was subsequently constructed on N. E. Ninth street, for \$525,000. Voters in the north part of the county approved a bond issue for the Seventy-ninth street causeway, and the

fact that it was to be built paved the way for opening the Isle of Normandy, on the beach end of this causeway, as the last ocean-side development of this particular boom.

Fairisle is a little island opposite the Deering estate in the lower bay which was subdivided in September. Sales amounting to \$1,558,330 were allegedly made in four hours when this island, almost forgotten today, was thrown on the market.

There was so much noise from air drills and riveters that few noticed the barrage of shots which burst forth from the Dade county courthouse on the morning of September 27, but when the smoke drifted away, two county prisoners lay dead and a jail break led by the notorious Heywood Register of the Ashley gang had failed. Sheriff Henry Chase and a number of deputies and city policemen had watched for the attempted escape from the windows of the old courthouse, opposite the county jail, fearing that the break from the inside would be covered outside by the sharp-shooting Joe Tracey, another of the Ashley gang survivors who had escaped from a state road camp and was known to be in Miami.

Register played possum and was not injured. Sheriff Chase was indicted for second degree murder, along with seven deputies and six Miami policemen who had joined in the fusillade, and E. B. Leatherman, chief deputy in the Circuit court clerk's office, was appointed elisor by Gov. John W. Martin to carry out the duties of sheriff until Chase could be tried.

Much of the animosity which was generated later in Dade county against Martin dates from his refusal to remove Chase from the sheriff's office at this time. Certain gambling interests on Miami Beach had tried to run a race track wire in for bookmaking and had been prevented by Chase. The gamblers recruited political help to force Chase out, but Governor Martin refused to give ground before their editorial and personal attacks. Chase was tried in December and acquitted, along with the deputies and the policemen.

Political fires were burning at Miami Beach also. Chief of Police C. E. Brogden finally resigned after a request from the Miami Beach council, and started to run a bus line. His place was taken by Damon Lewis of Oklahoma, whose tenure of office was disturbed abruptly in December when he was indicted in Kansas City for smuggling narcotics, and was sentenced to seven years in Leavenworth. Claude A. Renshaw, former mayor of Roundup, Mont., came in as city manager and has been given credit for much of that city's subsequent sound financial position.

James Deering died on the way back from Europe, and Vizcaya, the estate on which he had lavished more than \$8,000,000 to make it the prize beauty spot of the United States, was without a master. The former vice president of International Harvester willed \$500,000 to Jackson Memorial hospital to build a charity ward as his final contribution to the community.

South Miami avenue was torn up briefly as three shifts of

workmen laid the tracks for the Coral Gables rapid transit line at the rate of a block a day. The old Security Hotel was torn down to make way for the new 15-story home of the Dade County Security Company, across from the federal building. The four-story Plaza Hotel on the bay front was sold for \$1,000,000 by Millard and Lee Chase, who had been there with their mother since 1909. The buyers were Tatum Brothers and Forrest L. Haines.

Although it was estimated Miami would add 8,428 new houses, 8,065 apartments and 8,262 hotel rooms from May to December, the rent gouger still was in the saddle as the time for a new tourist season drew on. The First National Bank for some time had operated apartments for its employes. The Miami Herald bought two whole apartment buildings and started 50 houses in Hialeah for its newcomers. Burdine's built three apartment buildings; the Commercial Bank & Trust Company, Sutton & Gibson, the jewelers; Groover-Stewart, the druggists; and even the city of Miami Beach went into the housing business to retain employes.

By this time Miami and its suburbs began to feel like a country girl wearing her first corset. Land owners feared that 1,000,000 people soon would be overflowing south Florida, and consequently the co-operative apartment idea found ready ears. The first one was planned for Coral Gables, to be called the San Juan, where you would own a portion of space into which an apartment would be fitted.

To give you an idea of how things were going, the recorded real estate sales in Dade county for July were \$24,000,000, for August they leaped to \$141,000,000 and in September they were \$96,674,000. We note these sales for Dade county only, because it was the storm center of the boom, and the values represented there have no purpose at this late date except to afford a comparison of the number of lots that were being absorbed by eager buyers. That Dade county again has some sort of boom is evidenced by more than \$50,000,000 in real estate transfers recorded during 1935.

Late in September one began to hear doubts about the Florida boom. "Can it last?" the starry-eyed neophytes asked the hardened real estate salesmen. But none was so foolish in this part of Florida at least as to admit openly that Florida was enjoying anything but a healthy, normal growth. Had anyone in September declared in the full hearing of others on Flagler street that he thought the boom was nearly over, he would have been rushed to the old stone jail and locked up as hopelessly insane.

Seven Ohio banks pooled their resources in September, 1925, to shoot out an advertising blast against Florida that echoed all over the Middle West and brought yelps of surprised pain from the Florida press and civic bodies.

The embattled bankers, seeing hundreds of millions of dollars leaving the banks of the North for Florida, put this puzzler to their

Florida-bound customers: "You are going to Florida to do what? To sell lots to the other fellow who is going to Florida to sell lots to you. That is about all you can do in Florida unless you want to work."

But that was only one of the slings and arrows of outraged fortune. The Scripps-Howard chain of newspapers in September printed a series of articles from the facile pen of Harold Keats, which stated quite baldly that the boom was over in Florida, that all the profits had been made, that the binder boys had been run out and that Santa Claus was dead. So damaging was this coast-to-coast indictment that Herman A. Dann, president of the Florida Development Board, asked Gov. John W. Martin to call a meeting of leading Florida men in New York October 9 to meet the principal magazine and newspaper publishers and see what could be done to get the "truth" printed.

The anvil chorus clanged mightily throughout the South during September. Richmond citizens called for a special legislative session to devise ways to counteract the damage done to Virginia by the wholesale migration to Florida. "Florida is a regular madhouse," shrieked headlines in South Carolina. "Two months too late to make a profit in Florida," advised a Kentucky newspaper. "Florida is lacking in anything but money," we learned from an up-country paper, which declared there was a food shortage in Miami and no place for thousands to sleep.

Even our friend, The Asheville (N. C.) Citizen, suggested the advisability of martial law in Miami, as disappointed returning investors contended rent profiteers made it impossible for anyone less than a millionaire to get a night's lodging.

"Ridiculous," snorted the Florida journals in unison. The Clearwater Chamber of Commerce prepared to sue the Scripps-Howard newspapers for malicious misrepresentation. Someone in Miami suggested the creation of the state post of "fib-buster" to run down the stories about Florida and brand them. His name would have had to be legion. Only Felix Isman in the conservative Saturday Evening Post was gravely declaring there was no boom in Florida. We forget what his term for it was. Mercer P. Moseley wrote an epic essay entitled "The Florida Dollar" which gained much favorable attention in Northern financial journals, but it circulated mostly among those too busy with the rising stock market at that time to pay full attention to Florida.

On October 9, 1925, in one of the large dining halls of the Waldorf-Astoria Hotel in New York, the leaders of Florida thought and action held a conference with most of the New York publishers—Scripps-Howard excepted. This writer, in reporting the event, began as follows:

"Florida today made her appeal for truth in advertising in the very heart of the nation's publishing center, an appeal designed to still the propaganda that is being circulated to the detriment of the state."

Ringing the banquet table, elbow to elbow with the publishers of the greatest newspapers and magazines in America, were Governor Martin, Herman Dann of St. Petersburg, G. G. Ware, Leesburg banker; Joe H. Scales, Perry banker and state senator; David Shofitz, Daytona Beach banker; I. E. Schilling, William N. Urmev, Frank B. Shutts, George Merrick and N. B. T. Roney of the Greater Miami area; Joseph W. Young of Hollywood; C. C. Carr of St. Petersburg; Harvey Hill of Jacksonville; S. Davies Warfield, president of the Seaboard Air Line railroad; George Sebring of Sebring; Paris Singer of Palm Beach; Calvin Fentress of Jacksonville; Barron Collier, builder of a young empire in Collier county; John H. Perry, the Jacksonville publisher; Frank Parker Stockbridge, August Heckscher, H. H. Raymond, president of the Clyde line, and Senator T. Coleman duPont.

Splendid, convincing speeches were made by Governor Martin, by Herman Dann and Barron G. Collier and many others. They were answered in kind by the publishers, none of whom, in the final analysis, seemed to hold any grudge against Florida. They declared they had printed the horrible details, real and imaginary, which their writers had brought back from the boom as being infinitely more interesting to their readers than the kind of soothing syrup the promoters and the publicity men of the boom were peddling. When it was over, everyone felt better and the Floridians went home hoping that what they halfway feared was not yet upon them, namely a real estate slump such as the stock market periodically experienced. Virtually no one of that Florida delegation would have dreamed the boom in Florida would be as dead as a salted mackerel three months later.

Following this meeting, the real estate men in Miami began getting together \$20,000, to be used specifically to fight back at the critics, who continued worrying Florida like a pack of dogs around a tiring bear. We were to learn that the fires of publicity lighted by the Miami Chamber of Commerce since 1915 were not so easy to extinguish.

In those early days the Miami Chamber of Commerce under E. G. Sewell raised a good share of the advertising budget and directed its spending with considerably more imagination and results than those of today, who simply tread around and around in the "girly" pattern first laid out by Steve Hannagan. In 1915 the Miami chamber raised \$2,500 by popular subscription for the first city advertising fund, and even as late as 1924 it was producing, by popular subscription, half of a \$172,000 yearly advertising budget at the insistence of Sewell.

There is little doubt that the attention of the nation first was drawn to Miami by this persistent advertising, but, once focused on Florida, the nation by late 1925 was somewhat cockeyed from trying to follow the kaleidoscopic whirl that looked from a distance not unlike a parade of pink elephants and green monkeys.

In Florida the parade still was going strong, although October

saw a definite slacking of sales. The Isle of Normandy on upper Miami Beach was sold out in three hours for \$6,125,000, as it stretched its arms to receive the new Seventy-ninth street causeway from upper Miami. Largest one sale of the month was the muchly litigated Central Park, at Flagler street and Grapeland boulevard, for \$1,000,000 to the Knickerbocker Realty Corporation.

D. L. Hartman, the strawberry king, was holding grimly to his 26 acres of fine land just north of Seventy-ninth street and west of Biscayne boulevard, having rejected one offer of \$1,000,000 for it. He had taken \$91,500 off that land from strawberry crops in four years and he wanted to make just one more crop before retiring. But during the latter part of October Hartman finally sold the "strawberry patch" to a corporation headed by Gradon Thomas for \$1,000,000, to be subdivided as soon as the crop was picked. The lateness of that crop saved good strawberry land from being converted into a poor subdivision, because by the time he was ready to deliver it was not worth a million to the subdividers.

Dr. Everett S. Smith came down in October from Hopkinsville, Ky., to begin his pastorate at the First Christian Church in Miami. Paul B. Wilson of Long Beach, Calif., became assistant city manager of Miami. Mr. and Mrs. Charles A. Mills reported they had counted 840 automobiles bearing 2,500 people down the Dixie highway toward Miami in a 10-hour stretch of driving north. Henry Vander Lei, a landlord of Miami, became a brief sensation when he made public a promise that he would not raise the rents on his tenants the following season, believing in the adage, "Live and let live."

After prolonged research, it has been discovered that the oft-repeated quotation, "Your skyline reminds me of New York," originated September 27, with Arthur J. Bauer, New York druggist, and Adrian G. Hanover, New York real estate man. Their exact words were, "The skyline of Miami compares only with the skyline of lower New York."

Thereafter for nearly a year incoming new visitors would be asked by reporters, "Doesn't Miami's skyline remind you of New York?" If anyone answered in the negative, it didn't count. The query served chiefly to call attention to the physically new and stately Miami, and to cover up from January, 1926, to the time of the hurricane any embarrassing comment about what had become of the boom.