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The Van Sweringen Developments in Cleveland: A Senior Thesis on the Van Sweringens

Joseph G. Blake
jblake9147@aol.com

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THE VAN SWERINGEN DEVELOPMENTS IN CLEVELAND

A Senior Thesis
Submitted to the History Department of the
University of Notre Dame in Partial Fulfillment
of the Requirements for the Degree of
Bachelor of Arts
by
Joseph G. Blake

Department of History
Notre Dame, Indiana
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ACKNOWLEDGEMENTS

Before this paper begins, I must give acknowledgements to a few of the many people whose assistance was most helpful. I must thank Mr. William R. Van Aken for his always thorough and willing assistance during the preparation of this paper. Also, I owe considerable thanks to Mr. Raymond Blosser who gave me complete access to the notes and material for his yet unpublished book. Much of this material is of significant value since the large body of the research was done while most of the close associates of the Van Sweringens were still living. Also, I wish to express thanks to the staff of the Western Reserve Historical Society and Mrs. Elizabeth Nord of the Shaker Historical Society whose willingness to serve was most encouraging and helpful. There are several other persons whose help was quite valuable. I want to thank Mr. B. Lamar Boykin, Mr. Charles Davidson, Mr. Alfred Seymour, Mr. Herbert Strawbridge, Mr. John P. Murphy, and Mr. Walter Halle for their comments and information during the interviews and correspondence with them.
In attempting to present a reason why I have undertaken this paper, I must inevitably present some personal history. My family connection with Cleveland goes back nearly a century. Since my earliest childhood, I recall hearing stories about the great names and events which formed the city's past. Much of this came from my grandmother and her sisters who served as the governesses of the children of several prominent Cleveland families. Consequently, I inherited a strong curiosity about the city's past. The names Hanna Bolton, Garfield, Chisholm, and Van Sweringen became comfortable companions who were more than names in the newspaper. Rather, they were vital interests whose every action deserved close scrutiny.

The family association with Shaker Heights goes back to 1928 when my parents first became residents. As a result, the Van Sweringens and their efforts were a very real part of our lives. As long as I can remember, the story of the fabulous brothers, Oris P. and Mantis J., fascinated me. So now I take the opportunity to pursue this fascination into an orderly study of their efforts.

The intention of this paper is to examine the Van Sweringen developments in Cleveland, Shaker Heights, and the Cleveland Terminal development. In examining these projects, I intend to reveal the goals of the Van Sweringens and what they actually accomplished.
This of course, would include an evaluation of their developments and the effects on Cleveland.

Any discussion of the brothers cannot avoid mentioning their sprawling and complicated financial affairs. The Van Sweringens did not limit their concerns to the field of real estate. Ultimately, they became key figures in railroad history. This entry into the railroad business was the direct consequence of their Cleveland ventures in real estate. However, the length and purpose of this paper can admit only limited treatment of these endeavors as they are relevant to the discussion of the urban projects.
CHAPTER I
THE EARLY YEARS

By the year 1900, the city of Cleveland had experienced a phenomenal population growth. From a population of 17,034 in 1850, Cleveland had grown to be a great urban center in 1900 of 381,768.\(^1\) This tremendous increase in population was due to the industrial revolution of the intervening years. This development brought with it the great steel and petroleum industries which provided the basis for Cleveland's commercial strength.

One of the contributing factors to this growth was Cleveland's natural advantages. The city was situated on Lake Erie, which provided an easy access to the great iron ore resources of America as well as a cheap way to ship goods to other markets within the Great Lakes region. Another advantage was the Cuyahoga River Valley, which provided an ideal site for the steel and petroleum complexes as well as a direct link with the lake and markets beyond. In addition, after 1869\(^2\) Cleveland had the advantages of the service of the New York Central Railroad and thus market outlets in the East. The city


also had the advantage of the business genius of John D. Rockefeller, Mark Hanna, Henry Chisholm, Alva Bradley, and Samuel Mather who so masterfully encouraged the great industrial center. Cleveland was not unlike the industrial center of Germany's Ruhr Valley.

In addition, the city also had the supporting industries so necessary for economic diversity. By 1900 the old Cleveland firms of Glidden Varnish, Grasselli Chemical, Brush Electric, Warner and Swasey, and White Motor had become significant contributors to the city's economic life. These, too, attracted their share of workers to populate the city.

By the end of the century, many European immigrants and native Americans had come to take advantage of the growing opportunities which Cleveland offered. Among these new arrivals was the family of James Tower Sweringen. The Sweringen family of noble Dutch ancestry, traced its descent from Gerret Van Sweringen who settled in Delaware in 1656. James Sweringen, unlike his forebearers, neither used the full family name nor was a man of means, due to a Civil War wound. He and his wife, Jeanne Curtis Sweringen, first lived in Pennsylvania, where their first three children, Herbert,  

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4Ibid.

5Ibid.
Edith, and Carrie, were born. Later they moved to Ohio, where Oris Paxton was born on April 24, 1879 in Chippewa Township and Mantis James on July 8, 1881 in Rogue’s Hollow. Shortly after the death of his wife in 1886, James Sweringen settled his family in Cleveland, where he thought their opportunities would be improved.

In Cleveland, the two youngest Sweringen boys attended the local elementary schools and concluded their formal educations at the eighth grade. Both boys in their early youth peddled papers in the Heights area of Cleveland, then a sparsely populated farm region. During the summer, both boys frequently played or tended cattle around the Shaker Lakes. Upon completion of their schooling, Oris and later Mantis went to work as office boys for the Bradely Chemical Company. Even at this early age, both boys were inseparable. As one commentator has so aptly remarked,

They were not twins by birth, for O. P. Van Sweringen was two years older than M. J., but they were twins by choice... they were almost like two halves of a single personality...

During his teens, Oris had decided to enter the real estate business when he was twenty-one. Mantis of course, would follow

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7 Ibid.
8 Ibid.
his brother's leadership. Their first real estate venture, the sale of a house on Carnegie Avenue, netted them $100 profit.\textsuperscript{10} It was also around this time that the boys met their close associate, Ben Jenks.

However, not all their early ventures met with success. In 1902 the brothers took an option on some lots on Cook Avenue in Lakewood, a suburb on Cleveland's West Side. Their efforts to sell the land failed and a foreclosure judgment was entered against them.\textsuperscript{11} During the next two years, the brothers bought and sold property under their sisters' names until this debt was settled. When they resumed business in their own names in 1904, they were using the full family name, Van Sweringen. Their motives undoubtedly were twofold. They must have desired to remove the onus of failure around the Sweringen name and also to gain the prestige of the full noble name.\textsuperscript{12} Furthermore, this unhappy experience must have predisposed them toward only East Side real estate ventures.\textsuperscript{13}

Their next ventures were in Cleveland Heights. They took options

\textsuperscript{10} Taylor Hampton, Cleveland News, August 3, 1955, p. 10.
\textsuperscript{11} Ibid.
\textsuperscript{12} Ibid.
\textsuperscript{13} In later years, however, M. J. Van Sweringen claimed they went East because the opportunities for growth were there due to certain natural advantages for automobile drivers. A person driving from his West Side home would have the sun in his eyes both on the drive to work and the return trip in the late afternoon.
for land worth about $3,300 along Fairmount Boulevard. In order to foster the sale of land in their area, they convinced J. J. Stanley, President of the Cleveland Railway Company, to build a branch line along the boulevard from its University Circle terminus. A separate company, the Shaker Lakes and Boulevard Electric Railway Company, was organized to provide the right of way and payment of five years' interest on the cost of the extension. This construction gave the needed transportation access with the area and consequent quick sale of land. The initial success in the Fairmount and North Park Boulevards region prompted the brothers to believe that there was potential in the development of the nearly abandoned farms of the Shakers.

In their operations, the Van Sweringens had become acquainted with the firm of O. C. Ringle and Company. The firm represented the Shaker Heights Land Company, a Buffalo syndicate headed by W. H. Gratwick. In 1889, this group had purchased for $316,000 around 1,400 acres from the "Shakers" or the North Union Society of the Millenium Church of United Believers.

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17 The popular name "Shakers" was due to their frenzied dancing during worship services. The Shakers originally came from England in the eighteenth century. Essentially the group was a deviate Quaker sect which advocated celibacy and a communized life. In 1822, Jacob Russell founded the North Union Society. This society thrived for
The efforts of the Gratwick syndicate to sell the property had failed. Prior to the construction of the Fairmount line, no one had given much thought to the prospects of this region. However, the Van Sweringens thought much could be done for the development of the area. In 1905 they offered to take an option on part of the land with the provision that they could take a second and third option on more land, if successful. This option, typical of most Van Sweringen ventures, was effected with borrowed money. The early efforts met with success such that the brothers purchased the remaining Shaker holdings of the Gratwick syndicate.

These early years were important because the brothers gained valuable experience in the methods to develop Shaker Heights. In the real estate ventures along Fairmount Boulevard, they encountered in the formative stages the restrictions and standards which were so much a part of the Shaker Heights endeavor. Also, the Van Sweringens learned the great value of quick transportation, which was necessary to the early success on Fairmount and indispensable in Shaker Heights.

many years and demonstrated hard work and achievement. In 1843, they built the first gristmill in northeastern Ohio followed by a hospital in 1846 and a woolen mill in 1854. The decline in converts in later years necessitated the sale of property.
CHAPTER II
THE DEVELOPMENT OF THE RAPID TRANSIT

In the Van Sweringen efforts, transportation was the key to success. Not only did the construction of the rapid transit foster the sale of suburban lots in Shaker Heights, but also the interurban line was responsible for the paths to the Cleveland Terminal project and eventually to the sprawling rail empire.

Efforts to get fast transportation for Shaker Heights began immediately after the first land options were purchased. The brothers once again approached the Cleveland Railway Company. The proposed an extension of its lines to the Shaker property. However, this time Stanley refused, saying he would not build anymore losing extensions like the Fairmount line. Furthermore, Stanley said he would refuse to operate the line even if it were built for him.¹ This uncompromising attitude forced the brothers to seek a solution elsewhere.

In conjunction with their rapid transit endeavors in 1909, the Vans had acquired four acres on the Public Square for a terminal. In reviewing maps of the city for this project, O. P. Van Sweringen observed Kingsbury Run, a narrow valley which ran directly from the

¹Harry Christiansen, Northern Ohio's Interurban and Rapid Transit Railways, p. 105.
Shaker property to well within the Cleveland city limits. For purposes of acquiring and holding this land, the brothers organized in 1911, the Cleveland and Youngstown Railroad Company.² Oddly enough, the Cleveland Railway Company provided car service for the young suburb while land acquisitions and construction of the line was underway. The brothers extended the Fairmount line along Coventry to Shaker Boulevard. The line went out Shaker Boulevard to Courtland where a single track ran down to the present site of the Shaker Heights Country Club. Their car service began on December 17, 1913.³ The apparent reason for the Cleveland Railway Company's change of heart was the temporary nature of the line and the financial considerations from the Vans.

However, the Kingsbury Run property did not give the brothers adequate right of way for the rapid transit. The property crossed the Cleveland Short Line Railway, a twenty mile track built by the New York Central to improve its access for the Cleveland freight traffic. At that time, the Central was losing valuable business to the Pennsylvania due to its over crowded trackage facilities along the lakefront.⁴ At this same time, the brothers met Alfred H. Smith,

²Harry Christiansen, Northern Ohio's Interurban and Rapid Transit Railways, p. 105.
³Electric Railways of Northeastern Ohio (Chicago: Central Electric Railways Ass., 1965), p. 91.
then Vice President of the New York Central, in connection with some land purchases in Shaker Heights.

The result of discussions with Smith was an agreement giving the New York Central rights in the Kingsbury Run property. This arrangement provided the Central with a connecting line between the Cleveland Short Line and the market districts along Broadway and Orange Avenues. The brothers in turn acquired a valuable ally in later railroad endeavors.

This was not the only business the Van Sweringens had with the management of the Central. In completing the land purchases for the rapid transit, they discovered that the Nickel Plate Railroad had purchased some of this property for future expansion. Consequently, outright purchase of the land was not possible. However, the Vans soon found out that the Nickel Plate was for sale.

The Nickel Plate or the New York, Chicago, and St. Louis Railroad was acquired by the New York Central in 1887. The road was the result of an effort to blackmail Commodore Vanderbilt into buying out his competition. The effort was so successful that Vanderbilt commented he could have had the line nickel-plated for its purchase price. Under the provisions of the Clayton Act of 1914, the Justice Department ordered the Central to sell its Nickel Plate

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5 The Van Swearingen Corporate System, p. 8.
6 Ibid.
holdings. At this time, the road was so poorly managed that it was popularly called "the streak of rust." Newton D. Baker said "the Nickel Plate runs often enough to be dangerous."

In considering the sale of its Nickel Plate holdings, the Central was concerned that the line would not fall into the hands of the Pennsylvania. With this in mind, Smith informed O. P. Van Sweringen on February 23, 1915, that the Nickel Plate could be acquired for $9,000,000. Nearly a year later the brothers offered $8,500,000 for the holdings. The Central accepted giving the Van Swerings 51% control of the Nickel Plate.

With the acquisition of the Nickel Plate Railroad, the brothers had completed the necessary land purchases for the rapid transit. They now began construction on their Cleveland Interurban Railroad. The route of the line went from the center of the city at Public Square out to Shaker Square. At this point, the line divided into two divisions, the Shaker division and the South Moreland division. The South Moreland line opened on April 11, 1920 and the Shaker line five days later.

The completion of the rapid transit provided the keystone to the

8Ibid.
9Ibid.
10Ibid.
11Christiansen, Northern Ohio's Interurban and Rapid Transit Railways, p. 113.
rapid growth of Shaker Heights. Now the traveling time via the rapid transit from downtown to Shaker Heights was twenty-five minutes. Via the auto, the trip was forty minutes and via the temporary street railway in excess of an hour. As soon as the rapid transit was completed, its effect was immediate and dynamic. In 1911 the village had a population of 200. By 1920, with the addition of the inadequate street railway facilities, the population was 1600. By 1930 Shaker Heights was a suburban city of 18,000.\textsuperscript{12} During this same time, the Cleveland Interurban fleet expanded from four cars in 1921 to thirty-six cars in 1927.\textsuperscript{13}

The rapid transit also had advantages which made it financially successful. This was in contrast to an era when street railways and interurbans were just beginning to reveal that financial weakness which would remove them from the American scene. The route of the train went through Cleveland's Negro and immigrant white neighborhoods, which supplied the maids, gardeners, and other servants for Shaker homes. Thus the line had "a profitable counterbalance" to the morning and evening rush service.\textsuperscript{14}

However, the Van Sweringens did not pursue a static policy towards the road's operation. The Coventry connection between Fairmount and Shaker was removed in 1923 as well as the single track line

\textsuperscript{12}Shaker Then and Now (Cleveland: Shaker Heights Board of Education, 1938), p. 25.

\textsuperscript{13}Christiansen, Northern Ohio's Interurban and Rapid Transit Railways, p. 115.

\textsuperscript{14}Ibid.
on Courtland.\textsuperscript{15} The South Moreland division connected at Lynnfield with the Cleveland and Chagrin Falls Interurban until 1925 when that line ceased operation.\textsuperscript{16} This same division was extended in 1932 from Lynnfield to the Warrensville Center Storage yards.\textsuperscript{17} The Shaker line was extended also to Warrensville Center Road in 1928 and to Green Road in 1937.\textsuperscript{18}

In terms of equipment, the line continued to use cars rented and later purchased from the Cleveland Railway Company. Actually, the line was operated for some time by that firm under contract with the Van Sweringens. The cars were of 1914 vintage and continued in operation on the line until the 1950's. By that time, the addition of modern equipment beginning in 1947 was complete.\textsuperscript{19}

During the Depression, the banks took over operation of the line. They continued the ownership until Shaker Heights assumed ownership in 1944. The book value of the line was $5,861,630; the city purchased the line for the salvage value of $1,300,000.\textsuperscript{20} At the time of purchase the road became officially called the Shaker

\textsuperscript{15}Christiansen, \textit{Northern Ohio's Interurban and Rapid Transit Railways}, p. 113.
\textsuperscript{16}Ibid., p. 115.
\textsuperscript{17}Ibid., p. 113.
\textsuperscript{18}Ibid.
\textsuperscript{19}Ibid., p. 122.
\textsuperscript{20}Ibid., p. 117.
Heights Rapid Transit. Since its purchase, the city operation has produced a small profit sufficient to retire the debt of acquisition.

Other Cleveland Rail Ventures

The brothers did not limit their imaginations to the operation of the Cleveland Interurban. Rather they turned their efforts toward further rapid transit and subway projects. Most of their designs never went beyond the planning stage. However, the brothers did begin construction of a rapid transit line to East Cleveland. By the early Depression, from its connection with the Shaker line at E. 65th Street to East Cleveland, a single track, cantenary poles and bridges for the rapid were built. Even concrete stairways from the streets to the platform level were poured. On the western end, provisions for extension were included in the Nickel Plate road widening as far as W. 100th Street. Even the giant rail bridge across the Cuyahoga River included a rapid reservation. The brothers had even purchased ten Kentucky Traction and Terminal cars for early operation. The financial collapse of the 1930's stopped completion of the line. During the war much of its equipment was taken for patriotic salvage. However, finally in 1955, the Cleveland Transit

\[\text{\cite{Christiansen} Christiansen, } \text{Northern Ohio's Interurban and Rapid Transit Railways, p. 115.}\]
The Cleveland Transit System became the municipally owned version of the Cleveland Railway Company in 1940.

Christiansen, Northern Ohio's Interurban and Rapid Transit Railways, pp. 115-116.

Ibid.

sit played in the success of Shaker Heights as well as future Van Sweringen plans. An examination of this story should reveal the extent of the brothers' efforts. In order to build an eight mile interurban railroad, they bought five hundred miles of railroad. While other developers may have had the idea first, the Van Sweringens employed the idea in a fashion more spectacular than the others. This was true not only of the rapid transit plans but also of the suburban development. In this instance, the brothers revealed the full dimension of their genius for urban planning.
CHAPTER III
THE GLORY OF SHAKER VILLAGE

The idea of a suburb as a retreat was not the peculiar invention
of American ingenuity. The people of antiquity also sought some re­
lief from the hectic turmoil and conditions of ancient urban centers.
One of the first of America's luxury suburbs was Tuxedo Park, New
York. Pierre Lorillard, who had inherited some 600,000 acres on
the fringe of New York City, built a country club in English Style
in 1886. Only the members of his exclusive club were allowed to
buy land in Tuxedo Park.

In the following year William Harmon laid out Branch Hill, out­
side of Cincinnati. The purpose of this "artful subdivision" and
easy credit terms was to promote the sale of land to the poor man.
In his promotional literature, Harmon placed particular emphasis on
the cheapness and swiftness of local rail transportation. Despite
Harmon's early success, it was obvious that this type of subdivision
was too expensive for the popular market because of the length of

1E. Digby Baltzell, The Protestant Establishment (New York:

2Speaking of the country club in American life, Baltzell com­
ments, "It exists as a kind of center of the social life of the
neighborhood. Sport is encouraged by these clubs for the sake of
general sociability."

3Ibid., p. 123.

4John E. Marqusee and Eugene Rachlis, The Land Lords (New York:
time of development and consequent expense. Also, the lack of transportation served to discourage the average homeowner.\(^5\) As a result, later developments such as Lake Forest in Chicago, the Country Club District in Philadelphia, and Shaker Heights in Cleveland were developed for the well-to-do and rich,\(^6\) in the spirit of Lorillard's Tuxedo Park.

Actually, the techniques of the Van Sweringens were not peculiar to them. Architectural restrictions in land sale contracts were first used in Baltimore.\(^7\) A divided boulevard with shade trees was not new. The development of Commonwealth Avenue in Boston employed this feature as well as restrictions of architecture.\(^8\) However, the Van Sweringen development was "'the most spectacular' of the early American suburbs, and one that probably surpasses anything of like nature in the United States."\(^9\) As Lord Rathermore once commented to the brothers,

> You have developed the finest residential district in the world.\(^{10}\)

The aim of the Van Sweringens was to create a community of fine

\(^5\)Marqusee and Rachlis, The Land Lords, p. 62.
\(^6\)Ibid., pp. 62-63.
\(^7\)Ibid., pp. 62-63.
\(^8\)Blake McKelvey, The Urbanization of America (New Brunswick: Rutgers University Press, 1963), p. 117.
\(^9\)Marqusee and Rachlis, op. cit., p. 63.
\(^{10}\)Taylor Hampton, "Cleveland's Fabulous Vans," Cleveland News, August 11, 1955, p. 12.
homes with an environment proper for raising a family. A 1923 brochure asked:

Can you not realize what the influence of such homes must be upon the lives of children in them? Do not character and refinement depend much upon the manner in which they are housed? Yet, without neighborhood support, is not home influence ever in jeopardy?\textsuperscript{11}

However, when they obtained the options from the Gratwick syndicate the land was far from ready for the promotion on the scale which the brothers envisioned. Not only did they have to build quick transportation, but also they had to develop features which made the journey, however brief, advantageous.

The first problem the brothers had to confront was roads. The early developers had done very little to improve the few main highways in the area beyond the condition of a graded dirt road. Consequently, the Van Sweringens went to the F. A. Pease Engineering Company and had them present a street plan for the community. The result was the semi-elliptical, curving streets of the city. This non-grid pattern pursued throughout Shaker Heights was due to topographical necessity as well as esthetic reasons. Two main, divided boulevards, South Moreland (180 feet wide)\textsuperscript{12} and Shaker (190 feet wide), curving out from Shaker Square served as the principal traffic

\textsuperscript{11}"The Heritage of the Shakers," p. 33. (1923 promotional brochure of the Van Sweringen Company.)

\textsuperscript{12}South Moreland was re-named Van Aken Boulevard in memory of the late Mayor William Van Aken.
arteries going East, both for automobiles and rapid transit. These boulevards connected with the important secondary streets as well as the principal roads running North and South.

Adding to the attractiveness of the street design, shade trees were generously planted. Also, unlike the dull, numerical secondary streets of Cleveland, the Pease Company gave names like Avalon, Manchester, and Becket from English literature, geography, and history. In addition, to promote highway safety, traffic circles were built at busy intersections like Fairmount and Warrensville Center.

Yet streets were a necessity in any community. In a family neighborhood, schools and churches would be of great importance. Again, the brothers went to extraordinary lengths. Between 1914 and 1932, the Van Sweringens promoted the Shaker Heights Board of Education in its construction of eight elementary schools, one junior high school, and one senior high school. In addition, they encouraged the building of private preparatory schools as well as a college. They donated the land for the campus of Hathaway Brown School for Girls at Courtland and North Park Boulevards. In addition, Laurel

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13 Mr. Harry Gallimore, an officer of the Pease Company was responsible for the naming. Mr. Gallimore was an avid reader of English stories.

14 The traffic circles were the result of the efforts of Mr. Kenyon V. Painter, an early resident of the area. Mr. Painter's daughter was killed in an auto accident while her car was crossing through the intersection of Warrensville and Fairmount. As a result, Painter's influence prompted the Van Sweringens to make this addition.

15 Taylor Hampton, loc. cit.
School for Girls and University School moved to locations in the young suburb. The Van Sweringens were also instrumental in bringing John Carroll University to its present location in neighboring University Heights.16

While they were not active Church members, the brothers donated the land and organ for Plymouth Church (Congregationalist) at Weymouth and Coventry Roads. In addition, during these years both Catholic and Protestant congregations developed in or near Shaker Heights to minister to its fast growing population. Of these, Christ Episcopal Church and Heights Christian Church have been long participants in the community life.

But the brothers did not limit their planning efforts to the basic needs of community life. Besides tree planting and the original Shaker Lakes, two man-made lakes (Green and Marshall) were added on either side of Lee Road between Parkland Drive and South Woodland Road. The provision for these lakes revealed the extent and thoroughness of the Van Sweringen plan. If the Van Sweringen Company held the mortgage on the lots sold in the South Shaker Lakes Subdivision, the interest collected was earmarked for a lake main-

16 Taylor Hampton, _loc. cit._
tenance trust. The trust instrument provided that owners in the area could be assessed a proportionate share of the maintenance cost should the income from the trust prove inadequate.

The Shaker property also consisted of a long, narrow valley unsuitable for private homes. The brothers donated this property to a group which formed the Shaker Heights Country Club. One condition placed on this gift was that the buildings be in keeping with the local architectural restrictions. The brothers were also instrumental in the construction of three other clubs, Canterbury Country Club in Beachwood, the Pepper Pike Country Club and The Country Club in Pepper Pike. This club construction not only provided recreational facilities but also added social importance to the area.

The Van Sweringen plans made only limited provisions for commercial property in Shaker Heights proper. This limitation set aside the area at Warrensville and South Moreland, and Kinsman between Avalon and Lee Roads. However, the brothers completed Shaker Square in 1929, one of the first shopping centers in the United States.

This site for this project was just outside the Shaker city limits in Cleveland. The square was divided into four sections and

17 The above is from the information included in a letter of February 19, 1968 from Mr. William R. Van Aken. Mr. Van Aken added that the first provisions were terminated after a flood in 1947. The result was the depletion of the trust fund to clean up the area. The city assumed the balance of the fund and responsibility for the lake's maintenance.

18 Taylor Hampton, loc. cit.
served as the union point of the South Moreland and Shaker divisions of the rapid transit. The architects for the project, Philip Small and Carl Rowley who frequently did Van Sweringen work, designed an English village square formed by twelve buildings of Georgian architecture. However, the design had limitations which only time would reveal. The front, angular parking was inadequate, and the design was also too rigid for further expansion within the original store group. In addition, pedestrians were exposed to the fast movement of traffic at the various intersections which divided the square. Yet none of these disadvantages were ever serious enough to deter customers from the fine, ivy covered shops within the shade of towering elms.

The area immediately surrounding the square was built up with apartment houses. Actually, the entire Van Sweringen plan for this area was never completed due to the Depression. However, the Van Sweringen interests finished one of these buildings, the Moreland Courts.

The Moreland Courts were built on Shaker Boulevard between the square and Coventry Road. The Cleveland Discount Company, the financial venture of Josiah Kirby, began the project. The company's


20 The Halle Brothers Company built the first suburban department store in Cleveland at Shaker Square in 1947.
literature described the building as "out of the ordinary and in keeping with the general tone of the community." As part of its promotion of the project, the company pointed to the fifteen minutes of travel time for the six mile transit ride downtown.

When Kirby's operations collapsed, taking with them the investments of many Clevelanders, the brothers agreed to assume the incomplete building. The design of architect Alfred Harris of the firm of Small and Rowley called for alternating buildings of Gothic, Tudor, and Georgian design. At the time of the Van Sweringen takeover, the builders suggested revisions of the floor plan to include efficiency suites. However, Ben Jenks, then President of the Van Sweringen Company, opposed these suggestions in an effort to halt prostitution. Jenks believed that efficiency suites would be nothing more than the dens of mistresses. Thus, the revived plan included a minimum number of efficiency suites. Most Moreland Court suites contained large dining rooms as this "great American tradition" would discourage immorality.

In considering the operations of the Van Sweringen Company, one


22 This account is taken from an interview with Mr. William Dunning of the Union Properties Company contained in the Blosser manuscripts. Actually, from my research, I find that Jenks may have had tangible reasons for this decision. Apparently, certain apartment buildings with efficiency suites in the "Little Hollywood" district of the Hough area (then a fashionable section of Cleveland) were notorious as the residence for the mistresses of wealthy men.
should remember that the brothers wanted a thoroughly well-planned community. As a result, Shaker Heights had various sections each with its own criterions regarding size of lot and dwelling. This fostered a degree of uniformity and pleasing esthetics. A study of the suburb further revealed the strong aversion of the company toward rental property such as apartment buildings. The 1930 census recorded a total of 3,819 dwellings in Shaker Heights of which 3,337 or 87% were one family type, 460 or 12% two family type, and 22 or 1% three or more family type. The area around Lomend School was primarily for two family housing not allowed elsewhere in the community. Apartment buildings were in most instances immediate to the commercial regions mentioned previously.

As far as cost was concerned, the Shaker property was expensive. The lowest lot price was for a lot 40 feet in width at $2,900 on E. 140th Street. A lot 60 feet in width on Dorchester was offered for $4,300 while a lot 75 feet in width on Manchester was $8,250. Lots on South Park Boulevard ranged from $18,800 to $70,000 while on Shelburne Road the range was from $12,500 to $14,000. The company would not permit a house costing more than $500,000. These were rare even in the spectacle of the 1920's. The average cost was con-

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24 This figure and the following figure come from a price list of the Van Sweringen Company dated 1926.

siderably less than this figure. In 1925, 556 buildings were built of a total value of $9,128,530.26 This would yield an average cost of approximately $17,000 each. In addition, during this period the community experienced a tremendous growth in total valuation. In 1910, the tax valuation was $2,525,000.27 In 1920, the value was $11,805,210,28 while in 1927 the value was $77,182,000.29 During the period from 1919 to 1929 an average of 300 new buildings a year were erected in Shaker Heights.30

The Van Sweringen Company went to great lengths to maintain their standards. In 1927, when the new deed restrictions first took effect in some areas, the brothers actually purchased a block of 11 stores at the northeast corner of Warrensville Center and South Wood­land to tear it down.31 The building had just been completed for a cost of $150,000. Newspaper comment at the time described the structure as "an attractive and well adapted retail structure." However, this area was for private homes. Hence, the building had to go.

26Marqusee and Rachlis, The Land Lords, p. 76.
28Ibid.
29Taylor Hampton, loc. cit.
30Marqusee and Rachlis, The Land Lords, p. 76.
31"Vans Buy Block To Tear It Down," Cleveland Plain Dealer, March 17, 1927, p. 10.
In most cases the lot owner would pick a contractor of his own choosing. However, the Van Sweringen Company did build a few houses along South Moreland Boulevard\textsuperscript{32} designed by architect Bloodgut Tuttle. In addition, the company suggested designs for several outstanding lots as well as for the standard lots. Yet, the company did not impose its architects and builders upon the lot owners. Rather, they imposed high standards which were implemented under the provisions of the deed.

A careful study of the deed restrictions\textsuperscript{33} reveals that the Van Sweringen Company outlined strict criteria for Shaker Heights. The company retained extensive control over the property both at the time of sale and during any future development. The Van Sweringen brothers personally overlooked the development during the early years. However, as their various business enterprises expanded, they could only be involved in the general development. Consequently, they designated Mr. Ben Jenks as President of the Van Sweringen Company. Jenks was responsible during the following years for the careful scrutiny of all Shaker Heights growth. In a sense, he served as sole arbiter for the protection of the deed restrictions.

Upon the purchase of a lot, the owner presented a copy of the plans to the company for approval. The company reserved the right

\textsuperscript{32}This seemingly was to encourage development on the boulevard which lagged behind that of the surrounding side areas.

\textsuperscript{33}A copy of the restrictions is in the Appendix.
to approve

size, location, type, cost, use, the
materials of construction, exterior
color schemes and grading plan of the
lot, including the grade elevations of
the building and structures of said lot.\textsuperscript{34}

In no way could the owner deviate from the approved plan without seeking permission. In this matter, Jenks reviewed the designs for every proposed building himself with great care and diligence. While this gave the company wide authority over proposed designs, its real value was as an ambiance to attract desirable customers who were usually conservative in taste.\textsuperscript{35} Consequently, no real conflict would develop.

Nonetheless, the deed did contain one restriction which did give real authority should some resident fail to comply. In restriction twelve, the company reserved the right to enter the property and remove at the owner's expense "any erection, thing, or condition" which violated the restrictions, rights, reservations, limitations, agreements, covenants, and conditions" in the deed. The company reserved the right of interpretation. The restriction also removed the Van Sweringen Company from guilt of "any manner of trespass for such entry, abatement, or removal." The deed also said that any failure to enforce the provisions could not be considered

\textsuperscript{34}William Dawson and Elmore Andrews, Forms for Office and Court, p. 364. (Publisher and date of publication not given.)

\textsuperscript{35}Marqusee and Rachlis, The Land Lords, p. 63.
as consent for that violation or any further violations. Rather, the company could enforce this provision "at any time and all times."

The original deed restrictions on the Shaker property were drawn up in 1900 by the Buffalo syndicate. However, these restrictions proved inadequate for the purposes of the Van Sweringens. Therefore, a new deed was adopted in 1927 which could remain in effect for ninety-nine years or until May, 2026. The most significant addition in this revision was the restrictive covenant regarding the transfer of property. The addition of this restrictive covenant followed several unpleasant and expensive transactions with Negroes. The early policy of the Van Sweringen Company was to discourage the sale of property to undesirable customers. The principal victims of this policy and the later restrictive covenant were Jews, Negroes, and Italians. 36 This policy was effectively enforced, however subtly, only when the prospective buyer dealt with the company. It provided no restrictions against subsequent transactions.

Around 1925, Percy Hills offered to sell O. P. Van Sweringen the Steve Lewen farm at Richmond Road and Kinsman Road. 37 O. P. let the property go, and Hill sold 307 lots to colored people. O. P. then decided they had to go, regardless of cost. John Hecker, acting

36 Exceptions to this general effect were possible for Jewish or Italian people. However, this was usually the result of some special circumstances such as social or personal influence.

37 This story is based on the interview with Mr. John Hecker contained in the Blosser manuscripts.
for the Vans, got a firm to purchase the remaining land from Hills. The firm convinced Hills to buy back the lots sold to Negroes at $5,000 to $6,000 a piece (about 10 times the original price). The loss on the transaction to the Van Sweringen interests was $750,000.

In 1924, the Vans bought out a Negro undertaker for $10,000. Sometime later, a Negro doctor purchased a home on Huntington Road. This transaction was simply too much for O. P. Van Sweringen. He said, "We've been bled once, and we won't be again." The Negro doctor refused to move. One night, however, some boys, after overhearing their parents, threw stones at the house. The doctor's chauffeur came out and fired a shot into the air. Then the legal authorities came to the assistance of the Van Sweringens. A patrolman was stationed outside the home, searching everybody who went in and out. Inevitably, the doctor sold out.38

The outcome of this affair was the development of the restrictive covenant. The inclusion of this provision in the deed on yet unsold property presented no problem. However, its inclusion for sold property necessitated re-writing those deeds. To do this, the company sent representatives asking each owner to deed the property back to the company which in turn would deed back the property with the inclusion of the new restriction. About 75% of the owners agreed.

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38 This account is based on my interview with Mr. William R. Van Aken and that with his late father Mayor William J. Van Aken, contained in the Blosser manuscripts.
to this procedure which was done at the expense of the Van Sweringen Company.

Restriction five of the 1927 deeds provided that the property could not be "occupied, leased, rented, conveyed, or otherwise alienated," nor could "the title or possession thereof pass to another without the written consent of the Grantor..." This was considerable authority for the company considering the extent of rental property between Kinsman Road and Scottsdale Boulevard. An exception would be made if a written consent was obtained from a majority of the owners of the sublots which adjoined or faced the property within a distance of five sublots. The transfer of title by devise or inheritance was an exception to this procedure. However, the new owner was subject to these provisions. The company reserved the right to approve any owner who obtained his property through judicial sale or mortgage foreclosure. In the event that the company should not continue in the control of the Van Sweringens, the right to enforce this restriction would pass to the owner of the five adjoining or facing sublots. Since the Depression, this has been the means of enforcement. However, as a result of Shelley vs. Kramer, the consent procedure has become a mere formality with no legal force.

39 Dawson and Anderson, Forms For Office and Court, p. 365.
40 In this case, the Supreme Court held the enforcement of restrictive covenants based on race or color by state courts was a violation of the Fourteenth Amendment.
In the light of the city's history as a suburb, the entire series of eighteen restrictions undoubtedly provided a means with which the Van Sweringens could direct the development along the desired lines. As a result, the community has attained the permanence promised. While many other Cleveland neighborhoods of similar age have long since deteriorated, Shaker Heights has continued as one of the outstanding residential areas of the country. This in no small way was due not only to the methods of the brothers but also to the competent city officials such as the late Mayor William Van Aken, who have faithfully maintained the basic aims of excellence.

Like so many Van Sweringen efforts, the suburban plans were not limited to Shaker Heights. The brothers had purchased most of the land between Shaker Heights and the Chagrin River. In this area the Van Sweringen Company laid out Beachwood and Pepper Pike. The plans outlined a countryside of small country estates with all the services of urban life. The area was to be serviced by extended rapid transit service as outlined in the second chapter as well as a super highway system parallel with the proposed transit operations along Shaker Boulevard. The brothers hoped to complete development of the plans by 1950. However, the Depression ceased the completion of

\[\text{The entire design permitted eventual subdivision of this property along lines provided in the purchase agreement.}\]

\[\text{The brothers thought the population of metropolitan Cleveland would reach two million in 1950. However, the population did not expand to that figure until recently.}\]
these designs as well as any growth in the area at all. Since World War II, development did not continue strictly along the Van Sweringen program. Rather, it was a compromise resulting in an incomplete resemblance to the original hope.

Such was the suburban world of the Van Sweringens. Yet, as pointed out before, this was only the beginning of the Van Sweringen enterprises. On any morning, one could leave his home in Shaker Heights and ride the Van Sweringen rapid transit into downtown Cleveland. Upon arrival, one was confronted with what the brothers hoped would be their crowning achievement in urban planning—the vast Cleveland Union Terminal project.
CHAPTER IV
THE TERMINAL DEBATE

The first locomotive entered the little depot on Superior Street hill in 1851. However, fire destroyed this structure in 1864. Consequently, a new depot was built on the lakefront near West Ninth Street. The design of railroad president Amasa Stone provided for a building 603 feet by 108 feet costing a total of $475,000. The following spring, a 96 foot tower was added to the building. Nonetheless, as the century ended, the need for a new terminal became apparent. This station was so inadequate and unworthy that the city fathers saw fit to erect above the depot a signboard which read "Don't Judge This Town by This Depot." In addition, civic agitation was mounting for action on this question.

In 1901, Tom L. Johnson became Cleveland's famed reforming mayor. Under his administration the Group Plan Commission was set up with Daniel H. Burnham, formerly director of public works for the Chicago Exposition. The commission plan of 1903 provided for

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1Rose, Cleveland, The Making of a City, p. 222.
2Ibid., pp. 338-339.
4Rose, op. cit., p. 629.

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a group of public buildings surrounding a central mall. The result of this effort in city planning was the construction of a new Federal Building, Cuyahoga County Court House, Cleveland Public Library, Cleveland City Hall, the Public Auditorium including underground exposition hall, the Cleveland Board of Education Building, and the Municipal Stadium between the years 1905 and 1932. The combined cost of these buildings and the artistic landscaping in the area was $41,361,075. In addition, the Johnson scheme encouraged the construction of four significant buildings in the area. The offices and presses of three of Cleveland's daily papers were housed in the Plain Dealer Building and the Leader-News Building. The Federal Reserve Bank was erected in this vicinity as well as the old East Ohio Gas Building. Also the old Olmstead Hotel and the Auditorium Hotel opened to meet the expanding needs of this area. The Group Plan also provided space for a new lakefront terminal on Lakeside Avenue between City Hall and the Court House. Nevertheless, much debate and time followed before anyone began construction of a new terminal.

As early as 1909 the Van Sweringens had purchased four acres

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5Rose, Cleveland, The Making of a City, p. 630.

6Christiansen, Northern Ohio's Interurban and Rapid Transit Railways, p. 105.
on the Public Square for a rapid transit depot. Nearby, the Nickel Plate, Baltimore and Ohio, Wheeling and Lake Erie, and Erie Railroads maintained shabby passenger stations. In completing the approaches to the Public Square, the brothers approached the Baltimore and Ohio on a matter of land acquisition. As a result of this inquiry, Mr. F. L. Stuart, the Chief Engineer of the road, proposed the inclusion of the Baltimore and Ohio and Erie in their planned stub station. Gradually, several local interurban lines joined this group. In 1915, the brothers formed the Terminal Properties Company to promote the project.

However, in that same year, Mayor Newton D. Baker presented the voters with a plan for a lakefront station in keeping with the Group Plan. The anticipated cost of the project was $16,000,000. In addition, the New York Central, Pennsylvania, and Big Four railroads agreed to use the terminal. Consequently, the voters gave the project hearty endorsement with 68,375 in favor and 17,153 against

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7The Public Square has been an integral part of Cleveland since its founding in 1796. The Square which is 4.4 acres was part of the New England heritage from the founding Connecticut Land Company.

8Christiansen, loc. cit., O. P. Van Sweringen later discovered that the Baltimore and Ohio had been considering this project since 1906.

9Taylor Hampton, loc. cit.

10The Big Four Railroad was a subsidiary of the New York Central.
However, the necessities of the war in Europe and eventual American entry delayed immediate commencement of the project. Neither did this referendum deter the brothers from continuing their still limited designs for the Public Square.

In the following year, as part of the purchase agreement for the Nickel Plate, the brothers granted the Central two concessions. The Central could build a connection between its tracks and the new terminal. The road could use the new terminal up to one-third of its capacity. The effect of this agreement was to raise the first serious questioning of the approved lakefront proposal.

After the United States entered the World War, wartime necessities revealed the need for a rearrangement of Cleveland's railroad facilities. The movement of trains between Chicago and New York continually was bottlenecked in Cleveland. In January of 1918, the government assumed operation of all railroads as a result of the near collapse of rail operations under the stress of war. As part of the management of this new administration, Alfred Smith of the New York Central became regional director of the United States Railroad Administration. Smith, of course, was previously instrumental in the sale of the Nickel Plate to the Van Sweringens. After

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11 Taylor Hampton, loc. cit.

12 Van Sweringen Corporate System, p. 19.

13 Ibid., p. 31.
examining the conditions in Cleveland, he proposed a revision of the Public Square plans to include the New York Central, Pennsylvania, and the Big Four.\(^{14}\) In other words, he proposed abandonment of the lakefront plan to promote railroad efficiency. At this time, Secretary of War Newton D. Baker endorsed the new Public Square proposal.\(^ {15}\)

In the following August, the Van Sweringens presented the council with their proposed ordinance. The ordinance provided for a Public Square Union Station and also relieved the railroads of any previous obligations under the 1915 ordinance. The Van Sweringen proposal called for an underground union station costing an estimated $60,000,000.\(^ {16}\) The brothers presented also the initial design for a commercial development built on ground level which would eventually be expanded to the present completed project. A special election was scheduled for January 6, 1919. In the ensuing months, the subject of the station site engaged the whole city in active debate. The chief opponents of the Van Sweringens plan were the upper Euclid Avenue merchants and Councilman Peter Witt, a local traction author-

\(^ {14}\) Van Sweringen Corporate System, p. 31.

\(^ {15}\) Ibid., p. 32.

\(^ {16}\) Ibid., p. 262.
By this time, downtown expansion included not only the Group Plan but also a shift of the business district toward the Playhouse Square, formed by Huron Street, Fourteenth Street, and Euclid Avenue. In 1895, the fourteen story New England Building was built at 619 Euclid Avenue. In 1905, the Union Club moved to its present site at Twelfth Street and Euclid Avenue. In the following years the Halle Brothers Company, a long established department store, moved from lower Euclid Avenue to the Playhouse Square area in 1910 and made an addition in 1914. The Cleveland Athletic Club Building opened in 1911 followed in 1914 by the purchase of the New England Building by the Guardian Trust Company. Under the Guardian ownership, an addition increased the total number of offices from 250 to 800. This uptown expansion continued with the construction of the Winton Hotel (later the Carter Hotel) in 1917.

In addition to this seeming disregard for the direction of downtown development, the critics also said that the Public Square proposal threatened to concentrate traffic beyond the existing traffic facilities and also cost considerably more than the lakefront.

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17 Witt later joined the Van Sweringens in 1930 when the brothers purchased the stock option on the Cleveland Railway Company. Witt was hired in order to co-ordinate future traction plans in Cleveland. He was necessary as an asset to any unified traction scheme for Cleveland.
They added that the Public Square proposal did not eliminate all the obstructions to rail traffic. Hence, the Public Square location did not seem a better alternative to the older lakefront proposal.  

While the movement uptown was heavy, this did not have the proponents without some argument. In 1900, the fifteen story Williamson Building opened. The Public Square also was the location of the May Company, Ohio's largest department store. Nearby merchants included the S. S. Kressage Company, the old Bailey Department Store, and Richman Brothers. On the northern side of the Square, the old Illuminating Building went up in 1913 and also the Society for Savings maintained its downtown branch here. As one of the first steps to improve their Public Square property, the Van Sweringens opened the new Hotel Cleveland in 1918. The building was 13 stories and had 900 sleeping rooms.

Yet the proponents of the Van Sweringen plan argued that all the railroads would use the Public Square location. This site also had easy access to all the local street railway and interurban

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18. By this time the anticipated cost of the lakefront proposal had increased to $36,779,218. (Van Sweringen Corporate System, p. 48.


20. These figures came from notes on the Hotel Cleveland contained in the Blosser manuscripts.
services which converged at the Square. In other words, the lake-
front location lacked easy access to transportation. The Van Swer-
ingen interests argued that the city would get a station in the near
future rather than continue a debate which could only serve to hurt
Cleveland. The Public Square development, the brothers argued, of-
fered an opportunity to improve a deteriorated section of the city.
They added that the Van Sweringen program did not destroy the Group
Plan since alternate plans for the development substituted further
park development on the site of the railroad station. Finally, the
Public Square project offered an opportunity to stimulate the local
economy in all respects.

The final verdict of the voters on January 6, 1919 was 30,731
in favor to 19,859 opposed to the measure. The new ordinance in-
cluded a section which gave the railroads one year to make a decla-
ration of intention to use. Within the year the Pennsylvania Rai-

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21 At this time, these included primarily the Cleveland Railway
Company, the Cleveland Interurban Railroad, and the Lake Shore
Electric (an interurban serving Cleveland, Lorain, Sandusky, and
Toledo).

22 This summary of argument is taken from the transcript of a
debate before the Builders Exchange of Cleveland on December 30,
1918.

23 Taylor Hampton, loc. cit., One will notice the significant
decline in total voting in this election as opposed to 1915. This
was in part due to a lack of widespread interest in the city. Also,
the 1915 election was a regular election having the advantage of
other issues and races to attract voters.
road declared it would not use the Union Station. The primary objection was the cost. The Pennsylvania said the actual cost would be around $84,000,000 when the cost of building access lines to the location was added to the estimated $60,000,000. The Pennsylvania also objected to the rate of the rental fees, and added that Cleveland really needed diffusion of passengers rather than concentration. Since the Public Square plan called for an underground station, the Pennsylvania objected to the Van Sweringen monopoly over the lucrative air rights.

While this Pennsylvania reaction came as quite a blow, local opinion was strongly in favor of continuing the proposal. The Cleveland News commented that the Pennsylvania accounted for only 11% of the total passenger cars entering Cleveland while the New York Central and Big Four combined accounted for 65%. O. P. Van Sweringen said that the ordinance should be modified to meet the existing con-

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24 This was not the only time the Pennsylvania would foil the Van Sweringen plans. In later years the brothers entered into discussions with the Central, Pennsylvania, and Baltimore and Ohio on questions regarding rail mergers in the East. However, the four could never reach an agreement in part due to the Pennsylvania's lack of co-operation. Their later actions once prompted O. P. Van Sweringen to say "They can go to hell."

25 The Van Sweringens considered this the reward for their efforts in land acquisition and successful approval of the plan.
ditions. Nonetheless, he said that these changes should allow for later entry which he thought the Pennsylvania would inevitably do. Some members of city council suggested reprisals should be taken against the Pennsylvania, such as requiring operation of all their trains at five miles per hour at certain grade crossings within the city. Another proposal called for transference of grade-crossing maintenance fees amounting to $600,000 from the city to the Pennsylvania. However, the city leaders ignored such action and called for building the "union" station despite the Pennsylvania's action.

Another ramification of the Pennsylvania was its influence on the Baltimore and Ohio. That road had indicated it would follow the Pennsylvania's lead. Consequently, it did not enter the Union Station until 1934. The Erie did not enter the Union Station until 1949. This was probably due to a fear that the Union Station was too much for the Erie's chronic financial delicacy. However, these two roads and the Wheeling and Lake Erie were never active advocates of the proposal. They had at best given only unofficial pledges to

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26 This stands in sharp contrast to the statement of John L. Cannon, an attorney representing the brothers, during the council hearings in 1919. He said, "I can say to you that all of them are coming in or there isn't going to be any depot." (As noted in the Blosser manuscripts.)

27 The Pennsylvania Railroad never entered the Union Station but continued to use the old depot on West Ninth Street and later its own station at Euclid Avenue and E. 55th Street.


29 Taylor Hampton, loc. cit.

30 Ibid.
enter the station. Nonetheless, the Pennsylvania had always been a principal participant in these discussions. Their withdrawal from the project was a major change in Pennsylvania policy.

While the brothers made efforts to arrange financing, Congress passed the Esch-Cummins Act of 1920 which required that the Interstate Commerce Commission approve proposed terminal plans. Thus, the Van Sweringens met another delay. They filed application in 1921. Their case rested on the popular vote of 1919 and the support of the governor of Ohio and mayor of Cleveland. Even Newton D. Baker testified in favor of the project. In opposition to them, Peter Witt came down to fight the brothers. Witt's opposition was based on a belief that the brothers had misled the city when they first sought approval for the Cleveland & Youngstown Railroad. To Witt's mind, that action was a misrepresentation of the Van Sweringen's real intention of building a union station.

In August of 1921, the commission refused permission. The commission included among its reasons the opposition of the Pennsylvania and Peter Witt. The commission thought the arrangement was unnecessary.

31 Van Sweringen Corporate System, p. 16

32 All evidence seems to indicate that the Van Sweringens had no intention of building a union station until Smith proposed the idea in 1918. In addition he also thought the Vans were mere agents of the Central and their designs for Cleveland. The extent of the Central control appears to be of a minimal effect and only in their early years. However, Witt was not alone in his opinion. Others thought the brothers were agents of some hidden power.
sarily expensive. Also, the commission found a sharp division be-
tween public and expert opinion. The commission's opinion also in-
cluded objections to the favorable position of the Van Sweringens
with regard to control of the project, monopoly on air rights, and
concession arrangements. 33

Nonetheless, in the following December, the Van Sweringens pre-
sented their case again, and this time received approval. The com-
mission reasoned that the Van Sweringen proposal provided relief
from rail congestion. The resulting benefits to interstate commerce
justify the increased expense. The commission also waived its pre-
vious objections to arrangements for the air rights and concession
agreements since this was made in good faith and did not harm the
public interest or carriers involved. 34

However, Commissioner Joseph Eastman wrote a dissent critical
of the Van Sweringen methods of financing. He believed the railroads
carried the financial risk while the Van Sweringens had no real
assets involved. He also continued to oppose the arrangements re-
garding air rights and to favor the less expensive lakefront proposal.

33 The Van Sweringens were given the concession area in the
traction terminal which yielded an expected annual income of $800,000.
However, their interurban line was required to pay the negligible
annual rent of $850,000 for use of the terminal facilities. Conse-
quently, the concession rights appeared as a gift which practically
nullified the rental fees. (Van Sweringen Corporate System, p. 46.

34 Van Sweringen Corporate System, p. 48.
Eastman commented:

> The fact that an alternative plan with such possibilities is open merely strengthens the conclusion which I have already expressed that the Public Square plan, as it has been presented to us, is not consistent with public interest and ought not to receive our approval.\(^3\)

With the commission's approval in hand, Eastman's dissent notwithstanding, the Van Sweringens concluded the necessary arrangements to begin construction. The arrangement agreed upon included the New York Central, Big Four, and Nickel Plate. Each of these was given a proportionate share of stock in the Cleveland Union Terminal Company. The distribution gave the Central 71\% of the stock, the Big Four 22\%, and Nickel Plate 7\%.\(^3\) Yet, despite the comparatively small interest of their Nickel Plate Railroad, the Central and its subsidiary the Big Four gave O. P. Van Sweringen proxies to vote the stock for the election of the company's directors. With the paper work completed, the monumental task to build the terminal began on September 29, 1923.\(^3\)

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\(^3\) Van Sweringen Corporate System, p. 48.

\(^3\) Taylor Hampton, loc. cit.

\(^3\) Ibid. While construction was in process, Witt once again raised challenges to the project. He attempted to have O. P. Van Sweringen give a definite date for completion rather than a vague 3 or 4 years. However, Van Sweringen insisted that various delays such as labor disputes made this impossible.
CHAPTER V
BUILDING THE TERMINAL DEVELOPMENT

When workmen began the excavation for the terminal project, already much of the preparatory work for this near rebuilding of downtown Cleveland had begun. The wreckers had been clearing 104 acres of land for the buildings and necessary approaches for three years.\(^1\) This involved the destruction of some 2,200 buildings and movement of some 15,000 people.\(^2\) Many historic structures including the Forest City House and Central Police Station made way for this great challenge to the skill of the engineer.

Originally, the proposed designs called for a central office building and a commercial building in addition to the completed Hotel Cleveland.\(^3\) However, the brothers later directed the architects, Graham, Anderson, Probst, and White of Chicago, to expand

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\(^2\) Ibid.

\(^3\) The brothers considered razing their recently built hotel (1918). However, later designs called for additions which were never built.

\(^4\) This firm, by way of identification, designed Notre Dame’s College of Business as well as the present Graduate School of Business under construction.
the project to include a central tower 708 feet in height. Also they added three eighteen story office buildings. In addition, they fostered the construction of a new post office as part of the complex.

When construction began on the Terminal Tower, only the Woolworth Building in New York was taller. The contractor for the project, John Gill and Sons, was confronted with no easy task. In order to build the Terminal Tower, the workmen had to dig 200 feet before reaching bedrock in order to sink concrete piers. This was the first time that these were used in the history of foundation construction to support a building of this size. Since no caisson drillers were available for digging the holes, they had to be dug by hand. Two hundred and fifty men worked three seven and one-half shifts to complete this foundation. In a sense, modern technology by this time had advanced little beyond the skills of Egypt's pyramid builders.

Construction had advanced far enough by December 1, 1929 such that the first train entered the station forty-three minutes late.

5"The Terminal Tower Building," p. 7. This was a bond prospectus issued to stimulate interest in the three issues financing the structure.


7Ibid., p. 8.

8The construction of the Terminal Tower resulted in the tragic deaths of two men. They were working in one of the pier shafts when an adjoining shaft filled with quick drying cement collapsed and engulfed them.

9Harry Christiansen, Northern Ohio's Interurban and Rapid Transit Railways, p. 111.
Regular use of the underground terminal began on June 15, 1930.  

Upon completion of the ground level buildings, a visitor to the complex might enter the Terminal Tower portico from the Public Square. The portico was 136 feet long, 36 feet wide, and 47 feet high. Seven panels painted by Jules Guerin decorated the walls of the portico. Twenty-seven elevators were available to serve the fifty-two story structure. Also the visitor found a convenient concourse which offered direct access to Prospect Street from the portico. To his right was the concourse to the Cleveland Hotel and to his left the concourse to the Higbee Company.

Four marble ramps took the visitor down to the station level. Descending the ramps, he would have found a rapid transit concourse 212 feet long and 60 feet wide. The ceiling here, as throughout the station area was 20.5 feet high. The visitor would continue his journey through the station into the vestibule area, which was 154

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10 Christiannsen, Northern Ohio's Interurban and Rapid Transit Railways, p. 111.

11 The chamber of Commerce sponsored a dinner honoring the completion of the project on June 26, 1930. While 2,500 persons attended the dinner, the Van Sweringens were absent. They preferred to remain home and listen to the proceedings on the radio.

12 "New City Within A City," Cleveland Plain Dealer, June 29, 1930, p. 10.

13 Ibid.
feet long and 76 feet wide. If he desired to purchase a ticket, he would enter the ticket lobby, which was 138 feet long and 92 feet wide.\textsuperscript{14}

When his train was announced, he would descend any one of the 31 marble stairways to the rail level. On this level he would find the steam tracks separated from the transit tracks, which were on the north side. If he was to board a steam train, he would find 23 platforms serving 34 tracks. These platforms were 1,230 to 1,630 feet in length capable of accommodating a train of 15 to 20 cars. If the visitor was boarding a rapid transit, he found 11 platforms serving 10 tracks reaching from the separate rapid transit concourse. These platforms were 660 to 780 feet in length.\textsuperscript{17}

If the visitor were meeting an arriving passenger, they might first pick up the passenger's baggage in a room with 33,000 square feet of space. From here, they could enter a cab in the adjoining taxis stand with enough room for 125 cabs.\textsuperscript{18}

If the visitor and his guest did not desire to leave the terminal immediately, they could make use of any number of services. Fred Harvey Incorporated had organized a special subsidiary to operate—

\textsuperscript{14}"New City Within A City," \textit{Cleveland Plain Dealer}, June 29, 1930, p. 10.
\textsuperscript{15}\textit{Ibid.}
\textsuperscript{16}\textit{Ibid.}
\textsuperscript{17}\textit{Ibid.}
\textsuperscript{18}\textit{Ibid.}
ate their facilities occupying a total of 175,000 square feet.\textsuperscript{19} The visitor and his guest could pick from any number of eating facilities ranging from quick service lunch counters to the plush English Oak Room. The various eating facilities throughout the buildings were capable of serving 9,000 to 10,000 people during a given lunch period.\textsuperscript{20} They might also do a little shopping in one of the world's largest drug stores, or pick up a gift in the book store, or make use of the barber shop.

If the visitor maintained his offices in the Terminal Tower, he and his guests could use one of the ramps to the ground level and board one of the elevators. If they had not taken lunch in one of the Harvey facilities, they could take lunch at the Chamber of Commerce luncheon club on the fourteenth floor.\textsuperscript{21} Otherwise, they could go directly to one of the many offices in the tower. The tower offices accounted for 521,000 square feet of the total 569,232 square feet of rentable area.\textsuperscript{22} If the visitor and his guest had

\textsuperscript{19}"New City Within A City," p. 12. The Harvey organization at this time operated the dining service on the Santa Fe Railroad as well as in the union stations in Chicago, St. Louis, and Kansas City.

\textsuperscript{20}Ibid.

\textsuperscript{21}The Chamber of Commerce originally had three floors for its offices. Eventually, the luncheon club merged with the Mid-Day Club in the Union Commerce Buildings. Today, the Chamber has its offices in that building as well.

\textsuperscript{22}"The Terminal Tower Building," p. 20.
time, they might view the city from the observatory on the forty-second floor.

If they had gone outside to admire the tower, the well-informed visitor could tell his guest that the tower housing the offices was ninety-seven feet square to the thirty-seventh floor.\(^{23}\) From this point the structure became "cylindrical reaching its climax in a conical form" mounted by a sixty foot flag pole.\(^{24}\) The visitor might also tell his guest that the tower was Indiana limestone to the twenty-ninth floor as were the other buildings in the complex.\(^{25}\) Above this floor the structure was of "terra cotta of a color and texture to match the limestone."\(^{26}\) He might also tell his guest that the terminal cost some $60,000,000\(^{27}\) and the tower cost some $12,000,000.\(^{28}\) He might add that the Van Sweringen interests had completed the whole complex for a total of $179,000,000.\(^{29}\)

Upon completion of the remaining structures, the Van Sweringens had built a complete world. A local resident in those days could

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\(^{24}\)Ibid.

\(^{25}\)Ibid.

\(^{26}\)Ibid.

\(^{27}\)When the costs of building the approaches are added, the total figure for the terminal alone in around $84,000,000 as the Pennsylvania claimed.


\(^{29}\)Taylor Hampton, loc. cit.
leave his home in Van Sweringen built Shaker Heights and ride the Van Sweringen rapid transit to the Van Sweringen terminal. He could go to work in any number of the surrounding buildings which the brothers had fostered. He might even be an employee of one of the Van Sweringen railroads such as the Chesapeake and Ohio or the Nickel Plate with offices in the Terminal Tower. He might visit a business associate in the Van Sweringen Hotel Cleveland or shop in their department store, the Higbee Company.

If the local resident had driven downtown that day, he could park his car behind the Terminal Tower. In the Van Sweringen built Builders Exchange.30 One thousand-two hundred spaces were available for parking on the first nine floors.31 From the garage he could visit the "Home in the Sky" display, an actual house built within the skyscraper. He might also enter the adjoining Van Sweringen built Medical Arts Building32 to visit his doctor or make a deposit in the building's Cleveland Trust branch. If he preferred, he could use the underground passage and use the Union Trust33 branch in the

30 This building is called the Guildhall Building today.
31 This figure comes from notes in the Builders Exchange contained in the Blosser Manuscripts.
32 This building is called the Republic Building today. The building is the home office of the Republic Steel Corporation. The Guildhall and Republic Buildings together are the home office also of the Standard Oil Company of Ohio.
33 This location today is occupied by a branch office of the National City Bank.
Terminal Tower. His third banking alternative was in the Midland Building. This was the main office of the Midland Bank of which the Van Sweringens were principal stockholders. If the local resident needed some stamps, he could use the neighboring three million dollar post office. The building had 99,000 square feet of space and direct access to the rail facilities underground.

The Van Sweringens did not limit the giant terminal improvements to the area immediate to the Public Square. Upon arrival in the Cleveland area, a steam train would stop at the East Cleveland station on the East side or the Linndale Station on the West side. At these stations, electric locomotives replaced the steam engines which fouled the interior of the terminal. The electric zone extended a total of seventeen miles between East Cleveland and Linndale. In addition, the Van Sweringen interests had built stations at these

34 The location of the Midland Bank is the main office of the Central National Bank which soon will vacate the building for a new site uptown.

35 Through their "personal breadbasket," the Vaness Company, the brothers owned 6,700 shares of the Midland Stock worth $1,521,000 in 1929. This played an important part in bringing the bank to the terminal complex.

36 "New City Within A City," p. 28.

37 Twenty-two of these locomotives were built based on the designs of Henry D. Jouett, chief engineer for the Cleveland terminal designs as well as the Grand Central project in 1912. At the time the General Electric built locomotives were the largest of their type in the world. The engines were sent for use in New York City when diesel engines ended the necessity of the electrification zone.
points which were comparable to those serving a city like South Bend. 38

The Van Sweringens did not limit their improvement of railroad connections to passenger facilities alone. In conjunction with the perishable food dealers, the brothers' Nickel Plate Railroad built the Northern Ohio Food Terminal 39 in the market district at East Ninth and Broadway. The project, opened in July of 1929, represented an investment of $10,000,000. 40 Four hundred buildings on 34 acres were razed to provide space for the facilities which included four unit buildings 485 feet by 100 feet in size. In addition, there was a cold storage plant and an auction building with capacity for 110 railroad cars.

Like other Van Sweringen proposals, the designs for the terminal project were left incomplete. The Van Sweringens hoped to add an addition to the Hotel Cleveland or use that same area for another commercial building. However, the Depression obviously interfered with the completion date of 1932. This space (as marked in brown on the aerial photograph of the project) was never developed except for recent expansion of parking facilities.

38 The station at East Cleveland strongly resembled the New York Central station in South Bend in size and design. The station was closed in 1960 and later razed.

39 The brothers in co-operation with the Erie Railroad completed a similar project in Buffalo in 1930.

40 Taylor Hampton, loc. cit.
The brothers also discussed the construction of a Van Sweringen Building in the two hundred block of Euclid Avenue. Nonetheless, this project never went beyond the talking stage. They also talked of building another office building in the Square. They were going to call this building Eaton Tower in honor of Cyrus S. Eaton, who alone rivaled the brothers' daring and enterprise. The brothers hoped to gain his co-operation in other business ventures relating to the railroad field.

Evaluation

An evaluation of the Van Sweringen efforts at the Public Square must first consider what the brothers hoped to accomplish. O. P. Van Sweringen outlined the purposes of this project in this comment:

In the first place, it is going to be Cleveland's gateway, a means by which and through which the people must enter and depart and will have much to do with the first impression of the city from the standpoint of a visit. It at least gets

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41 Eaton at this time was an important utility magnate. He sold out his investment to Samuel Insull of Chicago for which he was strongly criticized. Many believed this sale was too much for the Insull empire. Some say Eaton was fully aware of this fact.

42 Eaton at this time was attempting to unite several Cleveland steel corporations, Otis Steel Company and Corrigan and McKinney Steel Company primarily into what later became the Republic Steel Corporation. The brothers owned large blocks of Otis stock and hoped to achieve a union along lines favorable to their freight lines. Eaton's good will in this matter was fundamental. Nonetheless, Eaton would not allow the planned steel company to be a feeder for some railroad.
Cleveland off on the right foot first. If its union station development is well handled locally, it will tend to stabilize the city's downtown development and in a way preserve the center of that development. Its facade, fronting on the Public Square being the focal point of our main thoroughfares, in our judgment, means business development will radiate from this point. Coupled with the station facilities being installed are rapid transit and interurban facilities. Since there is a limit to the time people will comfortably ride upon any form of transportation facilities in getting to and from their downtown business, the greater the facilities the more convenient the natural growth of the city.\textsuperscript{43}

The center of this development is the terminal facilities. While these are without doubt magnificent and comprehensive, they stand today as a monument to a hope for railroad service that never developed. Today, we witness the eclipse of passenger service in the United States. This is less than forty years after the Union Station opened. One can easily say this in hindsight, but the Van Sweringens seem to have ignored the operating policies of one of their wisest managers as well as the policy they pursued in purchasing railroads.

John J. Bernet, President of the Nickel Plate Railroad, pursued a policy of discouraging passenger service. He believed that in-

\textsuperscript{43}This statement is taken from the notes on an interview with Louis B. Seltzer, retired editor of the \textit{Cleveland Press} contained in the Blosser Manuscripts.

\textsuperscript{44}Otto Miller, \textit{A History of The Growth and Development of the Van Sweringen Railway System}, p. 6.
vestment to improve the passenger service of the Nickel Plate would not decrease the loss. An examination of the Nickel Plate records would reveal the results of Bernet's policies. In 1914, the road carried a total of 91,472,607 passengers one mile. By 1918 Bernet had put his program into effect. The number that year was 78,078,054. In 1921 the figure had fallen to 43,083,509. Furthermore, in acquiring some 27,000 miles of railroad which they eventually hoped to consolidate, the Van Sweringens sought lines to build a financially sound system. Inevitably, their main criterion was the value of the road's freight service. Perhaps, the brothers believed that passenger service was a permanent part of the railroad, however disadvantageous. Nonetheless, they certainly did not anticipate the development of commercial air travel. For that matter, neither did the management of the New York Central which paid the largest proportion for the terminal.

One should not infer that the terminal is an outstanding white elephant today. The two rapid transit services, the product of the brother's vision, use the station. These two lines continue to attract thousands of persons daily. In addition the concession stands

46 Ibid.
47 Ibid.
in the area serve not only a steady flow of commuters but also countless office workers in the buildings above during the lunch hour and coffee breaks. The much discussed rapid transit expansions could make good use of the abandoned passenger facilities. So the full fruition of the Van Sweringen hope may be in the future.

The brothers also hoped to stabilize downtown development and revitalize the center. Undoubtedly, the entire terminal project was a significant improvement. The complex replaced a blighted neighborhood not much better than a slum. In this respect the Van Sweringens gave Cleveland a section which rivals New York's Rockefeller Center. However, it did not fully revitalize the Public Square as hoped.

Previously, the downtown expansion was in the upper Euclid area. The growth of the area continued in the early Twenties. In 1921 the Keith Building and Keith's Palace Theatre opened as well as the combination Hanna Building and Hanna Theatre. The Bulkley Building also opened in that same year. In 1924 the completion of the Union Trust Building at East Ninth and Euclid crowned the upper Euclid development. Nonetheless, the terminal was well under way. Upper Euclid development gradually came to a halt as property values in

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48 The building cost $16,000,000. It was at that time the largest bank building in the world and the second largest office building with a total of 30 acres of floor space. The architects for this building also were Graham, Anderson, Probst, and White. At that time also, Euclid and Ninth had the reputation as the "busiest corner in the world."
the area fell by as much as 50%.

However, this did not mean a corresponding spurt in Public Square rebuilding. In 1925 the Standard and Brotherhood of Locomotive Engineers Buildings were completed in the vicinity. Yet, not until the completion of the new Illuminating Building in 1955, did the Public Square area see new construction. In a sense, this general construction halt was the result of the extensive Van Sweringen project. The complex was so expansive that it provided for all future office needs for many years. Thus, the brothers discouraged upper Euclid expansion and Public Square rebuilding by their ambitious development. Yet, if the terminal never fully achieved its anticipated aspirations, the project replaced a slum and halted deterioration of the city's central point.

The effect of the terminal on downtown business was difficult to measure. The project was completed just as the Great Depression began. However, an examination of the history of the Higbee Company at the time revealed a significant loss in business. The Van Sweringens spent $15,000,000 for construction of the department store at Ontario and Public Square. They had hoped that the Marshall


50 One might add that the city fathers have done little to improve the Square's desirability. At best, its appearance is quaint.

Field Company would occupy the space. When that store declined, the brothers purchased the Higbee Company at Playhouse Square. At that time, the store had total assets of $7,200,000. The Van Sweringens paid $7,500,000 for the common stock issue in May of 1930. Its volume of business in that year was $12,000,000. In its first full year of operation at the Square, they planned for a minimum volume of $20,000,000. However, the Higbee Company did a total volume of $9,000,000 in 1931. In addition payrolls at the store were cut by 25% in the first month and another 25% the second month. As part of the purchase agreement, the brothers agreed to support the store's operations with another $9,500,000. Yet, while the Higbee Company continued to lose business, the Van Sweringens also had their assets eliminated due to the growing Depression. Thus, by 1932, they were unable to meet their Higbee obligations. In order to keep the store in operation, they hired Mr. George E. Merrifield. Through his efforts the store remained opened until 1935. In that year, the store sought the protection of the courts under 77-B. Eventually the store was able to re-organize and emerge as the successful merchant of today.

Whether this was due to miscalculations would be hard to determine. The Depression was in full force during those difficult years.


53 The remainder of this discussion is based largely on a letter to me dated January 17, 1968 from Mr. Herbert Strawbridge, President of the Higbee Company.
Yet, the movement to a new location in a time of great economic crisis undoubtedly burdened the store beyond its ability. Furthermore, the movement pulled the store from an area where its former competitor across the street, the Halle Brothers Company, helped to generate business. The effect uptown was much the same. The Halle store suffered a decline in business due to the Depression as well as the movement of its old associate, the Higbee Company. 54

Today, however, both stores enjoy excellent operations. If they suffer from an ailment, it is the common complaint of discount stores and suburban shopping centers. To meet this challenge, both stores have an aggressive building campaign in process. Thus, if the Higbee movement had an adverse effect, there is little evidence of this mistake today.

One problem which the Van Sweringens left unsolved was downtown traffic distribution. While the terminal project gave Cleveland an excellent concentration of transportation, the facilities to distribute these commuters and passengers throughout the downtown area were inadequate. Even though the streetcar lines converged at the Square, this service was rapidly becoming outdated. The Van Sweringens considered the eventual construction of a Euclid subway as a likely alternative. This undoubtedly would have aided downtown re-distribution as well as benefitted the upper Euclid merchants to

54 This statement is based largely on a letter to me dated February 15, 1966, from Mr. Walter M. Halle, Chairman of the Board, the Halle Brothers Company.
whom the terminal project appeared as a threat. 55

Yet the problem continued to persist. Buses replaced the streetcars by 1954. Since then, various downtown subway proposals were presented. Nonetheless, the public officials failed to act as traffic congestion and exhaust pollution worsened.

If the Van Sweringens made a definite mistake, they misread the economic conditions of the day. Many of their ventures were premised on the idea that the prosperity of 1929 would continue. Even in 1930 they believed the economic slump was to be short-lived. As a sign of their optimism, the Shaker rapid cars were re-painted for entry into the new terminal. 56 The design was a yellow "sunburst" in the front, signifying the dawn of a new day. Yet the Van Sweringens built on this belief in a "new day" which did not come. Rather they risked everything and would be swept away in the collapse of the Thirties. The effect of this was to leave their vision unfulfilled. Ironically enough, the methods they used to pyramid a great rail empire were the chief factors in keeping their developments incomplete.

55 Mr. Halle states that his father, the late Samuel Halle, undoubtedly believed that the complete Van Sweringen program would benefit all of Cleveland and in the process the Playhouse Square area.

56 Harry Christiansen, Northern Ohio's Interurban and Rapid Transit Railways, p. 115.
By 1929, the Van Sweringens sat on top of a three billion dollar empire. They personally were worth $100,000,000. Beneath them the empire included suburban real estate, downtown skyscrapers, and a vast railroad empire. At the top of this pyramid of related holding companies was the Vaness Company, the brothers' "personal breadbasket." The brothers owned 80% of the stock while two close associates, Charles L. Bradley and Joseph R. Nutt, each owned 10% of the Vaness stock. Bradley also served as President of the Cleveland Terminals Building Company and Nutt was President and later Chairman of the Union Trust Company.

By the summer of 1929, in addition to the Nickel Plate, the brothers controlled the Lake Erie and Western, Clover Leaf, Erie, Père Marquette, and Wheeling and Lake Erie Railroads and the Chesapeake and Ohio Railway. The Nickel Plate acquisitions fostered the brothers' interest in railroads. The Transportation Act of 1920

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2After its re-organization, Bradley and John P. Murphy, office counsel for the brothers and trustee of this university, would emerge as the principal stockholders in the Higbee Company.

3Nutt was active in the organization of the Quaker Oats Corporation. He was also treasurer of the Republican National Committee in 1932.
further encouraged the brothers to acquire other lines. The act drew up guidelines for the Interstate Commerce Commission to approve the consolidation of the nation's railroads into fewer, yet competitive lines.

By following the same basic procedures they had used to purchase the Nickel Plate in 1916, the Van Sweringens were able to build their rail empire. A study of the Nickel Plate acquisitions revealed what Taylor Hampton called "the essence of Van Sweringen-ism." 

In 1916 the brothers had agreed to pay the New York Central $8,500,000 for its interest in the Nickel Plate. The terms of the transaction required the Van Sweringens to pay $2,000,000 and to sign ten notes for $650,000 each. The first note was due five years later and one each succeeding year. While the contract gave the brothers the needed land for the rapid transit, they still had one obstacle. They lacked the needed money for the cash payments.

On July 3, 1916, the Van Sweringens borrowed $2,100,000 from the Guardian Trust Company on a six month note. While this met sufficiently the initial Central obligation, the brothers had to devise a way to finance the Guardian loan. The result was the forma-

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1 Taylor Hampton, Cleveland News, August 4, 1955, p. 7.
2 Ibid.
3 Ibid.
4 Ibid.
tion of the Nickel Plate Securities Corporation on December 4, 1916. The Assets of this company consisted of 25,032 first preferred shares, 62,750 second preferred shares, and 62,400 common shares of the Nickel Plate Railroad. This holding company raised the necessary money for the Guardian loan by the sale of preferred stock without voting rights (a common practice in Van Sweringen companies). The brothers and their associates paid $1,000,000 for half the preferred stock and an equal sum by the public sale of the remaining preferred stock. Also, the brothers were given the common stock, which had voting rights as their reward for completing the agreement. Consequently, they personally controlled the road. Ironically, their personal investment was $500,000 for their share of the preferred stock. This amount was borrowed.

The brothers hoped to pay the annual interest payments on the notes and to retire their principal with increased earnings from an improved Nickel Plate. One of their first actions was to hire J. J. Bernet, then Vice President for Operations of the New York Central. The Nickel Plate, while only 523 miles in length from

8 Van Sweringen Corporate System, p. 25.
Chicago to Buffalo, had certain advantages which Bernet exploited. The Nickel Plate was the shortest line between its termini and made good connections with all western lines at Chicago and the Delaware, Lackawanna, and Western at Buffalo. 11 This latter connection gave it the second shortest route to New York. Coupled with the operating concepts of economy, sound equipment, and new business; Bernet was able to increase tonnage from 9,482,092 in 1915 to 11,784,041 in 1920. 12 By 1923 the Nickel Plate paid a 6% annual dividend and after 1926 the road paid a quarterly dividend of $2.75. 13 This was after a long record of irregular dividend payments. To foster efficiency of operations, the Van Sweringens sought permission to consolidate the Clover Leaf and Lake Erie and Western with the Nickel Plate. The Interstate Commerce Committee approved this action in 1923. 14 Nonetheless, later efforts to unify their railroad properties were not so successful. The Commission opposed in 1926 the Van Sweringen plans on the basis of the financial arrangements. 15

In 1929, the Van Sweringens formed the Allegheny Corporation. This new holding company sold securities realizing $83,000,000. The

12 Taylor Hampton, Cleveland News, August 1, 1955, p. 7.
14 Van Sweringen Corporate System, p. 87
15 Ibid., pp. 160-162.
primary purpose of this company was to carry on operations toward
the eventual unified system which, as yet, had not been approved.
As the market began to make its first plunges toward the depths of
the Depression, the Van Sweringens used the funds of Alleghany Cor-
poration to retire some $36,000,000 in outstanding debts. With
remaining funds the brothers began a buying campaign to acquire the
Missouri Pacific. They completed acquisition of the road in April
of 1930 for a total of $100,000,000.

The Missouri Pacific purchase was a disastrous mistake. While
the road gave them an added 1,200 miles of track extending to New
Orleans, Denver, and the Mexican Border; its history was one of
long financial weakness. Furthermore, the brothers were now bur-
dened with debts in a time with little hope of good return on the
investment. Even in good times the Missouri Pacific was a question-
able risk. In the Depression, the road was an albatross. In March
of 1933, the Missouri Pacific declared bankruptcy, thus endangering

16 In effect, the brothers actually transferred the debts since
one of the Alleghany bond issues was for an amount equal to the
amount of debts.

17 The brothers' star operator, J. J. Bernet, opposed their
acquisition and refused to operate the road.


19 The Missouri Pacific purchase gives credence to the argument
that the brothers wanted a coast to coast railroad. They claimed the
road gave them valuable produce and oil trade. However, the Missouri
Pacific owned 50% of the Denver and Rio Grande. The other 50% was
hold by the Western Pacific, the final link in their system.
Yet the year 1930 was one of several Van Sweringen errors. The brothers also purchased the Chicago and Eastern Illinois Railway,\textsuperscript{21} which went into bankruptcy in 1933. This represented an investment of $8,000,000.\textsuperscript{22} Another error that year was the formation of the Pittston Company, a holding company of coal mines worth $80,000,000.\textsuperscript{23} By 1934, this company's precarious conditions further siphoned the brothers' resources and pride. Yet the real crowning error was the formation of the Van Sweringen Corporation.

The result of this endeavor was the realization of $30,000,000 from mortgage notes sold. The transaction pledged the brothers to protect the notes. When the securities supporting them fell below 50% of the value of the issued notes, the brothers had to make up the difference with securities of equal value.\textsuperscript{24} As the market continued to decline, the brothers became heavily obligated to these notes. By October of 1930, the brothers owed the Van Sweringen

\textsuperscript{20}Van Sweringen Corporate System, p. 1105.
\textsuperscript{21}\textit{Ibid.}, p. 907. This road also had debts outstanding totaling $7,500,000.
\textsuperscript{22}\textit{Ibid.}
\textsuperscript{23}Taylor Hampton, \textit{Cleveland News}, August 17, 1955, p. 18.
\textsuperscript{24}\textit{Ibid.}
Corporation $5,775,000 for its assets deficiency and appeared unable to meet the first interest payment in November.

Consequently, the brothers went to New York seeking a secure loan. Unlike in better times, the Van Sweringens could no longer finance their debts on the public market. So they arranged a loan from a banking syndicate headed by J. P. Morgan and Company. Morgan organized a banking syndicate to loan the brothers $39,500,000 at 6% due May 1, 1935. Of this loan, $16,500,000 went to Vaness and $23,500,000 went to the Van Sweringen Corporation.

In addition to this debt, the brothers also owed the Cleveland banks some $14,000,000. In order to improve the New York situation, the brothers convinced these banks to accept their personal note as security for the note. This released Vaness stock as security for the Morgan loan. The effect on Cleveland banks was to leave them without worthwhile security for their loans.

As the Depression worsened, the condition of Cleveland banks weakened. The brothers had purchased large amounts of Midland Bank

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26 Ibid.
27 Van Sweringens Corporate System, pp. 938-939.
28 Ibid., p. 953.
Stock in 1929 during its re-organization. This bank, however, sought refuge under the more secure roof of the Cleveland Trust Company in 1932. Unfortunately, other Cleveland banks were not so fortunate. During the Bank Holiday in 1933, the Union Trust Company and the Guardian Trust Company were closed never to open again. A significant factor in their collapse was the heavy loans to the Van Sweringens.

While the Guardian held certain loans made to the Van Sweringens, the primary cause of the closing was the fraudulent management of J. Arthur House and Kenyon Painter. Eventually, the Guardian was able to honor half of its total deposits.

The Union Trust Company was another matter. The bank had gained a national reputation as an aggressive and imaginative institution. However, the chief figure in the bank was J. R. Nutt, a close associate of the brothers. Contemporary investigations reported:

Neither is there much doubt but that the policies and business management of Joseph R. Nutt were influenced and dictated by the Van Sweringens. As nominal head of this large institution, Nutt allowed the Vans to borrow in excess of the legal limit;

29Some say this re-organization was done in order to create a tenant for one of the buildings in the terminal complex.

30Van Sweringen Corporate Systems, p. 1149.

31Both House and Painter were brought to trial and convicted in a variety of charges relating to their mismanagement of the Guardian.

32The Union Trust was formed in 1920 from several smaller banks. At the time it was the largest bank in Cleveland. It had 22 branches throughout the city.
he allowed them to substitute worthless collateral for good; and when a loan to the Vans was refused in the main office of the Union Trust Company, it was granted at a branch of the Union Trust Company upon the oral approval of Mr. Nutt.\(^3\)

Undoubtedly, the Van Sweringens loans had placed the Union Trust in precarious shape. Nonetheless, its closing in 1933 was the subject of sharp criticism for many years.\(^3\)

As the Depression continued, it was obvious that the brothers would not be able to meet the May 1, 1935 deadline. The Morgan Syndicate decided against renewing the loan. Consequently, the assets of the great Van Sweringen empire went to the auction block in October of 1935. During the ensuing months, the brothers sought ways to save their endeavors.

Initial efforts to raise capital in Cleveland failed. Nonetheless, the brothers eventually were introduced to George A. Ball, the glass jar king, through George Tomlinson, a Cleveland operator of

\(^3\)Van Sweringen Corporate System, p. 1161.
\(^3\)J. R. Nutt himself commented once that the bank "was not liquid but it was perfectly solvent." William Canson Rose spoke of the closing as "not justified." Eventually, the bank did pay off its depositors completely. Certain factors lead some to believe there was political intent involved. Nutt was a Republican of prominent standing. The Cleveland Trust across the street was in similar condition. Yet Newton D. Baker, a Democrat, sat on its board of directors. The Cleveland Trust re-opened. While the bank was indeed not completely solid, there was good reason to doubt the circumstances under which it closed. While Nutt had been removed as Chairman due to dispute with the directors, his long career with the bank had made the Union Trust synonymous with Republican.
lake freighters and former director of the Midland Bank. The result was the formation of the Mid-America Corporation. Financed by the two Georges, the new corporation purchased control of an empire worth $3,000,000,000 for $3,121,000. 35

For the first time in many years the brothers were working for someone else. However, the Mid-America deal gave the brothers complete control of their old companies. 36 Also they had to satisfy all creditors within ten years. The agreement also contained an option to buy control of Mid-America for $8,250 plus interest for ten years. This option could be exercised if the brothers had met their debt obligations which amounted to $73,000,000. 37

Yet the brothers would not be able to see if their financial wizardry could restore this empire to its former strength. On December 13, 1935, 38 Mantis Van Sweringen died at the age of 54, the victim of high blood pressure. His brother continued the fight. Nonetheless, Oris P. Van Sweringen died the following year on November 24, 1936, 39 at the age of 57. Ironically enough, he had suf-

36 Taylor Hampton, Cleveland News, August 18, 1955, p. 17.
37 Ibid.
38 Taylor Hampton, Cleveland News, August 19, 1955, p. 25.
39 Ibid.
fered a heart attack while resting aboard one of his trains at Hoboken, New Jersey.

The death of the brothers left much incomplete. The great enterprises, the product of genius and over-expansion, went unfinished. Before long, the great railroad world was sold to Young and Kirby who guided the Alleghany Corporation in later years.

It is often said that the Vans should never have gone west of the Mississippi or east of Green Road. Certainly much reason exists for this statement. Yet, this is no reason for later men to use as an excuse for their failures. Some say the brothers were dreamers. Perhaps it is fair to say they were ahead of their times. We witness today the continued growth of Beachwood and Pepper Pike, the basic product of their ambitious faith in Cleveland. We also see many of their former railroads playing an active role in the present drive for railroad unification. Today the Norfolk and Western Systems (of which the Nickel Plate is a member) and the Chesapeake and Ohio move towards eventual unity. This is basically the Van Sweringen scheme. Once again, the brothers are proven correct.

Yes, the brothers made disastrous errors which ruined their dreams and many of their contemporaries. Yet development is not the product of fear leading to lethargy. As Dr. Charles H. Myers commented at O. P.'s funeral,

He made mistakes and often failed. But, it must be said that his mistakes were those of high courage rather than timidity. For such men, the realization of hopes never comes, for one hope succeeds another and one aspiration grows out of another.41

41 Taylor Hampton, Cleveland News, August 19, 1955, p. 25.
APPENDIX
VAN SWERINGEN DEED RESTRICTIONS

"And the Grantee for

successors and assigns, in consideration of the execution and delivery of this Deed, hereby covenant and agree with and for the benefit of the Grantor, its successors and assigns, to hold said premises hereby conveyed, upon the following terms:

1. Said premises shall be used solely and exclusively for single family private residence purposes. No buildings or structures or any additions thereto or any alterations thereof shall be erected, reconstructed, placed or suffered to remain upon said premises unless nor until the architect therefor, the size, location, type, cost, use, the materials of construction thereof, the color scheme therefor, the grading plan of the lot, including the grade elevations of said buildings and structures, the plot plan showing the proposed location of said buildings and structures upon said premises, and the plans, specifications and details of said buildings and structures shall have been approved in writing by the Grantor and a true copy of said plans, specifications and details shall have been located permanently with the Grantor, and no buildings or structures, except such as conform to said plans, specifications and details shall be erected, reconstructed or suffered to remain upon said premises. No dwelling house being less than two stories in height.
shall be erected or suffered to remain upon said premises, and each and every said dwelling house shall be so planned and so placed upon said premises that the width of the front elevation thereof shall be greater than the depth of said dwelling house, except that if the entire available building space between the side lines of said premises be occupied by the front of said dwelling house, the foregoing restrictions as to the depth of said dwelling house shall not apply, and the front elevation and the front or main entrance thereof shall be towards the principal highway as designated by the Grantor, upon which said premises abut, nor shall said dwelling house be erected, placed or suffered to remain upon said premises within feet of the side lines of any of the adjoining property, nor within feet of nor within feet of any other highway or highways now existing or hereafter established. This restriction as to the distances at which said dwelling house shall be placed from the front and side lines of said premises shall not apply to, nor include porches, verandas, portes cochere or other similar projections of said dwelling house, except that said projections shall not be constructed or suffered to remain beyond the building lines hereinbefore established without the written consent of the Grantor; provided, however, that if in the opinion of said Grantor, by reason of the shape, dimensions or topography of the premises hereby conveyed, or for any other reasons satisfactory to the Grantor, the enforcement of the foregoing provisions respecting the location of said
dwellings house would work a hardship, the Grantor may modify such provisions so as to permit a different location that will not, in its judgment, do material damage to any abutting or adjacent property. Unless expressly permitted otherwise in writing by the Grantor, all driveways, except on corner lots, shall be placed upon said premises at the left side of said dwelling house as viewed from the Street. The location of driveways upon corner lots shall be fixed by the Grantor at the time of the approval of the plans and specifications for said dwelling house. No outbuildings, except for the exclusive use of the family occupying said premises and their family servants, shall be erected, placed or suffered to remain upon said premises, nor shall said outbuildings be erected, placed or suffered to remain upon said premises nearer to the side lines of any adjoining property or highways than the respective building lines hereinbefore provided in respect to said dwelling house; except, however, that where it would be impracticable to locate said outbuildings upon said premises without violating the foregoing provisions by reason of the dimensions of said premises, then said outbuildings may be located in such place upon said premises as the Grantor shall direct; provided however, that on corner parcels, the garage shall be made an integral part of said dwelling house, unless expressly permitted otherwise by the Grantor.

2. No portion of the within described premises nearer to any highway than the building lines established under the provisions of
the next preceding paragraph shall be used for any purpose other than that of a lawn; nothing herein contained, however, shall be construed as preventing the use of such portion of said premises for walks and drives, the planting of trees or shrubbery, the growing of flowers or ornamental plants or for statuary, fountains and similar ornamentations for the purpose of beautifying said premises, but no vegetables, so-called, nor grains of the ordinary garden or field variety shall be grown upon such portion thereof, and no weeds, underbrush or other unsightly growths shall be permitted to grow or remain anywhere upon said premises, and no unsightly objects shall be allowed to be placed or suffered to remain anywhere thereon.

3. The premises hereby conveyed shall be used and occupied solely and exclusively by a single family, including their family servants, and not more than one dwelling house shall be erected or suffered to remain upon said premises.

4. No chickens or other fowl or live stock of any kind shall be kept or harbored on the land hereby conveyed, except by written consent of the Grantor, and said consent may be revoked by the Grantor at any time by giving 30 days' written notice to the occupant of said premises, and mailing a copy of said notice to the last known address of the said owner of said premises.

5. The premises hereby conveyed shall not be occupied, leased, rented, conveyed or otherwise alienated, nor shall the title or possession thereof pass to another without the written consent of the
Grantor, except that the Grantor shall not withhold such consent if and after a written request has been made to the Grantor to permit such occupation, leasing, renting, conveyance or alienation by a majority of the owners of the Sub Lots which adjoin or face said premises upon both sides of the highway or highways upon which said premises front or abut, and within a distance of five Sub Lots from the respective boundary lines of the said premises, except transfer of title by way of devise or inheritance, in which case the devisee or heir shall take such property subject to the restrictions herein imposed, and except that said property may be mortgaged or subjected to judicial sale, provided in any such case that no purchaser of said premises at judicial sale shall have the right to occupy, lease, rent, convey or otherwise alienate said premises without the written consent of the Grantor first had and obtained in the manner above stated.

It being understood however, that the rights hereby reserved to the Grantor shall apply with equal force and effect to its successors and assigns, but in the event the ownership and control of the rights hereby reserved pass from the hands of the Van Sweringen interests, either by reason of the appointment of a receiver, assignment for the benefit of creditors, bankruptcy, by sale under legal process of any kind, by the transfer of the ownership of a majority stock to another than the Van Sweringen interests, or otherwise, the provision for consents by the Grantor in this Section No. 5 provided for shall be deemed to sufficiently obtained, if obtained from a majority of the
owners of the said five adjoining and facing Sub Lots, and thenceforth the right to enforce the restrictions in this Section No. 5 of this Deed contained shall immediately pass to the owners of the said five adjoining and facing Sub Lots, and be exercised by the written consent of the majority of the owners holding title to said five adjoining and facing Sub Lots.

6. No nuisance, and no gas or oil derrick, advertising sign, billboard or other advertising device shall be erected, placed or suffered to remain upon said premises, nor shall the premises be used in any way or for any purpose which may endanger the health or unreasonably disturb the quiet of any holder of adjoining land. No spirituous, vinous or fermented liquors shall be manufactured or sold, either at wholesale or retail upon said premises. No privy shall be maintained, placed or suffered to remain upon said premises, if sewer be accessible.

7. No heating apparatus in or for any building upon the premises hereby conveyed shall be operated with any but smoke-free fuel, unless such apparatus be equipped, operated and maintained with such devices as will prevent smoke.

8. No fence or wall of any kind or for any purpose shall be erected, placed or suffered to remain upon said premises nearer to any highway now existing or any hereafter established than the front building lines hereinbefore established, nor, in any event, unless nor until the written consent of the Grantor shall have been obtained
therefor.

9. The premises hereby conveyed shall not be subdivided unless nor until the plat showing such proposed subdivision shall have been submitted to the Grantor and the written consent of said Grantor for such subdivision has been obtained. The Grantor shall be the sole judge as to whether such subdivision shall or shall not be permitted, and in case of the subdivision of said premises, the restrictions, rights, reservations, limitations, agreements, covenants and conditions herein contained shall apply to each of the lots into which said premises shall be subdivided.

10. The Grantor reserves the sole right to grant consents for the construction and operation of street railways, interurban, rapid transit or other public utility facilities, street railway, electric light, telephone and telegraph pole lines and conduits, and gas pipes in and upon any and all highways now existing or hereafter established upon which any portion of said premises may now or hereafter front or abut.

11. The grantor reserves the sole and exclusive right to establish grades and slopes on the premises hereby conveyed, and to fix the grade at which any building shall be hereafter erected or placed thereon, so that the same may conform to a general plan.

12. The Grantor reserves and is hereby granted the right in case of any violation or breach of any of the restrictions, rights, reservations, limitations, agreements, covenants and conditions in
this Deed contained, to enter the property upon or as to which such violation or breach exists, and to summarily abate and remove, at the expense of the owner thereof, any erection, thing or condition that may be or exist thereon contrary to the intent and meaning of the provisions hereof as interpreted by the Grantor, and the Grantor shall not by reason thereof, be deemed guilty of any manner of trespass for such entry, abatement or removal. A failure of the Grantor to enforce any of the restrictions, rights, reservations, limitations, agreements, covenants and conditions contained in this Deed shall in no event be construed, taken or held to be a waiver thereof or acquiescence in or consent to any further or succeeding breach or violation thereof, and the Grantor shall at any and all times have the right to enforce the same.

13. The Grantor reserves and is hereby granted the exclusive right to grant consents and to petition the proper authorities for any and all street improvements, such as grading, seeding, tree planting, sidewalks, paving, sewer and water installation, whether it be on the surface or sub-surface, which in the opinion of the Grantor are necessary in the subdivision of which the premises hereby conveyed are a part, and the Grantee agree to and do hereby consent to and affirm any agreements that may be entered into between the Grantor and any public authorities with respect to the installation of said improvements and with respect to binding the Grantee and the premises hereby conveyed for the payment of the cost of said improvements, and
the Grantee herein expressly agree to pay share of the cost chargeable to property, and the Grantee hereby waive all notice with reference to said petitions and hereby consent to all other acts and things that may be necessary in the matter and hereby authorize and agree to affirm and ratify all such agreements and acts on the part of the Grantor in regard thereto.

14. The Grantor reserves also the right to grant consents to and to petition the Gas Companies and Electric Light Companies for the extension of their respective service mains, which in the opinion of the Grantor are necessary in the highways upon which the premises hereby conveyed shall front or abut, and the Grantee agree to and do hereby consent to and affirm all agreements that may be entered into between the Grantor and the said Gas Companies and/or said Electric Light Companies with respect to binding the Grantee for the proportionate cost of said extensions as applied to said premises hereby conveyed.

15. The restrictions imposed by this instrument upon the use of the premises hereby conveyed shall not be held to prevent the use of adjoining and adjacent land by the Grantor or its successors or assigns, for such other purposes or in such other manner as will not, in its judgment adversely affect the premises hereby conveyed to a material degree, and such use of such other lands shall not be held as relieving the Grantee hereunder from the restrictions imposed upon the premises hereby conveyed.
16. The Grantor reserves the right to waive, change or cancel any and all of the restrictions contained in this Deed or in any other Deed given by the Grantor in respect to Sub Lots or parcels within The Van Sweringen Company's Subdivision, if in its judgment, the development or lack of development warrants the same, or if in its judgment the ends and purposes of said subdivision would be better served.

17. The herein enumerated restrictions, rights, reservations, limitations, agreements, covenants and conditions shall be deemed as covenants and not as conditions hereof and shall run with the land and shall bind the Grantee until the 1st day of May, 2026, in any event, and continuously thereafter, unless and until any proposed change shall have been approved in writing by the owners of the legal title to all of the land on both sides of the highway within the block in which is located the property, the use of which is sought to be altered by said proposed change, and the Grantee herein agree to require that these restrictions be recited at length in all future instruments conveying said premises or any portion thereof.

18. The Grantor reserves easements and rights-of-way in, over, under and across the strip of land 7 1/2 feet in width, comprising that portion of said premises which consists of the real 7 1/2 feet thereof, for the installation and maintenance of telephone and electric pole lines or conduits or for any other similar facility deemed convenient or necessary by by the Grantor for the service of the premises hereby conveyed and for adjoining and adjacent property."
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"The Terminal Tower Building." Bond Prospectus, 1925.

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Enter the Van Sweringens

Meanwhile, Oris Paxton Van Sweringen and his brother Mantis James Van Sweringen were trying to develop Shaker Heights into a suburban housing community. Their lots were selling slowly, and they concluded, that the cause was inadequate transportation. It simply took too long to go by streetcar from downtown to their new development on the Heights. Transportation along a private right-of-way (to avoid street congestion) was needed to shorten travel time. And the fare had to be low. With this in mind they began to lay plans for a rapid transit system. This solution was hardly innovative, for many (including the liberal U.S. Senator Frederic C. Howe and New York planner Edward Bassett) had realized that the housing problem in the rapidly growing metropolitan areas hinged on easy and cheap transport to the suburbs. At this time, suburban life was coming to be regarded as the ideal of human existence, and decentralization was perceived as a blessing and a necessity.
Across the country, planners mistakenly assumed that the new transit facilities to be installed would be self-supporting. But severe inflation during World War I and legislation that fixed fares at low levels, as here in Cleveland, made rapid transit an unprofitable investment, and so brought an end to the dream of low rent and country living for the working people of the great American cities. Arguments on behalf of rapid transit, however, lingered into the 1920's and affected the plans being made in Cleveland.

At first the Van Sweringens planned only the Shaker line, to connect downtown with their land development. This objective prompted them to purchase land in the vicinity of Public Square as early as 1909 to provide a terminus for their rapid transit line. By 1926, as their ambitions expanded, they projected and started building additional lines to cover the entire county, including some stations on what is now the Airport-Windermere line. Their plans for "Super Transit" were based on traffic studies and surveys charting population growth. They were also interested in buses and hoped Cleveland would emulate Detroit with a highway program that would permit a commuter to take the bus to the rapid and the rapid to work. These plans stimulated further land development by other entrepreneurs who visualized land development stretching from Painesville in the east to Lorain in the west. Today, it is obvious that, because of high suburban land values and the unemployment which accompanied rural depopulation, rapid transit did little to help the poor escape from the city. Even at the time, critics of the Van Sweringen plan for comprehensive rapid transit said it was not economically feasible. The railroads favored the idea, however, because they did not want the responsibility of providing commuter transportation, which previous experience had taught them was not self-supporting.
have to include all the electric railways -- streetcars, rapid transit and interurban lines -- as well as local freight and warehousing facilities. But only later did they add plans for steam railways, following the suggestion of an official of the B&Q Railroad.

As a result this suggestion, by the first of March, 1917, the engineers of the Erie, the Wheeling and Lake Erie, and the New York, Chicago and St. Louis Railroads, plus the Cleveland Terminal Company (a Van Sweringen enterprise) produce a report concluding that a new freight and passenger terminal was feasible not only physically but economically. The plan arising from the report included a station located between Ontario and West Third Street and extending from Public Square to Huron Road. The main entrance was to be at the southwest corner of Public Square -- where it actually is today -- with minor entrances from abutting streets. It would be immediately adjacent to the 1000 room Hotel Cleveland (now Stouffer's Inn on the Square), which was being built by the Terminal Hotels Company, another Van Sweringen enterprise. The railroads hoped for a large increase in passenger business because of the location on Public Square, which made it easily accessible to all city and interurban lines, and its contiguity to the large new hotel. Traveling businessmen, then as now, demanded comfortable accommodations. But the decision for a "union" station at Public Square, one which would house all the incoming steam railroads, had yet to be made.

The 1917 plan provided twelve stub end tracks for the steam passenger trains, with loops for local and interurban cars above them between Prospect Avenue and Huron Road. The space above the tracks was to be developed for stores and office buildings. Thus the idea for the development of air rights over the station -- the concept that ultimately led to Terminal Tower -- was settled early in 1917. The Van Sweringens no doubt anticipated profitable results from the creation of high-density development in this location.

But events outside the Sweringens' control also played a great role in the development of the terminal complex. Contracts governing use of the proposed facilities had just been distributed to the participating railroads for their consideration when unexpectedly, on January 1, 1918, control of the railroads passed to the Federal Government under the United States Railroad Administration (U.S.R.A.). The event made additional approvals necessary before construction could begin. Early in 1918 O.P. Van Sweringen was called before A.H. Smith, the regional Director of the Eastern Division of the U.S.R.A. and an old friend and business partner of the brothers. Smith asked whether the proposed facility could be sufficiently enlarged to include the railroads using the lake front station. Thus it was Smith who initiated the idea for a union station on Public Square.

Van Sweringen immediately took up the idea and with typical audacity suggested stub-end tracks be extended straight north from the proposed station site and connected through to the lake front rail lines. Smith would not accept this proposal, for it failed to accomplish the very thing he was after, relief from the rail congestion east of the Cuyahoga River to Collinwood on the main line from New York to Chicago. He proposed a through station with tracks which crossed the river on high-level bridge -- the bridge that was ultimately built, and today is still used by the Airport Windermere, rapid transit line -- to relieve the congestion on the lake front tracks and accommodate more through freight business as well as freight-to-water business. Since warehouses could be built next to or over the new right of way, the arrangement would have the advantage of eliminating the need to truck goods from trains to warehouses and would save merchants money. At this time Cleveland ranked first of the eight largest U.S. cities in growth of product manufacturing; freight traffic was expanding at 7 percent a year. Freight facilities had to be expanded if growth was to continue. Moreover, the additional railroad frontage would permit industrial expansion. Cleveland needed this project which was in tune with the expansionist tendencies of that era. The Van Sweringens foresaw great personal profit in developing new freight and warehousing facilities.
Continues in: "Wheeling and dealing"

SIDEBAR: Van Sweringen biography

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Wheeling and dealing

Before 1918, Warren and Wetmore, the architects of Grand Central Station in New York, had given architectural advice about the station near Public Square. It seems likely that they were the one who gave the Van Sweringens the idea for air rights development. But in 1922 they were paid $12,000 in exchange for a release from further obligation. The brothers, being politically astute, once they had decided to build a union station, knew that the architectural contract would have to go to Graham, Anderson, Probst and White, who not only had designed the Cleveland Hotel next door, but as the successor firm to D.H. Burnham, designer of the Group Plan Mall, were at present commissioned to provide the design for the lake front station.
reversed, with the peristyle serving as background rather than functioning as gateway to the City of Cleveland. Furthermore, the Mall location had been decided on by Johnson and reaffirmed by his successor Newton Baker (Mayor 1911-15), now Secretary of War in Woodrow Wilson's administration. How could this idea be abandoned after so many years of nurturing? What was to become of the Mall? Without the station, how would it emerge as the symbol of the city?

Critics of the Public Square station pointed out that the topography of the Square would require steep grades and curved platforms for the trains, and they urged that the interests of the city as a whole would be best served by avoiding the kind of concentration that had occurred in downtown New York and Chicago. But the Union Depot at Public Square had the advantage of providing a unified transportation system. It would reinforce Public Square as the center of the city, thus almost demanding high-density development of the surroundings. Trains, interurbans, rapid transit, and streetcars would be brought all together, and nine existing passengers stations would be abandoned. The Van Sweringens saw these circumstances as a reason for going ahead. They realize that there was little land left for private development adjacent to the Mall area. Thus, they argued there would be little opportunity to add to the tax rolls, where as a new station would surely stimulate development around it. (This argument -- developers still use today -- goes back to Roman times.) Critics of the Van Sweringen scheme described it as a ruse to further their own real estate interests. There was obviously some truth in this charge.

Long before the public debate about the proposed site took place, preliminary architectural and engineering studies for a union station at Public Square had begun, in May, 1918. After a meeting in New York with Ernest Graham, the architect, W.E. Pease of the Terminals Company went to Chicago to discuss the project with Graham's partner, Pierce Anderson. From all the available evidence, it seems that Graham secured the commission for his firm, while Anderson was the actual partner in charge of the work. A few days later, on May 28, 1918, representatives of the railroads met with Van Sweringen. Anderson presented plans for the terminal. The railroad men, who were far from committed to the project, were shocked at the Van Sweringens' precipitousness, and demanded that the architect prepare no more plans until certain studies had been completed. At this time, as the needs of the future users of the terminal had not yet been determined, the design was being drawn from the outside in!

In the summer of 1918 an Engineering Committee consisting of representatives from the railroads began studies of population growth, ticket sales, numbers of trains, etc. (what is now called a market analysis). They ultimately decided on a station capacity that would suffice for 25 years, and insisted that their needs for storage yards, coach storage, engine repair shops and the like be taken into account. One of the key questions, the city's attitude toward steam operations so close to the center of the city, was eventually answered when the city insisted on electrification between East 37th Street and West 30th Street to avoid the emission of large amounts of smoke and soot in the downtown area.

On August 13, the Committee issued a preliminary report calling for a double-deck station with a concourse in between, located at or near Public Square. The lower deck was to be planned and leased as a separate facility and terminal for electric, interurban and local rapid transit service. For steam trains there were to be 15 tracks with a provision for expansion to 24. Warehouses were to built over the passenger tracks from Broadway to Eagle to East 23rd Street. The cost for these would borne by the Van Sweringens' Terminal Company. Cost for the total project including the right of way was estimated at more than $41 million.

After this tentative Engineering Report, the Cleveland Union Terminals Company was incorporated to oversee the design, construction and management of the station by the Van Sweringen interests; during 1918, however, it was a dormant corporation: it conducted no operations and had no income. The entire stock of this company was eventually transferred to the railroads, but even the O.P. Van Sweringen was authorized to vote the stock for the election of directors until completion of the depot.
The Van Sweringens were in control of the project. The railroads needed them to negotiate a favorable deal with the City.

On 23 October, 1918, the city council passed enabling ordinances which led to the battle over the proposed site for the station. Although O.P. Van Sweringen was a member of the City Planning Commission at the time, he was not allowed to vote on the terminal project. On 29 October, 1918, Mr. Smith of the U.S.R.A. wrote to the Mayor of Cleveland saying it was now necessary that the ordinance be approved by popular vote for the matter to proceed further with the Railroad Administration and railroad corporations involved. To the railroads he wrote this reassuring note: "It is not the intention to do any extensive construction under present war prices. It is estimated by the time the preliminary steps are taken a readjustment of prices will likely have taken place." But the City wanted and took steps to have the project completed quickly. Prices did not fall and the railroad executives continued to be concerned about increased costs: by 1921 the estimated cost had risen to over $54 million, and by November, 1925, to over $106 million.

The Engineering Committee, on 6 December, 1918, reported that a passenger station approached directly from Public Square was feasible and practicable. After many months of negotiations with the City and debates in Council, a public referendum, on the question of the site was held, on 6 January, 1919. The Public Square site for the Union Station was approved by the citizens of Cleveland. No doubt civic pride played an important role in this vote. Everybody could see that Cleveland's present passenger facilities were inadequate. At the time, this action must have pleased the lake front railroads, for they thought they were going to save the large expenditure for the monumental construction contemplated for the Mall site because the Van Sweringens were to develop the air rights over the station. The Cleveland Terminals Company expended over $25,000 for advertising and printing costs to influence a favorable vote.

Continues in: "Further delays"
Nickel Plate History
New York, Chicago & St. Louis Railroad

In 1879 and 1880, a syndicate headed by George I. Seney, a New York banker, assembled the Lake Erie & Western Railway, a line from Fremont, Ohio, to Bloomington, Ill. After a dispute with the New York Central System about the routing of freight, Seney decided to build a line to connect the LE&W to Cleveland. He incorporated the New York, Chicago & St. Louis Railway in 1881 as a Buffalo-Chicago project. About this time, it was referred to by a Norwalk, Ohio, reporter as the "great double-track nickel-plated railroad," and the nickname stuck. (That's one theory about the name; another hinges on the pronunciation of "NYCL"). The line was completed in August 1882. William H. Vanderbilt offered to buy off Seney during its construction, then threatened to starve it of traffic—from Cleveland to Buffalo it was parallel to Vanderbilt's Lake Shore & Michigan Southern. Jay Gould began to negotiate to purchase the road; to block Gould, Vanderbilt purchased it instead and installed his son William K. Vanderbilt as president in 1883. Then he wondered what to do with it—benign neglect is what happened. Even though it was no more than a secondary line in the Vanderbilt system, it gained a reputation for fast movement of perishables, particularly meat. In 1916, Cleveland real estate developers Oris Paxton Van Sweringen and Mantis James Van Sweringen bought NYC's interest in the Nickel Plate. NYC recognized that the Clayton Antitrust Act would require selling NKP; selling it to the Van Sweringen brothers would keep it out of the clutches of Lackawanna or the Pennsylvania. The Van Sweringens were suddenly in the railroad business. To run their railroad, they chose John Bernet of the NYC. Bernet worked a thorough upgrading of NKP's locomotives and track, with the result that by 1925 the road had doubled its freight tonnage and average speed, halved its fuel consumption per ton mile, and led all U.S. roads in cars miles per day.

Lake Erie & Western
The Lake Erie & Western Railway was formed in 1879 to consolidate smaller railroads between Fremont, Ohio, and Bloomington, Ill. In 1880, the LE&W extended its line east from Fremont to Sandusky to replace boats on the lower stretches of the Sandusky River and teamed up with the Lake Shore to offer through freight and passenger service. The Lake Shore's lack of cooperation in the matter of westbound traffic was the reason LE&W's backers built the Nickel Plate. The LE&W nearly died during the 1880s, but the discovery of natural gas and oil along the line in Ohio and Indiana revived it. In 1887, it was reorganized and extended west to Peoria, Ill. That same year, it acquired a Michigan city-Indianapolis line that crossed its main line at Tipton, Ind., and in 1890, acquired a line from Fort Wayne to Connersville and Rushville, Ind., a line that crossed the Lake Erie & Western at Muncie. In 1895, the LE&W proposed assembling a line to the East Coast by using the Reading, the Buffalo, Rochester & Pittsburgh, and the Pittsburgh, Akron & Western, a former narrow gauge line from Akron to Delphos, Ohio. The PA&W was reorganized that year as the Northern Ohio and leased to the LE&W.

In 1899, the LS&MS purchased a minority interest in the LE&W, and proceeded to let it decline gently. In 1920, LE&W sold the Northern Ohio to the Akron, Canton & Youngstown.

Toledo, St. Louis & Western
The Toledo, Delphos & Indianapolis was organized in 1877 and that year opened a three-foot gauge line a few miles north from Delphos, Ohio. Two years later, it became part of the Toledo, Delphos & Burlington, a consolidation of four railroads. The TD&B had as its goal a three-foot-gauge line from Toledo to Burlington, Iowa. The line was opened from Toledo to Kokomo, Ind., in 1880. It began extending south, buying up railroads to form a line south through Dayton to Cincinnati and Ironton, Ohio. Then it got caught up in a proposal to assemble a narrow-gauge line all the way from Toledo to Mexico City. The line was opened from Toledo to East St. Louis, Ill., in 1883, and the company collapsed soon afterward. The lines south of Delphos to Cincinnati and Ironton were spun off to eventually become standard gauge pieces of the Cincinnati, Hamilton & Dayton, the Pennsylvania, and the Detroit, Toledo & Ironton. The Toledo-East St. Louis line was nearly dead when gas and oil were discovered along the line. It was reorganized as the Toledo, St. Louis & Kansas City Railroad, and adopted a clover leaf as its emblem. Trackage east of Frankfort, Ind., was converted to standard gauge on June 25, 1887; the remainder of the line was converted two years later. The road developed a good freight business, particularly in eastbound livestock and perishables received from connections at East St. Louis.
The TStL&KC went bankrupt in 1893. The court proceedings included William Howard Taft as judge and Benjamin Harrison as counsel. The railroad was sold to its bondholders and became the Toledo, St.Louis & Western. It continued as a fast freight line, particularly in competition with the Wabash. In contrast to many midwestern roads, the TStl&W got along well with neighboring interurbans, even filing joint passenger tariffs. In 1903, the Clover Leaf acquired a half interest in the Detroit & Toledo Shore Line. In 1907, it purchased control of the Alton. The TStl&W issued bonds to finance the purchase; interest on the bonds brought on another receivership in 1914.

Nickel Plate
In 1923, the Nickel Plate, the Lake Erie & Western, and Clover Leaf were consolidated as a new New York, Chicago & St. Louis Railroad. On the recommendation of Alfred H. Smith, president of the NYC, the Van Sweringens went after the Chesapeake & Ohio for its coal traffic, and the Pere Marquette for its automobile business. In 1925, the New York, Chicago & St. Louis Railway was incorporated to lease and operate the Nickel Plate, C&O, PM, Erie, and Hocking Valley. The railroad industry was in favor of the merger, but a small group of C&O stockholders fought it. In 1926, the ICC rejected the petition on financial grounds; it was in favor of it from the standpoint of transportation. Then the Van Sweringens tried again in 1926: C&O applied to acquire PM, Erie, and Hocking Valley. The ICC rejected that in 1929.

The Van Sweringens moved Bernet to the Erie and installed in his place Walter Ross, who had been president of the Clover Leaf. He engineered an about-face for NKP's passenger service, which for years had been operated on the assumption there was no sense trying to compete with the NYC. Ross went after the long-haul passenger with comfort and personal service. The passenger renaissance lasted only until 1931, when the Depression occasioned cutbacks.

Nickel Plate came under Chesapeake & Ohio management in 1933, and Bernet was back in the presidency. He initiated a scrap drive to finance rebuilding of the Clover Leaf district, and ordered the first 15 of a series of big 2-8-4 Berkshires that eventually numbered 80 to upgrade the road's freight power. The design of the new locomotives drew heavily on Chesapeake & Ohio's 2-10-4s. Other improvements of the late 1930s and the war years were strengthening the bridges east of Cleveland, introducing Centralized Traffic Control, and upgrading track and bridges on the Lake Erie & Western and the Clover Leaf to permit the Berkshires to work to Peoria and Maids (East St. Louis), Ill.

Nickel Plate resumed its own management in December 1942; Chesapeake & Ohio attempted merger in 1945, but NKP stockholders objected. Dieselization of passenger service began in the late 1940s, but freight continued to roll behind steam. In 1948, Nickel Plate tested a set of Electro-Motive F3s and immediately ordered 10 more Berkshires (they proved to be Lima's last steam locomotives). A four-unit set of F3s could outperform the 2-8-4s, but fuel costs were greater; a Berkshire developed greater horsepower at speed than a three-unit set—and at speed was where Nickel Plate used most of its horsepower.

NKP also tested General Electric's gas turbine-electric, and EMD painted a pair of F7s blue and gray, like the PAs, for a demonstration on the former LE&W. Freight diesels finally began to arrive in the form of GP7s in 1951, but steam dominated main-line freight service until the business recession of 1957 and 1958. Nickel Plate was one of the last U.S. railroads to operate steam, and two of the Berkshires, 759 and 765, remained active in excursion service.

In 1946 and 1947, NKP purchased about 80% of the stock of Wheeling & Lake Erie, and on Dec. 1, 1949, NKP leased the W&LE. The Wheeling served the steel and coal area of Ohio, and originated much of its tonnage, in contrast to NKP, thus providing balance to the NKP's bridge-route freight business.

For years, NKP's principal freight competitors had been the Erie and the Wabash. After 1954, the New York Central under Alfred Perlman began to become a lean, fast railroad. The Lackawanna proposed merger with Nickel Plate; NKP management rejected the union. When Lackawanna merged with Erie, it disposed of a large block of NKP stock. Norfolk & Western merged the Virginian, and the New York Central and the Pennsylvania announced their engagement. Nickel Plate, suddenly unattached, looked around, set up through freight trains with Lehigh Valley, and began merger negotiations with Norfolk & Western. On Oct. 16, 1964, N&W merged the Nickel Plate.