XVI

The Vans . . . *Veni, Vidi, Vici*

The last sad withdrawal of the surviving Shakers from the village they had created in Warrensville Township on Cleveland's eastern flank left behind a ghost town. The fields that once had been tended so carefully and the buildings that had been kept in scrupulous repair told a story of abandonment. Weeds grew in the old furrows, gaunt scrub trees trespassed everywhere, and wooden shingles flapped loose in the wind.

The stage was set for two of the most remarkable men in the history of American business and finance, blood brothers, to make their appearance, play their parts, and give the dramatic story of the Shaker Utopia a happy ending.

How well they succeeded can be deduced from this: In 1930, James W. Gerard, former United States ambassador to Germany, made public a list of the sixty-four men who, in his opinion, "ruled America." These were men whose positions, according to Ambassador Gerard, gave them "a permanent influence in American life," and who were "too busy to hold political office, but determine who shall hold such office." The names of the two brothers, Oris Paxton Van Sweringen and Mantis James Van Sweringen, were on that list.

The Van Sweringens had an act that left almost everybody—especially the bankers—gasping in honest astonishment, adulterated by admiration and envy. Their specialty was building corporate pyramids which were held together by holding companies and interlocking directorates. At each new level they would reach out, pluck fresh money from the benign clouds, and begin building anew.

Everybody applauded, but few understood. Still, one need not understand in order to appreciate artistry. It is enough, sometimes, simply to have the privilege of seeing it.

Of all the men and women to walk the Cleveland scene over the past 170 years, O. P. and M. J. Van Sweringen did more to alter the face of the city than any other private citizens, individually or in combination. They left a deep imprint that shows no signs of eroding. They were the builders of modern Cleveland.

Condon, George E.. Cleveland : the best kept secret.
New York, NY, USA: Doubleday, 1967. p 195.
http://site.ebrary.com/lib/clevelandstatedr/Doc?id=10440741&ppg=195

Their only competitors were two public officials—both mayors—Tom L. Johnson, a contemporary of the Vans in their beginning years, and Anthony J. Celebrezze, a more recent influence, who left Cleveland City Hall to become Secretary of Health, Education, and Welfare in the cabinets of Presidents John F. Kennedy and Lyndon B. Johnson.

Tom Johnson's administration conceived and promoted the so-called Group Plan of buildings which eliminated the city's worst tenderloin from Ontario to East 6th Street, between the high lakefront bluff and Superior Avenue to the south, substituting for the ramshackle buildings, saloons, and houses of prostitution a noble group of public buildings that maintained a uniformity of height and architecture. They included the Federal Building, the Cleveland Public Library, the Board of Education, the Federal Reserve Building, the old *Plain Dealer* Building (now a branch of the Public Library), the County Courthouse, the City Hall, and the Public Auditorium.

During Mayor Celebrezze's record-setting five terms in office, 1953 to 1962, the city embarked on its Erieview urban renewal program which, in a sense, takes up where Tom Johnson left off. It begins at East 6th Street and is moving eastward toward East 17th Street in a slow-moving, but continuing, program of demolition and rebuilding.

Strangely enough, it was the Van Sweringens who jumped the traces and frustrated Tom L.'s grand design. In doing so, they shifted the entire pattern and balance of Cleveland's downtown area.

The Van Sweringen brothers were the creators of Shaker Heights. It was their supreme adventure as real estate men who had started out with the modest American ambition to get rich. But their adventure led them down some strange side paths and eventually onward to a glory, wealth, and achievement of which they had never dared to dream.

They ventured into the risky field of real estate speculation at the turn of the century, totally unqualified by background or experience for its perilous paths. They chose as their area of operation the wide-open forested sweep of Cleveland's immediate suburb to the west, Lakewood, and they were promptly clobbered. They had made a down payment on a number of lots on what is now Cook Avenue, but they were not able to sell the properties as easily as they had expected and they soon were hurting for cash. A foreclosure was entered against them, and during the next two years that the judgment prevailed, they were forced to do business under the names of their sisters.

Eventually they were able to settle the Lakewood debt and to resume operations in their own name—but not the same name. They had begun business in Lakewood under the names they had used since birth, O. P. and M. J. Sweringen. Ever after, they identified themselves as the Van Sweringens, reviving the "Van" prefix which had been dropped during the family's Americanization.

Condon, George E.. Cleveland : the best kept secret.
New York, NY, USA: Doubleday, 1967. p 196.
http://site.ebrary.com/lib/clevelandstatedr/Doc?id=10440741&ppg=196

Undiscouraged by their Lakewood experience, they shifted operations to the opposite side of the city; to North Park Boulevard in Cleveland Heights, a promising thoroughfare featuring mostly vacant lots, a handsome vista, and a name suggestive of the kind of affluence to come. The Vans subdivided their property into large lots and set their sights for the carriage trade. Their project was an immediate and profitable success, and they turned their eyes to another likely avenue, Fairmount Boulevard, whose chief drawback was its distance from the end of the street railway system.

The Vans persuaded John J. Stanley, president of the Cleveland Railway Company, to extend his car tracks and service to their new subdivision, and that guaranteed their second success, teaching them the value of good public transportation and implementing their wealth so considerably that they were able to act on a dream that had been disturbing their peace of mind for some time.

It had to do with the desolate, moldering ruins of North Union and the overgrown fields of the old Shaker colony.

The Van Sweringens, like the Shakers, were people with vision. They saw beyond the distressing facts of reality to that which was attainable. In 1905, they took options on the first parcels of land in the Valley of God's Pleasure and set about the job of creating the largest and wealthiest real estate subdivision in the United States.

A project of the magnitude they had proposed could hardly be undertaken in privacy; Cleveland's awareness of the Van Sweringens was aroused for the first time.

They were not a prepossessing pair. Neither was an extrovert. Neither was physically impressive. O.P. was the dominant personality and, in build, almost portly. He was the idea man and the spinner of dreams. M.J. was shorter, slimmer, quicker in speech and movement even to the point of appearing restless. He was the practical builder.

Fortune magazine, analyzing the brothers in 1934 when their fortunes were sagging dangerously, said: "The Van Sweringen brothers are conveniently regarded by the business world as one man. And with some reason. For no two men of their prominence have ever so successfully merged their identities. If they had been joined like Siamese twins they could scarcely be any closer . . ."

They were of Dutch ancestry; descendants of Gerret Van Sweringen, the son of a noble family, who left Beemsterdam, Holland, to settle in the New World at what is now New Castle, Delaware, in 1657.

Their father was James Tower Sweringen, who had been wounded in the Battle of Spottsylvania while a Union soldier. After the war he had devoted himself to the pursuit of a fortune that continually eluded him. He came close once in the oil fields of his native Pennsylvania;

close enough to smell the oil that gushed out of the Drake well near Titusville, but not the money.

The meandering course of the Sweringen family took its members eventually to the rolling farmland country of east-central Ohio. There, not far from Wooster, they were given hospitable lodging on the Paxton Downing farm, and it is there that Oris Paxton Sweringen was born on April 24, 1879. His middle name is testimony to the gratitude of his parents toward their friendly hosts.

In a later move, the family settled south of Wooster in a crossroads settlement with the highly picturesque name of Rogue's Hollow. It was the birthplace on July 8, 1881, of Mantis James Sweringen—as his critics delighted to point out in later years.

It was in 1886 that the Sweringen family moved to Cleveland and decided on it as their lifetime home. Besides the parents and O.P. and M.J., there was another boy, Herbert, who was the oldest, and two sisters, Edith and Carrie. The boys attended Bolton and Fairmount Schools, ending their formal education with the eighth grade. Upon graduation, in 1896, they experimented briefly with a bicycle repair shop on East 6th Street before turning to the real estate business and beginning their lifetime career.

The 1366 acres of land that the Shakers had sold to the Buffalo syndicate in 1889 for $316,000 cost the Van Sweringens in excess of $1,000,000 in 1906; not an unreasonable appreciation in the value of the acreage, considering the substantial growth of the central city during the intervening seventeen years. It was, nonetheless, testimony to the supreme confidence and strong nerves of the two young men, still in their twenties, that they were willing to risk such a large sum of money on a purely speculative real estate development idea. Even more remarkable, perhaps, was the willingness of the members of their syndicate to gamble on the business judgment of the two relatively inexperienced brothers. Among the investors were two prominent bankers, J. R. Nutt and Charles Bradley, and two dealers in securities, Warren S. Hayden and Otto Miller.

The lesson that the Vans had learned in Lakewood and in Cleveland Heights was put to use in the planning of the new subdivision. They had lost their shirts in Lakewood trying to sell lots in a middle-income neighborhood, but they had prospered selling streets of expensive homes in Cleveland Heights.

The basic plan for the new development—which they called Shaker Village from the very beginning—called for it to appeal directly to people of means. The idea, simply, was to build a terribly expensive, terribly exclusive, terribly desirable suburb.

The physical concept of Shaker Village did honor to the imagination and good taste of the Van Sweringens and their architects. Instead of

Condon, George E.. Cleveland : the best kept secret.
New York, NY, USA: Doubleday, 1967. p 198.
http://site.ebrary.com/lib/clevelandstatedr/Doc?id=10440741&ppg=198

the humdrum grid plan of street layout such as Seth Pease and his surveying associates had imposed upon Cleveland in the beginning, the Shaker design envisioned elliptical boulevards, broad, parklike residential avenues; beautiful homes set back deeply and fronted by the green sweep of lawns and trees.

The building code was strict and far-reaching. Commercial establishments were segregated in central areas of shopping, business, and entertainment, and their architecture was uniformly Georgian colonial. The Van Sweringens reserved a veto power over all architectural plans and they had the right to pass on the desirability even of the prospective home buyers (an authority, incidentally, which died with their passing). No two homes could be exactly alike, and it was required that each house had to cost a minimum of $17,500, but builders were not allowed to spend more than $500,000 on a single residence.

To have a fair understanding of this proviso, the minimum cost should be translated into the value of today's market. One expert equates that minimum of $17,500 a half-century ago with $70,000 in 1966 dollars.

The 6½-mile subdivision was incorporated as Shaker Village on October 27, 1911, with the completion of the first-stage landscaping and the paving of the key streets. The tax assessed value of the development was set at $2,525,800. Lots were offered to buyers at $25 a running foot.

Sales were weak at the outset; just a dribble, even though interest in the development among moneyed people was high. The Van Sweringens knew the reason for the hesitation. It was not the restrictive rules that applied, nor was it the high cost of building in Shaker. The flaw in the Shaker plan was the lack of public transportation to link the suburb with downtown Cleveland. The same problem had been overcome by the Vans in Cleveland Heights with the cooperation of the Cleveland Railway Company, but its President Stanley was not at all agreeable to an extension of service to Shaker Village. He had been the loser in the Cleveland Heights transaction with the Vans.

"Such extensions," said the wiser Stanley, "are bleeders instead of feeders." He added that he would not run a Cleveland Railway extension to Shaker Village if the Van Sweringens gave him such a line as a gift.

In casting about for a solution, O. P. Van Sweringen was attracted by the compelling fact that a natural ravine, Kingsbury Run, coursed its way from downtown Cleveland directly over the six-mile route to the Shaker development. He saw it as an ideal bed for a rapid transit line that would whisk Shakerites from their neighborhoods to their downtown offices in an estimated ten minutes. He recognized the development of such a fast commuter system as the key to the success or failure of the costly real estate venture. The two brothers decided to go for broke by building the rapid transit line themselves. They

Condon, George E.. Cleveland : the best kept secret.
New York, NY, USA: Doubleday, 1967. p 199.
http://site.ebrary.com/lib/clevelandstatedr/Doc?id=10440741&ppg=199

would not have dared to invade the tangled, technical jungle of urban transportation if they had had the pessimistic inside knowledge of the experts. But, knowing virtually nothing about the transit business, they simply went ahead with a plan to do what nobody else had the courage to do. In their case, of course, the moving force was not so much raw courage as it was necessity. They did what had to be done; it was that or surrender their dreams and their investment.

The brothers organized the Cleveland & Youngstown Railroad Company and set about the task of acquiring the needed right-of-way. The purchase of a route through the Kingsbury ravine proceeded smoothly at first. They quickly acquired a route that took their proposed line two-thirds of the distance downtown before they ran into a snag presented by the Nickel Plate Railroad, which owned the final two miles of the right-of-way leading into the downtown area.

The Nickel Plate at that time was owned by the New York Central System, and its executives balked at any agreement with the Van Sweringens to permit the use of its route by their rapid transit line. But, coincidentally, the Interstate Commerce Commission issued a ruling at that time directing the New York Central to divest itself of its Nickel Plate holdings.

The corporate name of the Nickel Plate was the New York, Chicago & St. Louis Railroad Company, but when it was bought by old Commodore Vanderbilt he thought its price was so excessive that he said it might as well have been nickel-plated. The colorful name stuck until recent years, when the line lost its identity in its merger with the Norfolk & Western Railway.

Mayor Newton D. Baker didn't think much of the Nickel Plate at the time the Vans were warily circling about, trying to decide what to do about the line. He tartly described the 539-mile railroad as "a streak of rust; a toy railroad that runs its trains just often enough to make it dangerous."

The price tag on the Nickel Plate was $8,500,000. It was patently an absurd idea for the brothers, already deep in debt, to consider the purchase of a railroad. Everything they owned was in hock, and it seemed as if they had reached the outer edge of their borrowing power. Somehow, though, they were able to arrange the financing with a down payment of $2,000,000 that included $525,000 of their own money. The balance was to be paid in ten promissory notes of $650,000 each, the first payable in five years and the remainder at one-year intervals thereafter.

To raise the down payment, they sold preferred stock in the Nickel Plate Securities Corporation, which they organized for this financing purpose. The fact is worth noting because it represented the beginning

Condon, George E.. Cleveland : the best kept secret.
New York, NY, USA: Doubleday, 1967. p 200.
http://site.ebrary.com/lib/clevelandstatedr/Doc?id=10440741&ppg=200

of the complicated financial structure which bewildered most of the nation's economic experts following their death.

Of immediate and primary importance to the Van Sweringens and the people of Shaker Village was that the railroad purchase cleared the right-of-way to permit the rapid transit line to proceed all the way downtown.

Construction of the high-speed commuter service began in 1916 and took four years to complete. In its initial phase, the system followed Kingsbury Run to East 30th Street, which it took to Superior Avenue, turning eastward to Public Square. The strategy of running down East 30th Street was that it took the cars through the Negro neighborhoods expected to supply maids for the Shaker families. This route was followed by one in which the Shaker trains surfaced at East 34th Street, turned onto Broadway, north on East 9th Street to Superior, then left to Public Square.

It was a cumbersome, dragging route for what was otherwise a swift-moving service. Once it left its railroad right-of-way and clear ravine route to tangle with the vehicular and pedestrian traffic that cluttered Cleveland's downtown streets, the transit system lost its claim to the word "rapid." Trains that had rocketed from Shaker to East 34th Street decelerated so suddenly at that point as to send the passengers spilling. It was a disappointing climax to the downtown trip.

With the Nickel Plate right-of-way available, the Shaker cars were able to maintain a high-speed route all the way to the heart of the city. This involved a downtown terminal, not only for the rapid transit system, but also for the Nickel Plate Road. The problem took the Van Sweringens into another controversial area. It immersed them in a civic dispute with far-reaching implications for the future development of the city itself and certainly of lasting importance to the Van Sweringens.

Cleveland at that time was in a highly emotional frame of mind about the condition and location of its railroad terminal facilities. One of the city's outstanding eyesores was the soot-covered, antebellum stone monstrosity that was known as the Union Depot. It squatted at the foot of the lakefront bluff, near West 9th Street, in a desolate setting; such an unpretty sight, indeed, that an irate Cleveland outdoor advertising executive, Charles Bryan, had erected a big billboard on the hillside. It proclaimed to all the passengers on the New York Central and Pennsylvania trains that stopped there, or passed through there, this heartfelt plea:

"DON'T JUDGE THIS TOWN BY THIS DEPOT."

There were other railroad stations, some even smaller and meaner in appearance, but they were clustered in the Cuyahoga Valley, just

Condon, George E.. Cleveland : the best kept secret.
New York, NY, USA: Doubleday, 1967. p 201.
http://site.ebrary.com/lib/clevelandstatedr/Doc?id=10440741&ppg=201

below the southwest corner of Public Square. They were the shabby depots of the Nickel Plate, the Baltimore & Ohio road, the Erie Railroad, and the Wheeling & Lake Erie.

The famous Group Plan devised and adopted during the administration of Mayor Tom L. Johnson had envisioned a grand new railroad terminal at the north end of the new Mall. It was to have drawn together all the railroads into a single, central station which would be, physically, the centerpiece in the whole complex of civic buildings flanking the Mall.

The site of the new railroad depot had been a long-standing civic issue. There were so many ramifications involved in any plan to consolidate the train service under a single roof, including the physical difficulties of bringing the major lines together at any one point and the lobbying of the mercantile interests for a location which would be most favorable to their own enterprises, that an agreement at times seemed almost beyond hope of realization.

Nevertheless, it appeared in 1915 that the administration of Newton D. Baker had wrought the miracle. Representatives of the New York Central, the Pennsylvania, and the Big Four railroads agreed to the lakefront site. The city immediately submitted to the voters the plan for a $16 million Union Station to be built at the north end of the Mall. The way they cast their ballots left no doubt how they felt about the project; they approved it by an overwhelming 6–1 vote. But before this election victory could be translated into a tangible result, World War I intervened, halting all projects but those deemed to be immediately essential to the war effort.

The Union Terminal was shelved until peacetime, when a new, compelling factor was introduced into the railroad terminal issue—the interests of the Van Sweringen brothers. From their standpoint, dictated by the location of the Nickel Plate tracks, the most logical place for a terminal would be at the southwest corner of the Public Square, even though the prevailing trend of downtown business had been steadily eastward, out Euclid Avenue; away from Public Square. Moses Cleaveland's old cow meadow was in danger of returning to that original, primitive use if the trend continued. The Van Sweringens certainly did not want their slickly dressed, briefcase-swinging Shakerites debarking from the rapid transit in the middle of an area that had been passed by progress. They reasoned that a new Union Terminal near the southwest quadrant of the Square would halt the eastward ho! movement, renew the heart of the city, and provide it with a secure anchor.

The Vans campaigned vigorously. Their most vigorous and outspoken foes were the representatives of the Pennsylvania Railroad, whose tracks ran directly past the Mall site, the representatives of the Euclid Avenue merchants who felt a Public Square station would dislocate established

shopping patterns, and some of the loyal, articulate followers of Tom L. Johnson, original supporter of the lakefront terminal site. The most vocal of the former Johnson lieutenants was Peter Witt, who would have succeeded Newton D. Baker as mayor of Cleveland but for an election system fluke which threw the city hall post to a charming but inept man named Harry L. Davis.

Again there was a public referendum, but this time the public, enchanted by the realization that a depot on the Van Sweringen site would clean out one of the seediest districts in the downtown area and, more important, provide a lot of jobs sorely needed, voted in favor of the Public Square site for the new Union Terminal. The year was 1919.

The Pennsylvania Railroad withdrew its support of a central depot and announced its decision to continue using the ancient Union Station. The New York Central, on the other hand, was bewitched by the ratiocination of the Vans and agreed to use the new terminal, even though it meant a major resettlement of its downtown trackage and the construction of a costly new viaduct to carry its trains over the Cuyahoga Valley and into the new terminal.

Not until the modern-day Erieview Urban Renewal Program came along has Cleveland known the like of the transformation wrought in its downtown area by the Van Sweringen brothers. The site purchased, covering thirty-five acres, was an incredibly corrupt, squalid district; a rundown rookery that perpetuated poverty and bred a high percentage of the city's crime. It fronted on the Public Square and fell away to the westward, slumping down the hill toward the river. There were, on those thirty-five acres, some twenty-two hundred separate buildings which somehow managed to house a population of more than fifteen thousand persons.

By 1920, the task of clearing the terminal site was under way, and the air of the downtown area was filled with the dust of the falling walls. Unfortunately, some of the city's most historic buildings were destroyed along with the tumbledown shacks and eyesores. The old American House on Superior Avenue and the Forest City House on the Square fell, as did the Central Police Station on Champlain Street, the Diebolt Brewery and the Gehring Brewery, the Palisade Hotel, the main building of the Ohio Bell Telephone Company, and Stein's Cafe. Even the streets, like Champlain, Hill, Columbus, and Diebolt's Alley (famed for its many restaurants) disappeared. Portions of three old cemeteries were purchased and the bodies removed to different burial grounds.

What had started out as the construction of a new Union Terminal became infinitely more complex as the fertile minds of the Van Sweringens became completely caught up in dreams of a more ambitious development. They probably were encouraged to lift their sights by the

Condon, George E.. Cleveland : the best kept secret.
New York, NY, USA: Doubleday, 1967. p 203.
http://site.ebrary.com/lib/clevelandstatedr/Doc?id=10440741&ppg=203