"Twelve Who Shaped San Diego"

Introduction

Peter Hamlin (PH): "Twelve Who Shaped San Diego", is a series of radio programs on local history, biographies of 12 great men and women who have left their mark on today’s San Diego.

Claire Crane (CC): They thought he was just off his rocker and it wasn’t until he laid out the town, surveyed it, and started selling lots, and then the railroad boom started for the Texas and Pacific Railroad. And then there was a great boom in San Diego and Horton practically became a millionaire. Just in a matter of a few years, from 1867 when he came here, to 1871, it was in that period that the people realized that he had something there.

Peter Hamlin (PH): San Diego began in the area that is today Presidio Hill and Old Town. It was Alonzo Horton who was instrumental in moving the city to its present location near the harbor. By that move, and by Horton’s activities in San Diego the city was changed tremendously. The life of Alonzo Horton is the subject of this sixth program in the series, Twelve Who Shaped San Diego. I'm Peter Hamlin and joining me is San Diego Historian and Chief Historical Consultant for these programs, Dr. Claire Crane.

Claire, we hinted in the last program, that the next major event in San Diego’s history is the moving of the city to the site which is now Downtown. Of course, before that San Diego was situated were Old Town is now and hardly anything was going on near the harbor. I’m curious what early efforts were made to move San Diego to that location?

(CC): Well, the most important effort to move it came in 1850, as a direct result of the American conquest of California. A U.S. Boundary Commission was sent out to California to survey and mark the boundary between the United States and Mexico, and the chief surveyor for that was a man named Andrew Gray. And after his job was done with the Boundary Commission, he stayed on in San Diego because he had seen the harbor, and decided it was really a prime location for the development of a city because he believed that a transcontinental railroad would be built out to the West Coast to tie these great ports of the Pacific Coast with the rest of the United States, and he saw San Diego as being the logical and prime location for a railroad connection because it was right next to the harbor. So, he staked out a 160 acre piece of land, and he got as a partner, a man named William Heath Davis who was a merchant and a man who had for a number of years beginning in the 1830’s had been trading along the coast of California and had married into the Estudillo family. They talked to Jose Antonio Estudillo and he encouraged them in their plans to lay out a city which they called
New Town. Right about near where the police station and the old ferry landing, the development of the new development of Sea Port Village and so on in that location. Right on the shores of the harbor.

(PH): In Old Town as these various efforts were being made to move the city to a new location, was their bad feeling that people generally ignored the people that wanted to move the city?

(CC): Oh, they thought they were crazy.

(PH): June Redding works at the Thomas Whaling house in Old Town, and she is an historian who has had a great deal to do with the saving and restoration of the house. In her view the early developers of New Town, before Horton, are not really given the credit they deserve.

June Redding (JR): Davis really tried and was never actually given credit for the great effort that he made or the money that he spent in the effort to establish New Town. Had he had any cooperation from the Government, probably New Town would have done very well. It was a tremendous effort on Davis’ part, and it seems to kind of gone by the wayside historically. Davis almost went broke on that effort and some of the problems became very-punient when you find that Davis was forced to run back and forth because of his business interests in San Francisco. George Penelton who later became the county recorder and county clerk here, wrote to him repeatedly and told him his buildings were, some of them were standing empty and if he wanted to keep his town together he had to get these building rented and that it would be advisable for him to come back and take care of his affairs because even though he was taking care of his book work and so forth and trying to handle business for him – certain decisions he couldn’t make and did require Davis’ person to be there. And, I don’t know what Davis’ involvement was, but it was rumored at that time that he was involved in this development that he was making over $10,000 a month, which was a sizable sum of money at that time. But apparently lost everything in his effort to keep New Town going. And so for that reason the town just dwindled and it was a real pathetic thing to find that people traveling to the area were dismantling these houses and so forth and simply lumber was so scarce and so difficult to come by that they were simply just taking the lumber and carrying it along with them and using it to build other structure as they went along.

(CC): One of the problems that the Gray and Davis New Town development never took off is that there was not a railroad subsidy granted that would bring a railroad into San Diego as most of us know there was a big railroad subsidy that brought the railroad finally into San Francisco in 1869 but no money was forth coming to subsidize this railroad -- to subsidize a southern route. The other thing that certainly didn’t help them any was that the final report of the United States Boundary Commission contained a comment...
on San Diego, saying, without wood, water or arable land this place will never rise to importance.

(Ph): And so Davis' folly as it was called, never did develop into a successful town. And what is now downtown San Diego didn't really develop until Alonzo Horton came on the scene. Horton came to San Diego relatively late in life, and interestingly enough, by the time he got here, he had already founded a town in Wisconsin which still bears his name -- Hortonville. Hortonville is a village where the population of 1,831 and its located in the central part of Wisconsin. Interestingly enough, we have some articles that were recently written in the Hortonville paper about Alonzo Horton. It says, "Alonzo Horton also founded San Diego" in a large headline. The first line of the article is, "Ironically, the man who founded Hortonville was at least equally as famous for starting another city, San Diego."

Well, to find out about that early period of Horton's life, we phoned the village of Hortonville and spoke with Shirley Vance, a long time resident who became interested in Alonzo Horton while she was editor of the local newspaper and while editor she wrote several articles about him.

Shirley Vance (SV): He was 21 when he left his home in the east and came to Milwaukee when he was 23 in 1836. And he was married in 1841 and came to Hortonville in 1848 when he was 35. He had, after his wife passed away he had gone to St. Louis and purchased land warrants there that were given to discharged soldiers at the close of the Mexican War. And in February of 1848 he bought 1500 acres that were 70 cents per acre of for an investment of $1050 -- which included the 160 acres that Hortonville is located on.

(Ph): To get that in perspective, 70 cents an acre would be a pretty good price today, I'm sure. By about what factor?

(SV): Property here is running now, any of the farm properties, from 1000 to 7-8000 dollars per acre.

(Ph): Did he indeed buy the land and then sell it at a profit even in the relatively short time he was there?

(SV): Well, he gave away quite a bit of land to encourage settlement. But when he left, he had a profit of between 7 and 8 thousand dollars.

(Ph): It sounds like he really knew what he was doing in terms of selling real estate.

(SV): Well I talked with Mrs. Rinders who was the first woman on our village board and she showed me her land deeds that Horton sold some of this property here to his father in January of 1851 for 1400 dollars. According to what we could find it was a quarter of a section and in 1851, Horton's mother and father sold the property...
for 400 dollars. So he evidently made a profit on his parents, but probably gave away land to other people.

(CC): As we’ll see later, Horton paid even less for his land in San Diego. He paid, if he paid 70 cents an acre in Hortonville, he only paid 27 cents an acre here in San Diego. He really got a big bargain.

(PH): Horton wasn’t to stay long in Hortonville. He headed west, partly to seek a better climate on the advice of his doctor. But he probably had something on his mind other than founding another town.

(SV): I don’t think he had any intention of taking land in California. It was the gold that had interested him most. And from what I can understand, when he left here and went to San Francisco for gold, but then that didn’t pan out and he ended up selling ice for them and made a big profit on that. He brought it in and sold it. We have an ice house here, in Hortonville right on the mill pond that he had built the dam for, for his mill. And he sold the ice for 3 dollars a month for the refrigerator or $1.75 if you didn’t use much, according to what I’ve seen.

(PH): Shirley Vance, long time resident of Hortonville, Wisconsin, who has done some research on Alonzo Horton and has written articles on Horton for the local newspaper. Well, with Horton in the ice business, we see once again a man who has been involved in quite a diversity of business ventures. Now, Horton’s in San Francisco, what happened to him when he got there?

(CC): Well, when he first came to California, of course, it was because of the gold rush, and as she indicated, he first tried to get into the mining business, and was not successful with that but as, frankly, as most of the people were successful during the gold rush at all, got out of the mining business and into something else instead. And in Horton’s case it was merchandise and ice as she mentioned. He left California after that, went back to Wisconsin for a number of years and then he returned to San Francisco in 1862 and that’s when he went into the furniture business. He had a fairly successful furniture business, he was certainly comfortably off and perhaps even might have been thinking of retiring. He was 54 years old when he conceived the idea of selling out his entire business and coming to San Diego.

(PH): We pick up the story of Alonzo Horton with Elizabeth MacPhail, a retired San Diego attorney and life-long San Diegan who has completed a number of local history projects, including a book called The Story of New San Diego and It’s Founder, Alonzo E. Horton.

Elizabeth MacPhail: Horton was about in his 50’s. He was in San Francisco and one night he went to a lecture that was given in San
Francisco and the lecture told about all of the ports of California and the harbors, and he told about the wonderful harbor in San Diego. And he never heard particularly anything about San Diego but he was so enthused, he came home and told his wife that he was going to sell out his business and go down to San Diego and build a town. And she said, "Well, where's San Diego?" So they had to get out a map and look to see where San Diego was. But within 3 days after he made this decision, he had sold his business and had taken a reservation on the next boat to San Diego and so he arrived on April 15, 1867. When he arrived on the 15th of April, the little boat stopped down on what would be the foot of Market St. at what was the old Davis Wharf, and they had to wait for a buck board to come from Old Town to take the passengers; I think there were just a few passengers, 6 or 8 passengers, to Old Town. And so while he was waiting, he walked up to where the Courthouse would be today and it must have been a nice clear day, not a foggy day, and he could see the islands and the, what is now Coronado, and he could see all over and when he got to Old Town, he just looked around and he said, "This is no place for a town. The place for a city is down by the wharf," and then he said it was, looked to him to be a "Heaven on Earth." And he, we refer to San Diego as "Heaven on Earth," Many people do and as far as we know, he was the first one to refer to it as "Heaven on Earth," because the people who had come previously to that and left had referred to it in the opposite direction, but he saw the possibilities of the city and told George Pendleton, the county clerk in Old Town, he said, "Well, I wouldn’t give you 5 dollars for a deed to the whole town because it just doesn’t lie right". And so then it was when he inquired about buying land in the area that he was interested in. Well, first when he asked about buying some land, he was told by the county clerk, Judge Pendleton, that they couldn’t sell any land, the city couldn’t sell any land because they hadn’t they didn’t have a legal board of trustees, there’d been no business, so they had just not had an election. And Horton said, "Well, get busy and call an election because I want to buy some land". And Pendleton told him, he said, "No, I can’t do that, it would cost too much." And Horton said, "Well, how much would it cost?" And Pendleton said, "At least 5 dollars." And so the story is Horton gave him 10 dollars and told him to call an election. So they did call an election, and the trustees were elected, the ones that he had specified that he would like after having had a chance to meet some of the people in Old Town. And the sale was on the following May 10th, and at that time he bought 960 acres for 265 dollars, at 27 1/2 cents an acre, and people in Old Town thought, well this man is crazy, he must have more money than brains.

(CC): The auction at which Horton bought the land has been described in Elizabeth MacPhail's book about Alonzo Horton and New Town, and I just quote from part of it. The land that he bought was in several different parcels, and the first one on which he bid contained about 200 acres, and his first bid was 100 dollars." The people around me," he said later, "began to laugh when they heard
it. I thought they were laughing because I had bid so little, but
on inquiring what it was customary to pay for land, I was told that
20 dollars was a good price for a piece of land if it was smooth,
or about 15 dollars if it was rough. I did not bid so much after
that, I was the only bidder on all the parcels except one. On a
fractional section near where Upas Street now is, Judge Hollister
bid 5 dollars over me. I told him he could have it, and then he
begged me to bid again. I finally raised him 25 cents and then he
would not bid anymore. Hollister said, "You can have it, I
wouldn't give a mill an acre for all you have bought. That land
has lain there for a million years and nobody has built a city on
it yet." To which Horton replied, "Yes, and it would lie there a
million years longer without any city being built on it if it
depended upon you to do it." And, then from then on he had to
leave and go back to San Francisco, catch the next boat, in order
to promote and get his land surveyed, and then find people up in
San Francisco who'd have the money to invest.

(PH): Well, what about that? He seems to have the exact opposite
view on San Diego, New Town, and Old Town as everybody else in the
city. Did people, you know, chuckle at him when he walked by and
say "There goes Ol' Crazy Man Horton? Did they think he was
completely off his rocker? Or did they think after he spent the
money, "Well maybe this guy has an idea"?

(EM): Oh no, it was several years before the people in Old Town
began to realize that he had something there. They thought that he
was just "off his rocker," and it wasn't until he laid out the
towns, surveyed it and started selling lots, and then the railroad
boom started with the Texas and Pacific Railroad and then there was
a great boom in San Diego, and Horton practically became a
millionaire just in the matter of a few years. We're talking now
between 1869, 1873 and by 1871, the County Courthouse was moved
from Old Town to New Town, so just from 1867, when he came here, to
1871, it was in that period that the people realized that he had
something there. And that most of the businessmen in Old Town then
were moving to New Town, and then even the Courthouse was moved.

(PH): Just how the courthouse was moved is something we'll take up
in a moment, but one thing seems evident in the discussion of
Alonzo Horton and that is that his fortunes were closely linked
with the economic ups and down of the period. What was going on
economically in San Diego at this time?

(CC): Well, San Diego's entire economic history during this period
was related to hopes that a railroad would come into San Diego.
From the time that San Diego became part of the United States ...
by the time California became part of the United States San Diego
was organized as a city in 1850, that was the great hope that a
railroad would be built into San Diego and Louis Rose, for example,
and other people had formed a railroad corporation in 1854, and
they hoped that a railroad would be built, nothing happened about
that, but they had set aside land, gotten the city trustees to set aside several thousand acres of land that would be available to give to any railroad that would build to San Diego. So that land was still available, and in the early 1870's the Texas and Pacific Railroad, whose president was Tom Scott, decided that they would try to build a railroad out to the Pacific Coast along a southern route and wind up in San Diego and so city fathers including Alonzo Horton invited Scott to come to San Diego and so often this particular boom that took place in the early 1970's is referred to as the "Tom Scott Boom," because when Scott arrived in San Diego, people thought "Ah ha, this means that things are really going to happen!" And of course he said, "Oh yeah, we’re going to start building the railroad" and he thanked the city fathers for, you know, giving him all that land and he said, "I will go off to the east coast and to Europe to market the bonds which will be required for the financing of the railroad." And he did so. Unfortunately, in 1873, the bottom fell out of the stock market and the bonds were... no body was interested in buying the bonds and Scott then wrote to Horton and other people in San Diego and said, "I'm a ruined man, I cannot do anything else." Scott had over-extended himself and as a matter of fact, he died less than 10 years later broken-hearted and bankrupt.

(PH): Well, then the "Tom Scott Boom" really was only the result of the expectation of this railroad, which never did come through.

(CC): That’s right, as Elizabeth MacPhail mentioned, Horton became a very wealthy man simply on that expectation because people invested in his property, bought land from him and invested in his property, bought land from him and invested in the city of San Diego, building buildings and bringing in businesses and this promoted the whole economy.

(PH): I would like to back up some years now and take a look at what’s been going on from the point of view of people in Old Town. Now, remember, the Old Town and Presidio Hill area had been the center of activity in this area for quite some time and a man from San Francisco came down, bought a stretch of land, essentially barren, thought of by most of the townspeople, that is in Old Town, to be worthless, and at this time, in the late 1860's, things weren’t going all that badly in Old Town. Thomas Whaley for one was prospering in business, the County Courthouse was in Whaley's home and that, too, was the center of activity, there. In that restored courthouse, we again speak with June Redding.

(JR): They hadn’t paid, I don’t believe, too much attention to Alonzo Horton, business went on as usual, but you had to remember that by the time Alonzo Horton came, Old Town was getting into a pretty thriving condition and there was considerable business being done at the county seat. Alonzo Horton didn’t arrive here until 1867, mind you, now Thomas Whaley had been in business here since 1851, so he was here a good 16 years before Alonzo Horton arrived,
and they had gone through the hardship, the settling part with the Indian uprising and the transfer of all the lands and so forth, and they had their (skirmishes), and things were beginning to settle down, and Old Town was taking on a semblance of a pretty good sizable town with many businesses located on the plaza. The greater portion of business, the flow of traffic coming into town, was directed towards the county seat, Alonzo Horton determined that the only way his town would get on a firm footing and that a flow of traffic would be established was to have this county seat transferred. That was uppermost in his mind, and he had evidently watched the activity in Old Town enough so that he knew that this was where the bulk of the business was.

(PH): Well, what was going on between Old Town and New Town, in the debate, let's say, to put it politely, between where the court records should be?

(CC): Well, there was a big political struggle going on and there were the Board of Supervisors was at one point elected, replaced by a different Board of Supervisors. There were appeals to local courts, and then appeals to higher courts. Ultimately, the decision was made by the California Supreme Court, which did uphold the decision of a legally elected Board of Supervisors that the court record should be moved to their location and a new courthouse setting in New Town. But this was a struggle that went on for about a year.

(PH): What was the reaction in Old Town when that court ruling was issued?

(CC): Well, when the final ruling was issued, of course, they had to give in, but prior to the final ruling, they thought that they might win out and Whaley, Thomas Whaley, of course, was very disturbed that the court was going to be moved away from his building, that he would lose a good tenant and a lot of business, and so at one point when they were hoping for another decision, actually there were armed guards set up in front of the courthouse in an effort to prevent the removal of the records to New Town. But ultimately, they did have to give in because of the legal decision.

(JR): It was like an armed camp, Old Town was, and they took... steps were taken to prevent the theft of the county records. Well, Mr. Whaley evidently thought that the town was well-protected because he went about his business in the usual manner. It was also about the time for him to go north and buy supplies for his general store. And so he took the boat on a 5 day trip to San Francisco and it was in the period of time when he was absent from San Diego on his shopping trip that the county records were seized from the Whaley House. March 31, 1871, evidently, probably, not wanting to make an entry in the day time. And this was another thing that always caused us to wonder why the threat was not
carried out in the daytime, it was not. So the seizure took place at night and March 31, 1871, at midnight, men came into Old Town in Wells Fargo wagons with drivers and teams that were rented also from the company. And two wagons pulled into Old Town. They actually muffled the horses' hooves with burlap sacks and greased the axles of the wheel heavily so that the noise of the wheels turning wouldn't be heard at night. They waited until midnight and evidently came down San Diego Ave, turned into the carriage entrance, came around to the back of the building of the Whaley House. He alighted there, some stood guard, others broke into the courtroom doors. At midnight, as you could imagine, everyone in town would be sleeping peacefully. Lighting was not good here, so people wouldn't be aware that anyone would be abroad at this time of night. So they succeeded in gathering most of the material and some of the furniture, and then realized that the rest of the records that they were seeking were in the second floor of this house. That made it necessary for them to come through the house and down the hall. By the time they had gathered up everything they thought necessary here, they began to ascend the stairs and met Mrs. Whaley who apparently awakened by the sound of the men's voices, had dressed hastily, and had come down to confront them. Anna Whaley, in the darkness of the night, thought first probably of her children, thought of her husband being away and wondered who it was that would enter this house in such a manner and seize the records. And so she decided, brave woman that she was, decided to face them and see for herself. She began descending the stairs as they rose up, and on the ninth step met the men face to face and it was at this point that they threatened her at gunpoint, told her to stand aside, or told her that if she didn't let them pass, they wouldn't be accountable for what would happen. And so Anna let the men pass up the stairs. Powerless, she couldn't do much about it. She didn't want her children threatened, she didn't know exactly what they intended to do. And that night, the records, the minute books of the Board of Supervisors were taken from the upper rooms and removed to New Town. Then the irate townspeople, of course the next morning was April 1st, and they realized that a horrible April Fools joke had been perpetrated on the community and that this spelled death for Old Town. Old Town was not going to be the thriving town that it had been formally at all, the thing came to them and there was some talk of forming a posse and going over and shooting up New Town and taking the records. In the meantime, the records were stored in the 2nd floor of the Wells Fargo building.

(PH): June Redding, with the Whaley House in Old Town.

(PH): Now, I'm curious was the seizure of the County records an illegal act? Did the New Town people take what measure they saw necessary to legally move the location of San Diego from Old Town, or did they have some authority to do so?

(CC): Well, there was legal authority to do so, but it was
certainly disputed by those who wanted the center of the County, its records, and the County Courthouse to remain in Old Town, and there was a protracted struggle that went on for quite a period of time, but ultimately it was a legal decision that enabled them to move the records and therefore the activity to New Town. And, of course this played a very important part in making New Town the center of governmental and commercial activity.

(PH): Now, to what extent was moving the county records the decisive step that finally determined for sure that, as Elizabeth MacPhail wrote, "Horton's town was no longer New Town, South San Diego, or New San Diego, it was San Diego."

(CC): Well, I think certainly that was part of it, the official existence of San Diego as the county center, but certainly the other aspects of San Diego becoming such a large and important commercial center. Alonzo Horton had built a wharf at the foot of 5th Ave. and in those days, of course, there was virtual no overland traffic into San Diego as almost being like an island until the railroad was completed in the 1880's. Prior to that time, very very few people came in overland, very little in the way of traffic. The mountain passes were steep and it was difficult to come in overland, you had to come in through the desert if you were coming in through the desert if you were coming through the south. So the wharf really was the important thing about making San Diego into a thriving commercial center because Horton built this long wharf. It was, I think, close to 1200 feet long, because the bay was shallow there and it enabled big ships to come in and tie up and they could bring and products and take out the agricultural products, which of course, were San Diego's big export in those days; things like honey and wheat and wool, and citrus products. So, these things were what really made New Town the important center of town and then of course, in 1872, there was a disastrous fire there that destroyed most of the buildings along the south side of the plaza in Old Town, and that seemed to mark the final decline of Old Town as a really important center of commercial activity.

(PH): And so the focus of San Diego, moved to New Town, and the new location did quite well during the Tom Scott Boom, but Claire, as you mentioned earlier, that expectation of a railroad was not fulfilled, "boom" became "bust" and a once thriving town went into a downswing. Elizabeth MacPhail points out that Alonzo Horton, even in bad times, stood by his ailing city.

(EM): When the depression of 1873 hit, instead of throwing in the sponge and going back up to San Francisco, he stayed with it and spent his own money keeping it going, and for much of the time, he was the sole employer in San Diego. Everybody else here was just living on climate and were retired people, but as far as occupation and building is concerned, several years there, why, he was the major employer. People left in droves, so he really had to support
the city - his town - in order to keep it going, and so between '73 and '83 when the next railroad boom came along, why, he was pretty much running things, but much with his own money.

(PH): Now, this is the period following the Tom Scott Boom and I'm curious what it was that resulted in the "bust" and what happened in that period that we're talking about, of the 1870's.

(CC): Well, the "bust" for San Diego came about because of the failure in the stock market in 1873, and so Tom Scott and the Texas and Pacific Railroad Corporation were ruined as a result of the collapse of the stock market. This, of course was not just something that was of local significance, it was of nationwide significance. The, what was referred to as the "Panic of 1873;" banks failed, businesses collapsed, tens of thousands of people were thrown out of work, there were labor riots, and it was really a bad scene all over the United States. It wasn't just San Diego. But the railroad of course, the hope of the railroad, was the major event in San Diego's history from its inception in 1850, and they never gave up hope. Another very important group of people came to San Diego at about the same time Alonzo Horton did, and these were the Kimball Brothers and they bought up the old National Ranch and this became National City. Interestingly enough, to make a comparison, when Horton was able to buy his land, all of what's now downtown San Diego, for only $265, because he bought it from the city trustees, the Kimball Bros. paid $10,000 for the land that they bought from private owners who had in turn bought it from the original Mexican Grantees of that Rancho. But, Frank Kimball in particular was very desirous to have a railroad built to San Diego and he went back to the east coast and discussed whether there was any possibility of reviving the Texas and Pacific. When he saw that there was not, then he went on to Boston and he talked to people who were in charge of the Atchison, Topeka and Santa Fe Railroad and after many complicated negotiations, what ultimately happened is that the trustees of the city of San Diego agreed to turn over the lands that had been designated for the Texas and Pacific; roughly 4,000 acres in San Diego, and the Kimballs agreed to turn over 10,000 acres in National City, and everybody in both San Diego and National City rushed around also raised money and gave it all to the Santa Fe, which then promised to build into San Diego. There was a local railroad Corporation here to actually handle the building of the railroad and it was called the California Southern, but in fact it was like a subsidiary of the Santa Fe Railroad.

(PH): When was that railroad completed?

(CC): Well, it was finally completed with great flurry into San Diego in 1885 and the bands played, and you know, everybody was thrilled to death, and that inaugurated the great land boom in San Diego Southern Cal., not just San Diego, of course, but all of Southern California was absolutely transformed by the great boom of
the 1880’s. Now this was due to the fact that both the Southern Pacific and the Atchison, Topeka and Santa Fe built railroads from the midwest out to the Pacific Coast - Los Angeles and San Diego - and completed these lines in the mid 1880’s and of course the railroads had millions of acres of land to dispose of and they advertised heavily all over the United States and in Europe as well, to bring people to buy their land. In addition to the Railroad land which was offered for sale, of course there were millions of acres of government land as well, which were free to homesteaders, anyone could get, at that time, a 160 - acre piece of land, homestead this land in rural areas simply by agreeing to make some kind of improvements on it and living on it for 5 years. So the population of Southern California just ballooned in a very, very few years. This boom, as I say, was really set off by the advertising campaigns of the western railroad’s because they had so many acres of land to dispose of, and of course this made their property, not only the land which they retained, but their rail services, depots and other facilities. These were all made much more valuable by having greater population. The grand opening of the Coronado Hotel took place in February of 1888, and most people feel that that marked the peak of the boom. After that, everything went down hill; the bottom fell out of the inflated lands market, banks began to tighten up on their credit, and very, very significantly also, the Railroad reneged on some of its promises, moved its main terminal to Los Angeles and its repair shops from National City, moved away to San Bernardino. And by 1889, the bust was well underway. Prices declined, speculators left town, and for sale signs were all over the landscape.

(PH): It’s through contemporary literature that we receive some intimate glimpses of San Diego during this explosive boom period. Doctor John Adams is Professor Emeritus of Literature at San Diego State University, and his extensive studies of the literature of San Diego have included this period. And he says one of the best accounts is by Theodore S. Van Dyke its called Millionaires of a Day: an inside history of the great Southern California boom.

John Adams (JA): Its records the day by day feeling of a social binge, we might call it, from the perspective of a closely observant and intelligent San Diegan as Van Dyke was. According to him, the speculators were frankly enough, gamblers and speculators and took their paper profits seriously, but when their paper profits disappeared they took their losses with a better grace then might be expected. And so, his account in Millionaires of a Day is both lively and psychologically penetrating. Give the kind of a sporting spirit which tempered the greed of these real estate developers. They were itinerants, they were slickers, but they were also human beings. Perhaps influenced by the temperate and pleasant climate of San Diego. They had to get out but they certainly had enjoyed themselves while they were here.

(PH): Doctor John R. Adams Professor Emeritus at San Diego State
University. The greatest boom of the eighties was not to last forever, what happened?

(CC): The boom of the eighties collapsed in 1888 and 1889. The completion of the Hotel del Coronado as people have looked back on it, seems to have marked the peak of the boom and from then on things went downhill. Part of the reason, of course, was that the prices had simply gone way out of sight and the banks began to call in their loans and to tighten up on giving credit and people realized that these kinds of prices were utterly unrealistic. But, a very significant factor in bringing about the bust in San Diego had to do with what I call "the Great Railroad Ripoff." The Santa Fe Railroad had originally promised in exchange for getting all of this land, roughly a total of 17,000 acres and I don't know how much in actual cash from the city of San Diego and the city of National City. They had promised that they would locate their railroad shops in National City which of course would provide a great deal of employment and center of activity there. And they were going to locate their main terminal in the city of San Diego. And they did these things initially and the tracks of the Santa Fe Railroad were laid from Colton on an angle that ran through Temecula Canyon and then over to the coast, coming to the coast about Oceanside, and then on down the coast to San Diego and on down to National City. The Southern Pacific had its tracks that ran from Los Angeles all the way down the coast to San Diego. Well, in the period of the 1888 and 1889 not only did the Santa Fe remove its shops from National City and locate them at San Bernardino and they decided that they would have their main terminal at Los Angeles, they got more money, got a better offer from Los Angeles and so they decided that would be their main terminal. So, the area lost those two things but most important of all it lost its direct connection because, the tracks that ran through Temecula Canyon were washed out in one of the rains of that time and they were never rebuilt. And so from that point on, San Diego did not have a direct rail connection, you had to go through Los Angeles. First before you could get into or out of San Diego by rail. This was a great disaster for San Diego and for many years, of course, people had hoped that there would be a direct connection. And when we got into talking about John D. Spreckles a little later on in the next program, we'll see how he was able to bring that about finally in 1919.

(PH): Well, then in a sense the railroads benefitted from a mere temporary fulfillment of their promise.

(CC): Oh yes, Oh yes, and of course they still retained the ownership of all of the land that had been given to them. The San Diego Land and Town Company which was the Real Estate subsidiary of the Santa Fe continued to sell land for many many years and the development of Logan Heights in San Diego which was part of their railroad land took place in the 1890's when it was one of the most desirable subdivisions to live in. And of course, National City
and Chula Vista were the developments essentially of the Santa Fe Railroad through its subsidiary, the San Diego Land and Town Company.

(CH): Did the bust of the late 1880's relate in any way to anything going on economically on the national front?

(CC): Yes, it was just as the earlier panic of 1873 was a national event so the depression or the panic of the late 1880's was also related to national events in the United States, there was another nationwide panic 1893 and this simply tied into that. Banks, failed again all over the country, people were thrown out of work, businesses collapsed.

(CH): The collapse of the boom in the late 1880's brought Alonzo Horton down with it. And again we speak with author Elizabeth MacPhail.

(EM): Horton, of course, he was wealthy after his early 70's and he used his money during the 70's and early 80's and then he began to make money again. That's when he built his beautiful home up on First and Fur and was well off again. But with the bust of 1888, that really took him down so that by the 90's he was a poor man. And he was not influential as far as the city was concerned. People referred to him as "Father Horton." He was respected. They were rather amused at him cause he would watch from his home when the ships came in and then he'd be down at the wharf to greet the people and tell them about San Diego and the ship captains would tell the people on board to watch out for this old man with a long white beard and so they were prepared to. He was the official greeter I guess you would call. Then he would try to get people to buy not only his land but, any land that was for sale. But, actually, as far as the effect of the collapse of '88 took him with it and he was never able to recoup. In fact, he was dependent later on the city money that paid for the Horton Plaza.

I was going to ask you about that. Would you tell us about Horton Plaza and how this provided him in later life with a small source of income.

(EM): Yes, that's rather interesting. After he had built the Horton House which was open in 1870, he just dedicated the half a block across the street as a plaza. But, it was never officially given to the city, it just was taken off the tax rolls and was just used as a plaza. So in the early 90's, the city began thinking that they might like that block for something else and looked into the title and found out that it was not clear, that there was some question of ownership. So the city wanted to buy the land from Horton and he finally agreed to sell his interest with was questionable, it was just a question of what title he might have. So he agreed to sell it for $10,000 and the city agreed to pay it to him at the rate of $100 a month without interest with a
 provision that should he die the payments would stop.

So those payments started in 1895 and ended in 1903 when he was 90 years old. But, the city thought that he would never live to get that 10,000 but, he got the full 10,000.

(PH): Well, Alonzo E. Horton might not of liked the spelling of his middle initial but, Hunt Peck’s song does strike a familiar note in its description of Horton Plaza. Horton Plaza is perhaps the most well known San Diego landmark that bears Horton’s name. And today we may not think of it as being that fine a tribute. Interestingly, Horton himself was not totally pleased with the plaza in 1890 when he wrote to the Board of Public Works that, "Instead of being an attractive and useful place, it is unsightly a receptacle for dust, filth, and a hiding place for vice." He suggested, "... that each tree should be imposed by a circular seat of iron, so small that a toper couldn’t recline on it and having a high-back formed to protect the tree. Very truly yours, A.E. Horton." Former San Diego Mayor Frank Curran who is involved in efforts to redevelop the downtown area including Horton Plaza, and who gave us a copy of that letter says, "maybe times haven’t changed all that much."

Mayor Frank Curran (FC): Well, apparently Alonzo Horton was very concerned and almost changed his mind in relation to giving. Let me correct that, he never gave Horton Plaza to the city, he sold it to the city. But his letters suggest that he gave it to the city. But after he had seen what was occurring in Horton Plaza after the city had taken it over way back in 189 he decided that he would chastise the local council for not cleaning it up and getting rid of the bums and the birds. It sounds like the same problem we got today.

(PH): Horton first successfully focused interest on what is now downtown San Diego. But throughout the nation, the period of prosperity following World War II, and the automobile, and the new American dream, attracted Americans away from their cities into the suburbs. Its been a more recent trend though, to return attention to the center city. And San Diego is a part of that trend. Claire, in particular, how did our own downtown redevelopment interest develop?

(CC): Well, from what I have heard although, there was a generalized kind of recognition in the early 1960’s that attention should be redirected toward downtown and so an organization called San Diegans Inc. was formed and ultimately they were responsible for promoting the development of the new city administration building and civic concourse and what not. But the initial concept of just getting Horton Plaza itself cleaned up is what led directly to all of the redevelopment plans. Delta Martin one time said that there was a very simple suggestion that the city council allocate some funds just to cleaning up Horton Plaza. And after the council
got hold of that and the planning department got a hold of that that they decided well, instead of just cleaning up the plaza what we need is to redevelop a larger area. And this led then to the plans for the Horton Plaza redevelopment area. The entire fifteen block area that hopefully will have the exciting shopping center and recreational facilities and so on that are being planned and finally, it looks as it Horton Plaza is also going to be cleaned up too.

(PH): Frank Curran is involved in the downtown redevelopment projects as the executive vice president of the Central City Association.

(FC): Well, at the moment there are four or five major projects planned. One is not a redevelopment project as such and it has the most appeal I think to the average person and that the gas lamp quarter which is strictly citizens participation project. It does not envision at this point any vast expenditures of public money except, for possibly some demonstration projects in a given area of sidewalk furniture and improvements to give the theme to the area that is to be developed. The balance of that project, at least at the moment, is conceived to be developed strictly on personal financing by the property owners themselves through private financing arrangements. But, the rest of the downtown area that has been designated for redevelopment. One project is practically complete and its the city college and it was an urban renewal project, And for all practical purposes it is complete at the moment, there’s still some work yet to be done but the redevelopment project itself has been complete. Its the only urban renewal project in the United States that was completed on time and stated within the budget limits that were set. We’re kind of proud of that or at least I am. The only ones, the Horton Redevelopment Project which is the so-called retail center in the downtown is the one that is about halfway committed at this point. The other major project area in downtown is the Mariana Housing Project Development which lies west and south of the Horton Plaza development project roughly south of Broadway and east of Harbor Drive which is designed to be basically housing. The other major project has been designated for the downtown area has been the so-called Columbia Area which is basically the Santa Fe depot and the area around it including a proposed site for a new convention center.

(PH): Frank Curran says the process of redeveloping the downtown area is a gradual one and don’t expect striking changes in a short period of time. But he says already a downtown visitor can see signs of progress. Ironically, some of the difficulties that San Diego faces with this project go back to Father Horton in his layout of New San Diego.

(FC): When downtown was laid out, as the old story goes, Father Horton tried to get as many corners as he could so the blocks were ultimately short. There are two hundred by three hundred that
doesn't give us any opportunity to service these facilities from internally. We do not have any alleys, we don't have any service lanes of any kind in downtown and that's the way it was laid out. If we could take an eraser and go back and wipe out the street lines we probably could do a lot better design. I think Father Horton was a stinker, in a way, that he also started it on the wrong foot in terms of the actual design the plat layout of the city itself. But we can live with it, we can come up with some answers that will suffice.

(CC): When John Knowland the city planner came to San Diego in 1908 to make proposals for the comprehensive planning of the city, he remarked about the effects of the gridiron plan that Alonzo Horton had used in laying out the city. Of course Horton was not the first to do so, this was widely used over all the country and as a matter of fact in San Diego itself the gridiron plan had been used by Andrew Gray and William P. Davis when they laid out New Town and Horton attached his streets and his subdivision layout to that so in a sense they're really responsible. But what Knowland said in 1908 commenting on this is that despite San Diego's advantages, he said, "It's neither interesting nor beautiful its city plan is not thoughtful but, on the contrary ignorant and wasteful. It has no wide and impressive business streets, practically no open spaces in the heart of the city, and no worthy sculpture."

(PH): We can look back and see some of the problems that have been created by Horton's original layout of the city of San Diego. But of course he was a visionary, and it was Alonzo Horton who did see the potential for the site of our president downtown and who made that site a success. But the story of Alonzo Horton himself in San Diego has a bittersweet ending. Horton lived to old age in good health. He had lost his fortune and his influence in San Diego. But, Elizabeth MacPhail notes he also lived to see early signs of his city's future growth.

(EM): Well, it is a sad story there’s no question about it, and the fact that he did spend his money for the benefit of the city. He gave away hundreds of thousands of dollars just in land to encourage people to come to San Diego. He gave land free to every church that wanted land. So he had given away hundreds of thousands worth value in land and he had done so much to try to keep the city going when he had the influence. But, in his later years when he got into his late 80's and up to around 90 why his influence was gone because his money was gone. But people still looked after him as the Father of San Diego and New Town. Apparently, he was quite a jolly old man and when he would meet people at the boat with his long white beard why some of the children would say, "Oh there's Santa Claus." He would go down in his horse and buggy and as he would go around town he would drive every day around looking over his town even as an old man and he would see how the changes had been made and they all pleased him even when the Horton House was torn down by U.S. Grant and that was
torn down in 1905. He was there to take out the first brick and he was happy to see it go because he knew something even grander would go in its place. So he never regretted to seeing any of his buildings go because he knew something even better would go up. But, apparently he was a very friendly person. They said, I think one anecdote was that he was poor, as I had said, but he would go downtown and there was an ice cream parlor down on Fifth Street and he'd go in there and sit on the stool and ask for a sasparilla. Then there was another place that had sandwiches and food that you could get for a nickel and he'd go in there and buy his food and of course very often, why people would give him like a sasparilla and ice cream if he wanted it just because he was the Father of San Diego and people knew that he didn't have much money. Fortunately, he was in good health up to the last few weeks of his life. On his 95th birthday in 1908, he was interviewed by the newspaper and he was quoted as saying, referring to his city of San Diego, "It is the most beautiful place in the world to me and I had rather have the affection and friendly greetings of the people of San Diego than all the rulers of the world." He was very satisfied with his city and knew that it would be a much greater, much bigger, he expected larger building, greater buildings, and he expected that the harbor would be full of ships in the future. In other words, he had the vision of what would come and if he were to return today he would not be surprised.

(Ph): Elizabeth MacPhail, author of the book, The Story of New San Diego and its founder Alonzo E. Horton. In one sense, our story of Horton ends with his death at the age of 95 in 1909. But in a real sense, our story doesn't really end at all because Horton's affect continues on into today. Claire, in conclusion there were other people who tried to move San Diego to what is now the downtown area. Why was it that Horton was the one who succeeded?

(CC): Well, I think it's because he was the right man at the right time in the right place. Certainly, there were some external circumstances that made it more difficult for Grey and Davis to attempt to do this in 1850 as they had done. And Horton benefitted certainly from the fact that the development of the railroads was such an important factor of post-civil was United States. Certainly, he benefitted also from the fact that so many people were moving west, that there was a tremendous interest in the West, and lots of people wanted to come out and take up land anyway and invest. But I think that his own enthusiasm, his sense of the future and as Elizabeth MacPhail has said his persistence, his dedication, his real love of the area. and his ability to sell it to people when he went to San Francisco, when he was here in San Diego talking to people getting them to invest to put up buildings and so on, these characteristics of Horton were important in the development of the city also.

(Ph): What would you say his real importance is to San Diego?
His long term significance it seems to me is that he was truly the Father of Modern San Diego. When he came here in 1867, San Diego was just a little village of about 2,000 people. And Horton had this dream of building a city on the shores of San Diego's great harbor. He invested all of his funds and all of his energy in this project. When he first came as we've shown he bought 960 acres; virtually all of what is now the heart of downtown San Diego for just $265 dollars and he was laughed at by the local residents for talking about building a city in the sagebrush. But he persisted, he had the land surveyed, he began building structures and, of course, most importantly he built a long wharf at the foot of Fifth Avenue to enable commercial vessels to dock and unload here. He was active in the efforts to bring a railroad to San Diego, an event that was finally completed in 1885. The population boom that followed, laid the foundations for the urbanization of San Diego. All of its important municipal services were begun in the 1880's as a result of that vastly increased population base. Water, sewer, electricity, public transit, fire and police protection, reorganized municipal government, and the beginnings of some of our cultural institutions all of these date from the 80's as a result of the railroad boom. With this kind of persistence and dedication and optimism, this vision of the future and the willingness to invest his own funds his own time in the city's development, these characterized Horton. He did not give up and leave the city and go back to San Francisco during the depression of the 1870's after the failure of the first railroad boom. Instead, he stayed on and he built more houses and office buildings and he continued to provide employment to people. And he paid most of the expenses of city government out of his own pocket during that time. He gave away over twenty blocks of land to city and county government institutions and to all different religious denominations. Of course, he benefitted himself, but he was pretty well wiped out by the bust that followed the boom of the 1880's and was very glad to receive that meager hundred dollars a month that the city council paid him for Horton Plaza. And when he died in 1909, he left no estate. He had nothing to leave to his widow except the property on which their home was built. Ironically, that land was not even in his own subdivision. He died without owning any of his original purchase. Horton's significance for San Diego it seems to me is very great. His developments laid the foundations for our modern urban growth. Unfortunately, he didn't have very much imagination in laying out the street plan and as a result of his relatively narrow streets and small blocks we have traffic congestion and difficulty in assembling land for redevelopment purposes today. But on the other hand, he did have the imagination to see that the city should be built on the shores of the harbor. He successfully relocated the center of San Diego's development from Old Town to its present location on the waterfront. And this move insured the steady growth of San Diego. Because the development of the harbor has been the most significant factor in San Diego's economy. Our transportation facilities of sea, air and railroad are all focused on the waterfront location.
And all of our major industries are directly related in one way or another to the harbor. Fishing and canning, shipbuilding, aircraft manufacturing, naval installations, tourism and recreation, all of these are of course related to the harbor. In one of Horton's last interviews not long before his death in 1909 he said, "I'm not surprised that what has happened here in San Diego I have seen it all, the tall buildings and the great ships at anchor I dreamed it all."

(PH): Doctor Claire Crane, San Diego Historian and Chief Consultant for this series of programs on San Diego History. Horton's life ended just as San Diego was beginning to take shape as a great bustling city. Its rapid development was to a great extent the result of huge investments made by John D. Spreckels, many times a millionaire, a man who had a financial interest in almost every area of San Diego's urban development. The life of John D. Spreckel's is the subject of next week's program. Twelve Who Shaped San Diego is a series of radio programs on local history, biographies of twelve great men and women who have left their mark on today's San Diego. The programs are heard each week at 12:30 Tuesday afternoon, with a repeat broadcast Wednesday night at 8:00. A resource packet is available with these programs. Send $2.00 to KPBS-FM, San Diego, 92182 and ask for the San Diego History Resource Packet. We also welcome your comments on this series. The address again is KPBS-FM, San Diego, 92182. I'm Peter Hamlin, series producer, thanking you for joining us. Twelve Who Shaped San Diego is a production of public radio station KPBS-FM and is made possible by a grant from the National Endowment for the Humanities.