**Urban Renewal in the Interwar Era:** 

## The Remaking of Chicago's Loop, 1918 to 1942

BY

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#### THESIS

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Robert Bruegmann, Chair and Advisor, Art History Jonathan Mekinda, Art History Rachel N. Weber, Urban Planning & Policy Sanjeev Vidyarthi, Urban Planning & Policy Ann Durkin Keating, North Central College This thesis is dedicated to my sons, Aidan and Anthony.

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#### LIST OF ABBREVIATIONS

- CAC Chicago Association of Commerce
- CBOT Chicago Board of Trade
- CCAC Chicago Central Area Committee
- CMD Central Manufacturing District
- CPC Chicago Plan Commission
- NABOM National Association of Building Owners and Managers

#### SUMMARY

This dissertation argues that the quarter-century period between the two World Wars was a period of ongoing renewal that coincided with shifts in Chicago's economic geography. This is in contrast to older writings on the city's architecture and urbanism, which tend to feature a boom-and-bust narrative. Redevelopment of the 1920s cleared hundreds of older, loft industrial buildings, walk-up office blocks, and ornate yet small-scale theaters and hotels from the Loop's peripheral streets, while a host of substantial twelve- to fourteen-story elevator buildings on LaSalle Street fell as if along a fault line. Their replacement by high-rise garages, widened and double-decked thoroughfares, luxurious skyscrapers, massive business hotels, and dazzling movie palaces signaled the start of the Loop's gentrification to a high-end office, retail and entertainment district aimed to attract and retain upper-income customers and tenants during a period of rapid decentralization. Such private- and publicly-funded urban interventions pushed out low-end businesses and light-industrial uses considered incompatible with the downtown elite's vision of a modern, efficient business district. The 1930s featured widespread demolition of all buildings types for parking lots, creating large swaths of open space where previously none had existed. The simultaneous and universal embrace of Depression-era downtown building modernization also served to "renew" the urban landscape while showing confidence in downtown through reinvestment. The large-scale removal of older and unprofitable buildings during the interwar era served as a prelude to the redevelopment that occurred after World War II, a period more commonly associated with urban renewal.

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#### I. INTRODUCTION

Chicago in the early twentieth-century experienced population increases, rising stature on the global stage of business and finance, and a healthy manufacturing sector. Despite the crop of new skyscrapers erected prior to the start of World War I, however, the Loop retained the appearance of a Victorian downtown upon the Armistice in 1918. Its urban landscape was largely characterized by cluttered, densely built streetwalls lined with aging buildings and was handicapped by narrow streets and swing bridges that hampered mobility. Chicago's historic core lacked not only parking facilities but sufficient numbers of modern office buildings with large floor plates required by fast-growing banks and businesses. The worst offenders were South Water and Lake Streets—the two oldest commercial thoroughfares—which paralleled the Chicago River's main stem. Both were lined with outdated loft buildings that represented Chicago's nineteenth-century reputation as "the great, howling, hurrying, hog-butchering, hog-mannered challenger for the entire of the world" as celebrated by author Carl Sandberg, an image that the city's business elite was anxious to erase.<sup>1</sup>

This dissertation argues that during the subsequent quarter-century that spanned the two World Wars, changes in Chicago's larger regional economy combined with profit-motivated ambitions of the city's downtown business leaders and property owners, resulted in large-scale renewal of the Loop's urban landscape. Redevelopment of the 1920s cleared hundreds of older,

<sup>&</sup>lt;sup>1</sup> Chicago's historic commercial district became known as the Loop after 1882 due to the installation of its encircling cable car lines. I am defining the Loop by its historic nineteenth-century boundaries of Lake Michigan, the Chicago River, and Van Buren Street. The term central business district is used to describe both the Loop and after 1920, its North Michigan Avenue annex. Quote in the last sentence was the characterization of *New Yorker* journalist A.J. Liebling in his book: *Chicago: The Second City* 1952. Reprint (Lincoln: University of Nebraska Press, 2004) 12.

loft industrial buildings, walk-up office blocks, and ornate yet small-scale theaters and hotels from the Loop's peripheral streets, while a host of substantial twelve- to fourteen-story elevator buildings on LaSalle Street fell as if along a fault line. Their replacement by high-rise garages, widened and double-decked thoroughfares, luxurious skyscrapers, massive business hotels, and dazzling movie palaces signaled the start of the Loop's gentrification to a high-end office, retail and entertainment district aimed to attract and retain upper-income customers and tenants during a period of rapid decentralization. Such private- and publicly-funded urban interventions pushed out low-end businesses and light-industrial uses considered incompatible with the downtown elite's vision of a modern, efficient business district. The 1930s featured widespread demolition of all building types for parking lots, creating large swaths of open space where previously none had existed. The simultaneous and universal embrace of Depression-era downtown building modernization also served to "renew" the urban landscape while showing confidence in downtown through reinvestment.

This study also shows that the language of obsolescence and blight, which typified efforts to remake historic city centers in the post-World War II era, emerged a quarter-century earlier. The voracious denigration of entire streetscapes lined with half-century-old buildings that stood in the way of progress, as well as aging, individual buildings featuring outdated designs, was typical of the interwar period and reflected the belief among many that in order to remake the obsolete downtown, it was necessary to tear much of it down. Such antipathy to the noisy, polluted, and densely-built Victorian city of the type criticized as coketown by New York architectural historian Lewis Mumford in his *City in History* was shared by leaders of older, industrial cities. Members of Chicago's business elite were determined to recast the Loop's urban landscape as comparable to the centers of Paris, Rome or Vienna, which undertook their

own downtown modernization campaigns in the late nineteenth-century. "Make Chicago the First City in the World"—the title of an editorial published in the *Chicago Tribune* in the mid-1920s—perfectly expressed the ambition of downtown interests during this decade of prosperity.<sup>2</sup>

This dissertation is about how Chicago's business elite shaped (or tried to shape) the city's historic commercial core during the interwar era as well as the urban landscape itself: the shifts that occurred within the business district and the types of buildings removed, constructed, and modernized. Planners play a small role in this narrative as does the city's municipal leadership, such as the mayor, as they were secondary to the business community in shaping public policy pertaining to downtown during this period. The aim of this work is to challenge the traditional notion of the term "urban renewal" as solely a publicly-financed post-World War II phenomenon featuring the denigration and large-scale replacement of historic buildings with modern skyscraper development and infrastructure. I show that the process of urban renewal as a means to modernize the downtown was put in place decades earlier through both planned and unplanned interventions spearheaded by the business community and individual property owners, much of which was privately funded. This study is also the first to take a detailed look at the transformative changes that occurred in the Loop during the Depression through a close examination of the widespread building demolition that characterized that decade.

Large-scale renewal of Chicago's historic commercial core was certainly not a new phenomenon. The Loop's urban landscape was entirely rebuilt following the Chicago Fire of 1871 and the ongoing process of putting up, pulling down, and modernizing buildings continued

<sup>&</sup>lt;sup>2</sup> For Mumford's discussion of coketown, see pp. 446-450 in: Lewis Mumford, *The City in History* (New York, Harcourt, Inc., 1961). "Make Chicago the First City in the World," *Chicago Tribune* (Dec. 1, 1924).

through the construction booms of the 1880s/early 1890s and the early 1910s. Such continuous change was a normal part of urban development, as noted by Frank B. Long, an architect with Holabird and Root: "Change and obsolescence are constant and universal. Nothing is static. There have always been and probably will continue to be periods of rapid advance, when all that has gone before is, in principle, scrapped at one fell swoop, even though the full effect of the advance is only cumulatively progressive." The interwar era was one such "period of rapid advance," that resulted from Chicago's ongoing transition from a manufacturing-anchored economy to a management- and service-based economy as well as the introduction of the automobile. <sup>3</sup>

The combination of planned and ad-hoc efforts undertaken by downtown interests to strengthen land values in the Loop during the interwar era were representative of those pursued in cities nationwide, making this study significant to readers outside Chicago. These included advocacy for loosening building height limits through new zoning laws, which helped spur the vertical expansion of historic city centers, as well as massive street widening projects to alleviate the traffic congestion that threatened their economic vitality. The proliferation of downtown parking facilities—first high-rise garages, and during the Depression, open-air lots—represented profit-driven attempts by private entrepreneurs to retrofit densely built urban areas for the automobile. And as was the case with other cities, such undertakings in Chicago to improve mobility and curb decentralization often had unintended negative consequences. For example, the overabundance of office space caused by the skyscraper boom of the 1920s drove the demolition of older office blocks during the 1930s, resulting in a proliferation of downtown streets

<sup>&</sup>lt;sup>3</sup> Quote taken from: Frank B. Long, "Twenty-Five Years of Office Building Development," *Skyscraper Management* Vol. 17 (May 1932) 19.

and more garages/lots spurred a cyclical pattern in the short-term as they encouraged more people to drive into the Loop, thereby bringing more congestion.

**Chapter Two** sets the stage for this dissertation by providing a broad survey of general factors that affected the development of Chicago and comparable American cities in the interwar era, focusing on economic expansion and contraction as well as the physical growth of the metropolitan region. The drivers of decentralization are described, as is the impact of residential, retail and manufacturing dispersal on the landscape of the Loop. I focus especially on trends in population, transportation, and the changing economic geography of business and industry in the Chicago metropolitan region between 1900 and 1940. In order to place Chicago's physical expansion within a national context, I examine such trends in comparison to the older industrial city of New York and to the newer and faster-growing cities of Los Angeles and Detroit.

**Chapter Three** focuses on the redevelopment of the LaSalle Street financial district between 1922 and 1934 as part of the larger speculative real estate bubble of that period. I explain the drivers of that thoroughfare's transformation, which was tied to the rapid expansion of the city's most powerful banking institutions and exchanges. The established prestige of LaSalle Street as the city's financial spine spurred high demand and soaring land values in the 1920s, which in turn incentivized owners to capitalize higher land costs with bigger buildings. Its visually cohesive cluster of somber, gray limestone skyscrapers symbolized Chicago's rising economic power in the post-World War I era and long-standing historic associations of classicism with finance in the United States.

**Chapter Four** is concerned with the ways in which public and private interests proposed to adapt the Loop's urban landscape to the automobile, thereby facilitating movement on downtown streets. City officials and business leaders advocated for elaborate rapid transit

schemes and infrastructure improvements, all aimed at promoting the centralization of business and increasing land values in the small square-mile area that paid a large proportion of the city's property taxes. Negative attitudes toward the industrial city were vividly illustrated by the replacement of South Water Street with Wacker Drive, which immediately featured eye-catching skyscrapers and became an icon of the Motor Age through its cutting edge double-decked design. High demand for off-street automobile storage spurred private entrepreneurs to encircle the downtown with mid- to high-rise garages, a new building type that involved much experimentation.

**Chapter Five** examines the profit-motivated drivers of downtown demolition and modernization of the 1930s and what such acts revealed about larger economic trends in Chicago. The Depression-era replacement of loft warehouse and light industrial buildings by parking lots and "taxpayer" buildings (low-rise retail buildings)—both intended as temporary uses to cover the taxes on a property until the return of prosperity—represented an acceleration of the downtown's ongoing shift from a manufacturing to a service economy. Collectively, widespread acts of demolition and modernization also symbolized a desire among downtown interests to cleanse the urban landscape of old, "blighted" buildings—or at least remove vestiges of their outdated appearance—in order to better compete with fast-growing outlying urban and suburban commercial districts and to provide a clean slate for redevelopment.

The Epilogue that comprises **Chapter Six** highlights the efforts orchestrated by Mayor Richard J. Daley and the business community to reassert Chicago's preeminence as a world class city through transformation of the Loop with modern glass-and-steel skyscrapers during its post-World War II building boom. Drivers of the supply-driven skyscraper booms of the 1920s and

the early 2000s are also compared, as is the differing impact on Class B and C buildings in losing submarkets during both periods of overbuilding.

In terms of literature on the general development of Chicago and its architecture and urbanism, there is no one book that provides a comprehensive discussion of the intentional process of demolition, modernization, and construction that impacted the Loop during the interwar period. The classic book on the overall growth of Chicago and its metropolitan region remains Harold Mayer and Richard C. Wade's *Chicago: Growth of a Metropolis* (1969), although its chapter on "War and Prosperity, 1917-45" does not address any of the changes undertaken in the central business district during the Depression.

A detailed examination of the nineteenth-century city building process in Cook County, which includes Chicago and its closest suburbs, is found in *Building Chicago: Suburban Developers & the Creation of a Divided Metropolis* by Ann Durkin Keating (1988). The book *Chicago Neighborhoods and Suburbs: A Historical Guide* (2008), edited by Keating, includes a number of chapters that together provide an excellent snapshot of the Chicago region's economic and physical growth, which are topics that I address in Chapter Two. These include "Suburbs and Cities As Dual Metropolis" by Michael H. Ebner; "Economic Geography" by Susan E. Hirsch; and "Built Environment of the Chicago Region" by Robert Bruegmann.

Skyscraper construction of the 1880s and 1890s is the focus of a chapter in Daniel Bluestone's *Constructing Chicago* (1991) and of the books *Chicago 1890: The Skyscraper and the Modern City* by Joanna Merwood-Salisbury (2009) and *The Chicago School of Architecture* by Carl W. Condit (1964). The story of Chicago's development from its establishment in 1830 to the present, as told through brief histories of its most prominent developers, is the subject of Miles Berger's book, *They Built Chicago: Entrepreneurs Who Shaped A Great City's* 

*Architecture* (1992). A wealth of information on individual downtown buildings, listed by time period and in chronological order, is found in John Randall's *History of the Development of Building Construction in Chicago* (1999).

Historian Carl Condit divides the interwar era into two different books: *Chicago 1910-29: Building, Planning, and Urban Technology* and *Chicago 1930-70, Building, Planning, and Urban Technology* (1973 and 1974). The first provides an excellent overview of downtown mass transit and infrastructure projects as well as the key buildings erected during the two downtown construction booms of the 1910-29 period, arranged by type. Condit's second book begins with a chapter titled, "The City at a Standstill: Depression and War," contributing to the interpretation that the downtown experienced little change during the 1930s. For this decade, he mainly focused on the Century of Progress Exhibition of 1933 and various infrastructure projects undertaken with New Deal funding, such as the Outer Drive Bridge and the northward extension of Lake Shore Drive. John Stamper's book, *Chicago's North Michigan Avenue: Planning and Development, 1900-1930* (1991) examines the early twentieth-century expansion of the business district north of the river and its individual buildings.

A series of excellent chapters on wide-ranging topics related to Chicago architecture and urbanism are found in a two-volume work edited by John Zukowsky: *Chicago Architecture 1872-1922: Birth of a Metropolis* and *Chicago Architecture and Design 1923-1993* (2000 and 1993), some of which address particular topics of this dissertation. These include a chapter by R. Stephen Sennott in the latter volume titled, "Forever Inadequate to the Rising Stream: Dream Cities, Automobiles, and Urban Street Mobility in Central Chicago," which provides an overview of the often visionary solutions proposed to alleviate the traffic crisis of the 1920s. "Light, Height, and Site: The Skyscraper in Chicago," by Carol Willis, another chapter in this

book, highlights the impact of zoning on the design of 1920s skyscrapers, which is the focus of her later book, *Form Follows Finance: Skyscrapers and Skylines in New York and Chicago* (1995).

As this brief literature review shows, Chicago's urban development in the interwar era is a topic that has been generally understudied with scholarship mainly confined to aspects of the 1920s skyscraper boom or such high-profile infrastructure projects as the widening and doubledecking of Michigan Avenue and Wacker Drive. My approach of examining the interwar era as a quarter-century of ongoing renewal that coincided with shifts in Chicago's economic geography is in contrast to older writings on the city's architecture and urbanism, such as Condit's, which tend to feature a boom-and-bust narrative. The focus is typically on the central district's rapid vertical and lateral growth during the prosperity decade of the 1920s, and contraction and stagnation during the Depression of the 1930s, a decade in which the American public became "blight conscious." My study is the first to examine the Loop's urban landscape of this period in a comprehensive manner and especially the drivers and impact of widespread Depression-era building demolition. Also notable is my focus on the modernization of some of Chicago's most iconic nineteenth-century office buildings, including the Monadnock and the Marquette, which likely helped to save them from the wrecking ball during the 1930s.

My study of downtown Chicago's urban landscape in the interwar era is closer to recent writings on urban development on a national level, which provide a more complex narrative of urban expansion and growth. These include Robert Fogelson's book, *Downtown: Its Rise and Fall, 1880-1950* (2001), which discusses Depression-era demolition for parking lots and taxpayer buildings within the continuum of downtown development. Fogelson's book on downtown addresses many of the same issues discussed in this dissertation, such as early

twentieth-century efforts spearheaded by business leaders (as opposed to planners) in cities nationwide to increase downtown density while trying alleviate the problems that it caused.

In *Downtown America* (2004), Alison Isenberg also highlights the dominant role that demolition and modernization played in downtown development during the 1930s, noting that such calculated actions were undertaken by property owners to protect their investments, a conclusion that I also found in my close examination of the Loop. Isenberg notes that in the resulting landscape of parking lots and low-rise buildings, investors "might see either decay or ripe opportunity." This coincides with the tensions I found between those who embraced demolition as a means to remake obsolete downtowns versus others who worried about the long-term impact of lowered land values that resulted from excessive vacant lots and low-rise buildings. Max Page focuses on New York's urban development process in *The Creation Destruction of Manhattan: 1890-1940* (1999), which he describes as one defined by the "vibrant and often chaotic process of destruction and rebuilding," as a normal part of capitalist urbanization.<sup>4</sup>

The emergence and proliferation of downtown parking lots—both public and private—is the subject of *Lots of Parking: Land Use In A Car Culture* (2004) by John A. Jakle and Keith A. Sculle, who argue that increased automobile use spurred the reconfiguration of center cities in their quest to compete with suburbia. The overwhelming impact of the automobile on the downtown landscape of cities nationwide, in terms of the provision of parking facilities and in transportation planning, is discussed by Mark S. Foster in his book, *From Streetcar to Superhighway: American City Planners and Urban Transportation, 1900-1940* (1981). The

<sup>&</sup>lt;sup>4</sup> First quote taken from: Alison Isenberg, *Downtown America* (Chicago: University of Chicago Press, 2004) 143. Second quote take from: Max Page, *The Creative Destruction of Manhattan* (Chicago: University of Chicago Press, 1999) 2.

battle for downtown streets sparked by the rise of the automobile and the decline of mass transit in Chicago is the subject of Paul Barrett's book, *The Automobile and Urban Transit: The Formation of Public Policy in Chicago, 1900-1930* (1983).

Gail Esperdy's book, *Modernizing Main Street: Architecture and Consumer Culture in the New Deal* (2008), focuses on the embrace of downtown building modernization by a wide variety of constituencies during the Depression as a means to prop up the dormant building industry and stimulate the economy. She provides rich scholarship on the introduction of sleek, shiny, and colorful new materials used to reface buildings and create modern storefronts with the goal of attracting customers and increasing sales. However, Esperdy's book does not specifically address the prevalence of office building modernization in the 1930s, a topic that is closely examined in Chapter Five of this dissertation. In contrast to building demolition, which tended to depress values of adjacent land, acts of building modernization serve to enhance property values in the central business district while providing a sense of optimism about its prospects for the future.

The wide array of efforts pursued by Chicago's business and civic elite to modernize the Loop during the interwar era involved demolition far greater than was to occur in the building boom that followed World War II, a period that is more commonly associated with the term "urban renewal." In fact, my work seeks to dispel the notion that twentieth-century efforts to rejuvenate downtowns began with the actions of the urban renewal agencies funded through Title I of the 1949 and 1955 Federal Housing Acts. I show that downtown leaders and property owners of the 1920s and 1930s undertook deliberate steps to remake the core of this industrial city during a period in which Chicago was transforming from a distribution and manufacturing center to an international nexus of finance and business.

The myriad of changes undertaken within Chicago's historic center in the interwar era laid the groundwork for urban regeneration efforts of the late 1950s and 1960s. Like civic leader Charles Wacker, Mayor Richard J. Daley also sought to replace cluttered blocks of aging buildings with modern skyscrapers surrounded by light and air—albeit of steel and glass, rather than limestone or terra cotta-with the goal of raising overall downtown land values and therefore increasing tax revenues. His quest to reaffirm the Loop as the city's commercial and civic core was certainly aided by the presence of the LaSalle Street financial district, with its cluster of costly skyscrapers built during the 1920s boom for the region's premiere banks and exchanges, as well as the ring of widened streets created during that decade to enhance downtown mobility. Daley's efforts to reactivate the process of downtown renewal begun by the city's business leaders a quarter-century earlier focused on Dearborn Street, which upon his election in 1955 was lined with taxpayer buildings on sites ripe for redevelopment. And the projected replacement of parking lots with skyscrapers in the post-World War II era spurred the implementation of plans first proposed in the 1920s for a system of municipal parking garages, both high-rise structures around the Loop's periphery and the long-sought underground garage in Grant Park. Clearly, downtown leaders in both the interwar and post-World War II periods recognized the benefits of renewing the downtown landscape with bold architecture and modern infrastructure to increase to city's status, both locally and on the national stage.<sup>5</sup>

<sup>&</sup>lt;sup>5</sup> For an overview of Mayor Richard J. Daley's efforts to rejuvenate the Loop, and especially Dearborn Street, following his 1955 election, see: Ross Miller, "City Hall and the Architecture of Power: The Rise and Fall of the Dearborn Corridor," in: John Zukowsky (ed.), *Chicago Architecture and Design 1923-1993: Reconfiguration of an American Metropolis* (Munich: Prestel-Verlag, 1993) 246-263.

#### **II. CHICAGO IN THE INTERWAR ERA: THE EXPANDING METROPOLIS**

#### **Chapter Introduction**

For Chicago and most central cities nationwide, the period between the two world wars was one of both dispersal and concentration that resulted from improvements in transportation and technology, public policies, and changes in the national and regional economy. Expansion of the Chicago region was foreseen in Daniel Burnham and Edward Bennett's groundbreaking Plan of Chicago, unveiled on July 4, 1909, which was intended as a guide to future growth and distinguished by its comprehensive scope. The plan saw the city not as an isolated entity but as part of a larger metropolis, one that extended approximately sixty miles from the Loop. The outward push of lower-density residential development, retail, and industry toward the urban and suburban periphery accelerated during the interwar era as population growth in Chicago's surrounding region outpaced that of the city itself. Such rapid expansion of the outlying areas was the focus of the Chicago Regional Plan Association's 1956 Planning the Region of Chicago, which was the successor to the 1909 *Plan of Chicago* and appropriately authored by Daniel H. Burnham Jr. in conjunction with traffic expert Robert Kingery. The later plan defined the Chicago metropolitan region in even more expansive geographic terms—encompassing 283 municipalities in fifteen counties stretching from northwestern Indiana to southwestern Wisconsin—reflecting the dispersal that had occurred among this far-flung yet economicallyinterconnected area in recent decades.<sup>6</sup>

<sup>&</sup>lt;sup>6</sup> For further information on the Plan of Chicago, see: *The Plan of Chicago: 1909-1979: An Exhibition of the Burnham Library of Architecture, The Art Institute of Chicago, December 8, 1979 through November 30, 1980* (Chicago, The Art Institute of Chicago, 1979); Carl Smith, *The Plan of Chicago: Daniel Burnham and the Remaking of the American City* (Chicago: University of Chicago Press, 2006). The Chicago Regional Plan Association envisioned the metropolitan region as encompassing the following fifteen counties in a three-state region: Wisconsin (Walworth, Racine, Kenosha); Illinois (McHenry, Lake, Kane, Cook, DuPage, Kendall, Will, Grundy,

Chicago's rising economic power of the 1920s spurred a simultaneous vertical expansion of the central business district, abetted by a new zoning law that increased the allowable heights for downtown skyscrapers as well as easy access to financing. LaSalle Street was redeveloped with luxurious headquarters buildings for some of the city's largest financial institutions and exchanges in response to their rapid growth and desire for prestige. High-profile corporate headquarters and speculative office buildings also rose along the newly widened Wacker Drive and Michigan Avenue, which together comprised the nation's first double-decked roadways. Chicago was at the forefront of core-oriented solutions to facilitate urban mobility in response to paralyzing traffic congestion of this period, which was considered a threat to the long-term economic viability of downtown. Such projects entailed the demolition of extensive nineteenthcentury street frontage, including dozens of aging loft buildings, symbolizing Chicago's larger desire to remake its physical landscape into one consonant with its growing stature in the worldwide economy.

This chapter provides a broad survey of general factors that affected the development of Chicago and comparable American cities in the interwar era, focusing on economic expansion and contraction as well as the physical growth of the metropolitan region. The drivers of decentralization are described, as is the impact of residential, retail and manufacturing dispersal on the landscape of the Loop. I focus especially on trends in population, transportation, and the changing economic geography of business and industry in the Chicago metropolitan region between 1900 and 1940. In order to place Chicago's physical expansion within a national context, I examine such trends in comparison to the older industrial city of New York and to the

Kankakee); and Indiana (Lake, Porter, LaPorte). See the map on page 25 of: Daniel H. Burnham Jr. and Robert, Kingery, *Planning the Region of Chicago* (Chicago, 1956).

newer and faster-growing cities of Los Angeles and Detroit. In the process, this chapter sets the stage for subsequent discussions of how the Loop began its transition into a modern, efficient business district that catered to Chicago's emerging service-sector economy.

#### A. <u>Population Growth and Residential Dispersal</u>

Chicago greatest period of population growth occurred in the second half of the nineteenth-century and was driven by its role as the nation's railroad hub and transfer point for waterborne trade, an expanding industrial base, and aggressive annexations. By 1900 it was second in population only to New York, which was the wonder city of the early-nineteenth-century. Although both cities remained the nation's largest during the interwar era, their urban dominance began to slip due to competition from much faster-growing cities, including Detroit, the nation's auto capital, and those of the Sunbelt, especially Los Angeles. This section highlights national trends in population growth and the dispersal of people to urban and suburban outlying areas in keeping with preferences for less congested neighborhoods and low-density housing. In almost all instances, metropolitan regions grew faster than their central cities.

#### 1. Growth and Dispersal: City of Chicago

Chicago experienced phenomenal nineteenth-century growth as a center of industry and transportation: first as a transfer point between the Great Lakes and Mississippi River system via the Illinois & Michigan Canal, completed in 1848, and as a railroad center shortly thereafter. Jobs in the wholesale trades and industries in the city center attracted waves of European immigrants and increased the population from 30,000 to 298,977 between 1850 and 1870, and then to 503,000 in 1880. Chicago's boundaries exploded in 1889, when residents of the city and

surrounding suburbs agreed to an annexation that increased its original area of about 37 square miles by an additional 126 square miles, thereby doubling the city's population to just over one million. The large new areas included the Town of Jefferson and City of Lake View to the north as well as the Town of Lake and Village of Hyde Park to the south, the last of which featured the heavy industrial Lake Calumet district on the far southeast side. Additional annexations of smaller suburban areas to the north and south between 1890 and 1893 brought Chicago's total area to about 185 square miles, which is close to its current size and shape with the exception of the area now occupied by O'Hare airport.<sup>7</sup>

In contrast to Chicago, New York City's greatest period of growth occurred in the first half of the nineteenth-century, its population rising from 33,131 to 813,669 between 1790 and 1860. This was an astounding increase of more than 50 percent per decade, except for the period between 1810 and 1820 due to war. Growth was spurred by the rise of manufacturing, which depended on New York's primacy as a port, and the city's role as a major entry for immigrants to the United States. Between 1874 and 1895, New York City consisted of Manhattan and part of the Bronx and its population grew from 1,206,299 in 1880 to 1,515,301 in 1890. When the five boroughs were consolidated into New York City in 1898, the city's population exploded to 3.4 million.<sup>8</sup>

Chicago's population tripled to 3,376,438 between 1890 and 1930, which was an era of industrial and financial expansion. The growth rate of Chicago and New York City were

<sup>&</sup>lt;sup>7</sup> Harold M. Mayer and Richard C. Wade, *Chicago: Growth of a Metropolis* (Chicago: University of Chicago Press, 1969) 54, 176-180.

<sup>&</sup>lt;sup>8</sup> Population statistics taken from: Edward L. Glaeser, "Urban Colossus: Why is New York America's Largest City?" *FRBNY Economic Policy Review* (December 2005) 10. For further information on the growth of New York and its annexations, see: "Population," in: Kenneth T. Jackson, *Encyclopedia of New York City*, Second Edition (New Haven: Yale University Press, 2010) 1019.

comparable in the first three decades of the twentieth-century, when their populations increased by a total of 77.1 percent and 79.6 percent, respectively. The growth rate of Pittsburgh was slightly more, at 89.9 percent, while that of Boston was considerably less, at 35.4 percent. Most of the older Eastern and Midwestern cities, including Chicago and New York, reached the physical limits of expansion in the early-twentieth-century, by which time they were surrounded by suburbs opposed to annexation. In contrast, cities such as Los Angeles and Detroit—the nation's Motor Capital—featured far faster growth, with increases of 234 percent and 407 percent, respectively, between 1900 and 1930 due to both industrial expansion and large annexations. The size of Detroit nearly quadrupled during its annexations of the 1915 to 1926 period, expanding from 40 to 138 square miles, while the municipal boundaries of Los Angeles grew to include the San Fernando Valley in 1915. Rapid growth was also experienced by the Sunbelt cities of Atlanta (156 percent) and Houston (257 percent) during this period.<sup>9</sup>

During the Depression decade of the 1930s, the decline of manufacturing that formerly sustained the economies of Chicago, Detroit, and Pittsburgh halted population growth in those centers. Boston's population growth had been flat since 1920 and decreased during the 1930s, while New York's population grew by only 7.6 percent. However, the cities of Atlanta, Los Angeles, and Houston had growth rates that ranged from 11.8 percent to 31.5 percent during the 1930s, reflecting a pattern of Sunbelt urban growth that accelerated in ensuing decades due to their more diversified economies and the desire of companies to seek locations with cheaper,

<sup>&</sup>lt;sup>9</sup> Statistic on Detroit annexation taken from: <u>http://www.nbm.org/about-us/national-building-museum-online/looking-back-looking-forward.html</u>. The San Fernando Valley annexation is discussed in: Kenneth T. Jackson, *Crabgrass Frontier: The Suburbanization of the United States* (New York: Oxford University Press, 1967) 176. Population growth statistics in this paragraph were taken from Table I.

non-unionized labor. Such newer cities grew at the expense of the textile-mill cities of New

England and other older manufacturing centers, including those in the Midwest.

Year	Chicago	Detroit	Los	New	Atlanta	Houston	Boston	Pittsburgh
	_		Angeles	York				_
1900	1,698,575	285,704	102,479	3,437,202	80,872	44,633	560,892	321,616
1910	2,185,283	465,766	319,198	4,766,883	154,839	78,800	670,585	533,905
	29%	63%	211%	39%	91%	76%	19%	66%
1920	2,701,705	993,678	576,673	5,620,048	200,616	138,276	748,060	588,343
	24%	113%	81%	18%	30%	75%	11%	10%
1930	3,376,438	1,568,662	1,238,048	6,930,446	270,365	292,352	781,188	669,817
	25%	58%	115%	23%	35%	111%	4%	14%
1940	3,396,808	1,623,452	1,504,277	7,454,995	302,288	384,514	770,816	671,659
	0.6%	3%	21%	8%	12%	31%	-1%	0.3%
Total								
%	79%	237%	428%	88%	168%	293%	33%	90%
Increase								

TABLE IPOPULATION GROWTH OF EIGHT AMERICAN CITIES, 1900 to 1940

Sources: U.S. Department of Commerce, *Twelfth Census of the United States*, Population, Volume 1 (Washington, 1901), Table 5 for each state shown. U.S. Department of Commerce, *Fourteenth Census of the United States*, Population, Volume 3 (Washington, 1922), Table 10 for each state shown. U.S. Department of Commerce, *Sixteenth Census of the United States*, Population, Volume 1 (Washington, 1942), Table 36 for each state shown except New York, which is Table 35.

The first large groups of immigrants to Chicago were primarily from Ireland, Germany and Scandinavia. By the 1890s, the origin countries began to change from northern and western Europe to waves of people from southern and eastern Europe, most notably from Italy, Russia and Poland. First generation immigrants comprised one-third of Chicago's total population from 1900 to 1910. After 1910, the influx of foreign-born residents to Chicago was greatly reduced due to the outbreak of World War I in 1914, establishment of a literacy test for permanent admission in 1917, and the enactment of annual quotas for various nationalities in 1921. Whereas the city's foreign-born white population increased by 33.4 percent from 1900 to 1910 with an influx of 195,697 newcomers, those numbers plummeted to just 24,265 arrivals from 1910 to 1920, an increase of just 3 percent. The 1920s brought only a slight uptick in these numbers to 6 percent. By 1940, Chicago's foreign-born population was reduced to one-fifth of the total. Between 1920 and 1940, Poles were Chicago's largest foreign-born group, followed by Germans and Russians, respectively.<sup>10</sup>

Like Chicago, New York experienced a dramatic decline in its foreign-born white population between 1910 and 1930. Although this group grew by 53 percent between 1900 and 1910, its growth declined to three percent in the 1910s, increasing only slightly to fifteen percent in the 1920s. In contrast, Detroit and Los Angeles experienced substantial gains in their foreignborn populations during the 1910s and 1920s, despite the post-World War I restrictions. Detroit's increase was likely due to the migration of foreign-born workers from other cities, as its booming auto industry served as a powerful magnet. The foreign-born population of Los Angeles included large numbers from Canada, England, and Mexico who arrived to work in its more broad-based economy, which included tourism, agriculture, and light industry. All four cities experienced a loss of foreign-born population during the decade of the 1930s.

The decline in European immigration to Chicago starting in the 1910s was compensated in large part by the migration of both African-Americans and native white families from the rural South in search of higher paying and better jobs in the city's industries. Chicago's African-American population grew from 30,150 to 277,751 from 1900 to 1940, an increase of 326 percent that comprised 8 percent of the city's total population. The growth rate of New York's

<sup>&</sup>lt;sup>10</sup> Statistics in this paragraph were taken from Tables XXIV and XXV. For the best history of Chicago's various ethnic groups, see: Melvin G. Holli and Peter d'A Jones, eds. *Ethnic Chicago: A Multicultural Portrait*. 1977. Reprint. (Grand Rapids, Michigan: Wm. B. Eerdmans Publishing Co., 1995). For a good overview of immigration and American economic development, see Chapter 15 in: Albert W. Niemi Jr. *U.S. Economic History* 1980. Reprint. (New York: University Press of America, 1987). Immigrants from India, China, and Japan were counted as a separate group in the U.S. Census and not included as part of the foreign-born white category. It is impossible to calculate with precision the exact number of Poles in Chicago in previous decades, as the U.S. Census did not include a separate category for this group, counting them instead by their origin in the partitioning countries of Germany, Austria and Russia.

African-American community was slightly slower, at 272 percent, while in Detroit and Los Angeles it burgeoned by 871 percent and 574 percent, respectively, during the same period.<sup>11</sup>

Chicago's native-born white population increased by nearly 1.4 million people or 92 percent between 1900 and 1940, rising to 78 percent of the city total in 1940. Many of the city's white migrants also arrived from rural areas of Illinois, which simultaneously decreased in population. This settlement pattern was in keeping with the Census Bureau's report in 1920 that the United States had become an urban nation: 51 percent of all Americans lived in towns and large cities rather than in country villages and on farms. The increase of New York's native-born white population from 1900 to 1940 was comparable to Chicago's, at 94 percent, while the growth of this group in Detroit and Los Angeles was considerably higher, 250 percent and 426 percent, respectively.<sup>12</sup>

Illinois	Urban	Rural	Total				
1900	2,616,368	2,205,182	4,821,550				
1910	3,479,935	2,161,662	5,641,597				
1920	4,403,677	2,082,127	6,485,804				
1930	5,635,727	1,994,927	7,630,654				
1940	5,809,650	2,087,591	7,897,241				

TABLE II URBAN-RURAL POPULATION IN ILLINOIS, 1900 to 1940

Sources: U.S. Department of Commerce, *Fourteenth Census of the United States*, Population, Volume 3 (Washington, 1922), Table 1 for Illinois. U.S. Department of Commerce, *Sixteenth Census of the United States*, Population, Volume 2 (Washington, 1942), Table 3 for Illinois.

<sup>&</sup>lt;sup>11</sup> For a history of the Great Migration in Chicago, see: James R. Grossman, *Land of Hope: Chicago, Black Southerners, and the Great Migration* (Chicago: University of Chicago Press, 1989). For tables showing the percentages of the African-American population in 79 cities in 1930, see Figure 25, page 64 in: Homer Hoyt, *The Structure and Growth of Residential Neighborhoods in American Cities* (Washington D.C.: Federal Housing Administration, 1939).

<sup>&</sup>lt;sup>12</sup> Statistics in this paragraph taken from Table XXVII.

In cities nationwide, post-World War I population growth and housing shortages created pent-up demand and sparked the housing boom of the 1920s. New residential development clustered along fingerlike extensions of mass transit lines that radiated from downtown in older cities that had established systems, such as Chicago and New York, while an explosion of automobile ownership facilitated development of the sparsely settled areas in-between. This reflected ongoing patterns of settlement in which families abandoned original neighborhoods for those further from the city center as both their finances and transportation options improved. Chicago's outward residential movement was brisk in the first two decades of the twentieth-century and accelerated in the 1920s, during which time it reached the periphery of the city. The areas of greatest growth in Chicago extended north of Belmont Avenue, west of Kedzie Avenue, and south of 39<sup>th</sup> Street.<sup>13</sup>

The need for housing in the interwar era sparked an apartment boom in Chicago and cities nationwide. In fact, three-quarters of the building permits issued in Chicago during a three-year period of the 1920s were for apartments rather than single-family houses. Chicago's apartment boom included a variety of low-rise types that characterized earlier housing (two-flats, three-flats, and six-flats) as well as considerably larger buildings designed around a central corridor or courtyard that ranged from 12 to 42 units. Much of this high-intensity development was clustered near the city's elevated lines that were extended through middle-class communities, allowing easy access to white-collar jobs downtown. In addition, high-rise apartment zones came to characterize the eastern edge of the city's lakeshore communities such as Edgewater, Uptown, Hyde Park and South Shore whose populations doubled or tripled during

<sup>&</sup>lt;sup>13</sup> For a detailed description of the physical expansion of Chicago and its impact on urban land values from its establishment to 1933, see: Homer Hoyt, *One Hundred Years of Land Use in Chicago* (Chicago: University of Chicago Press, 1933).
the 1920s. North Side lakefront residents could commute to downtown on double-decked buses operated by the Chicago Motor Coach Company on Michigan Avenue, Lake Shore Drive and Sheridan Road which lacked streetcar lines, while those on the South Side benefited from the Illinois Central rail line.<sup>14</sup>

Extensive lands forming a wide belt around the outer edges of Chicago were subdivided during the interwar era and developed with modest brick bungalows. Nearly 100,000 of these types of houses were built during the city's bungalow boom of 1910 to 1940, which extended to nearby working class suburbs such as Berwyn. Growth in these areas was initially sparked by extensions to the streetcar system, especially its crosstown lines. Residents typically worked in nearby neighborhood business districts or factories while others commuted via streetcars to industrial jobs that tended to be scattered along belt rail lines. The growth of the far south side community of Washington Park was typical of those that comprised Chicago's bungalow belt. It was largely undeveloped until the years1919 and 1920 when streetcar lines were extended to the area along Hasted Street, Racine and Ashland Avenues. Its population burgeoned from 8,000 to 18,000 between 1920 and 1930 and many residents worked for the Chicago Bridge and Iron Company—the community's major employer—and lived in newly constructed bungalows. Other early twentieth-century bungalow belt communities included Chicago Lawn and Auburn Gresham on the southwest side and Jefferson Park on the northwest side, all of which tripled in population during the 1920s. However, a great deal of vacant land remained along the city's fringes that awaited the post-World War II housing boom when large, newly accessible tracts of

<sup>&</sup>lt;sup>14</sup> Statistic on apartment building permits issued in the 1920s taken from: Mayer and Wade, 324. Chicago had four elevated lines in operation by 1900 on the South Side (South Side Elevated), West Side (Lake Street Elevated and Metropolitan West Side Elevated), and North Side (Northwestern Elevated), all of which radiated to the central business district where they were linked together by the Union Loop Elevated. Early twentieth-century elevated lines extensions included the South Side Elevated to Englewood and a branch of the Northwestern Elevated to Ravenswood (both in 1907), as well as an extension of the Northwestern Elevated from Wilson Avenue to suburban Evanston (1908).

land between the streetcar lines became increasingly accessible through improved roads for automobiles.<sup>15</sup>

While Chicago's outlying areas boomed during the 1920s, population in the older, densely-built working class communities surrounding its historic core was stagnant or decreased. Economic historian Homer Hoyt documented that from 1920 to 1934 the city's population within the area less than five miles from the Loop dropped by 20 percent, while the population outside this area increased by 47 percent. This was due to a variety of reasons, foremost of which was the desire of residents to escape close-in areas that were polluted, highly congested, and featured the city's oldest residential building stock. Housing in neighborhoods nearest to the central business district was intermixed with adjacent factory and warehouse districts and typically consisted of frame workers cottages and overcrowded tenements, with two such buildings often placed on a single 25-by-100-foot parcel. The city's growing African-American population was largely segregated along the Near South Side's black belt on State Street, residing in housing that had been abandoned by earlier immigrant groups.<sup>16</sup>

Some areas near the city center prospered during the interwar era, however, such as the Near North Side's Gold Coast neighborhood, which was connected to the Loop via the swanky new Upper Michigan Avenue Boulevard and its new bascule bridge. Luxury living was exemplified by the twelve-story 1550 North State Parkway Building by the firm Marshall and

<sup>&</sup>lt;sup>15</sup> For information on the Chicago bungalow as a building type and the growth of the city's bungalow belt, see: Dominic Pacyga and Charles Shanabruch, eds., *The Chicago Bungalow* (Chicago: Chicago Architecture Foundation, 2003). Good histories of the bungalow belt communities mentioned in this paragraph, and of all 77 of Chicago's community areas, can be found in: William Erbe, ed. *Local Community Fact Book: Chicago Metropolitan Area 1990* (Chicago: Chicago Fact Book Consortium, 1995). Portage Park, Hermosa, Chatham, Gage Park, West Ridge were among the post-World War II bungalow belt communities.

<sup>&</sup>lt;sup>16</sup> Hoyt (1939) 92. For more information and sources related to mid-1930s demolition throughout Chicago's blighted belt, see the essay titled, "Removal of Downtown Blight" in Chapter 5 of this dissertation.

Fox (1913), an elaborate rendition of French Classicism in stone and richly molded terra cotta with ten one-to-a-floor apartments, each of which had ten bedrooms (including four for servants) and encompassed about 9,000 square feet. Construction of luxury high-rise apartment buildings along Lake Shore Drive that began in the 1910s accelerated in the 1920s. These buildings typically served as city residences for Chicago's business and civic leaders, featuring rich detailing, modern amenities, and spacious designs that mirrored those of the mansions they replaced. The single block that encompassed East Lake Shore Drive was entirely developed during this time period with a unified ensemble of classically styled buildings that provided a classy vista to downtown Chicago from the north.<sup>17</sup>

Chicago's pattern of outward residential growth and slow or decreasing population near the center was typical of other cities. Manhattan Island, the earliest settled area of New York City, began losing population after reaching its peak of 2.3 million residents in 1910, while the subways increased settlement into outer boroughs. As in Chicago, Manhattan's Lower East Side featured the city's oldest building stock and the nation's highest population densities, resulting in the demolition of some substandard dwellings in the 1930s. And like North Lake Shore Drive albeit on a much larger scale—Park Avenue north of Grand Central Station was redeveloped into a continuous wall of high-end apartment towers that were inhabited by residents who preferred the convenience of remaining on Manhattan Island. While Manhattan experienced a decline of 22 percent in population between 1900 and 1940, Brooklyn's population increased by 55

<sup>&</sup>lt;sup>17</sup> A contemporary study of the tensions between adjacent slum and high-end residential communities can be found in: Harvey W. Zorbaugh, *The Gold Coast and the Slum: A Sociological Study of Chicago's Near North Side* (Chicago: University of Chicago Press, 1929). For histories of Chicago's high-rise lakefront apartment buildings from the 1910s and 1920s, see: Neil Harris, *Chicago Apartments: A Century of Lakefront Luxury* (New York: Acanthus Press, 2004).

percent. Faster growth in the Bronx, Queens, and Richmond ranged from 153 percent to 269 percent.<sup>18</sup>

A similar pattern of outward residential movement was apparent in Detroit, although facilitated by improved roads, rather than public transportation. Small islands of upper-income city neighborhoods—such as the Palmer Woods, Boston Boulevard, and Highland Park districts—developed along the axis of Woodward Avenue, which divided the city in half and became Detroit's main street during this period. As upper income residents dispersed, the areas surrounding the original business district within the Grand Boulevard Circle became entirely occupied by low-income residents, with modest houses and converted mansions intermixed with stores and factories. Most African-American residents lived in the densely-built area east of Woodward Avenue.<sup>19</sup>

Los Angeles differed greatly from all other American cities in terms of the extent of its residential dispersal, with urban subdivisions created more than thirty miles from the city's business district during the real estate boom of the 1920s. Although low-density movement from the center originated along an extensive radial transit network of electric streetcars and interurban lines, the rapid extension of highways and utilities allowed for dispersal to places inbetween, and far beyond, the rail lines. This movement was made possible by the city's high percentage of automobile ownership, which at one automobile for every 2.9 persons in 1924, was considered to be the highest in the world at that time. One contemporary writer noted in 1941 that "a condition of almost complete saturation has been reached" in terms of the number of

<sup>&</sup>lt;sup>18</sup> Jackson (2010) 1019. See Table XXVIII, Appendix A.

<sup>&</sup>lt;sup>19</sup> For a good overview of Detroit's early twentieth-century growth, see: Homer Hoyt, "Growth of Cities: Detroit," *Skyscraper Management* Vol. 23 (January 1938) 12-13, 31-32.

automobiles in the city, which combined with "an adequate network of thoroughfares upon which to roll in *any* direction," gave its population an extreme level of mobility.<sup>20</sup>

### 2. Growth and Dispersal: Chicago Metropolitan Region

Although Chicago's population increased during the interwar era, its surrounding metropolitan region grew much faster for a variety of reasons. Suburban rail lines such as the Illinois Central electrified their services in the 1920s and improved their commuter operations to downtown. Of all people entering and leaving the Loop on a typical weekday in 1926, eleven percent did so by suburban railroad. Preferences for low-density living and single-family houses were seemingly part of the national psyche. City planner Harland Bartholemew highlighted the "almost subconscious desire" by urbanites in general to "escape the city" by settling along its outer edges. "Broadly speaking, the great majority of people seek a single-family home with a certain amount of ground around it, with trees, grass, and flowers so located that the open country lies to one side and the city on the other." In 1920, only 46 percent of American families were homeowners and in central cities that proportion was even lower: 27 percent in New Orleans, 18 percent in Boston, and 12 percent in New York. Over the ensuing decade, however, new homes were begun at a rate of 883,000 per year.<sup>21</sup>

<sup>&</sup>lt;sup>20</sup> Statistic on automobile ownership taken from: Frederick Law Olmsted, *A Major Traffic Street Plan for Los Angeles* (Los Angeles, California, May 1924) 11. Quotes taken from: Gordon Whitnall, "Urban Disintegration and the Future of Land Investments," *Journal of Land and Public Utility Economics* Vol. 17 (Nov. 1941) 443-444.

<sup>&</sup>lt;sup>21</sup> Statistic on suburban railroad ridership taken from: Miller McClintock, *Report and Recommendations of the Metropolitan Street Traffic Survey* (Chicago, 1926) 17. Quotes taken from: Harland Bartholomew, *The Present and Ultimate Effect of Decentralization on American Cities* (Chicago: The Urban Land Institute, 1940) 7. Statistics on other cities taken from: Jackson (1985) 175.

Most important to rapid suburbanization of this period was the provision of better roads and the explosion of automobile ownership. Whereas close proximity to rail transport was a prerequisite for working downtown prior to the Motor Age, the automobile opened vast new suburban areas away from the rail lines for subdivision and development both within older established suburbs and in new ones. According to historian Kenneth Jackson, the suburbs of the nation's 96 largest cities grew twice as fast as the core communities from 1920 to 1930, a period in which automobile registrations rose by more than 150 percent. New bridges and traffic arteries were also created during the 1920s that made the larger New York metropolitan area more accessible by automobile. Some areas of suburban New Jersey, Westchester County, and Long Island tripled in population from 1910 to 1930 and featured spacious houses of wealthy former New Yorkers.<sup>22</sup>

While the City of Chicago's population gained at the rate of 79 percent between 1900 and 1930, the counties of Lake and DuPage—which were the fastest growing in Illinois—each grew at a rate of 150 percent during that time period. In contrast, the counties of Kane and Will, both of which featured industrial cities, such as Joliet and Elgin, as well as small towns and rural areas, grew at more modest rates of 54 percent and 35 percent, respectively. McHenry County, which was primarily rural, had a growth rate of only 23 percent.<sup>23</sup>

<sup>&</sup>lt;sup>22</sup> Jackson (1985) 175. For a good overview of New York's early twentieth-century growth, see: Homer Hoyt, "Growth of Cities: New York," *Skyscraper Management* Vol. 22 (September 1937) 12-13, 31-32.

<sup>&</sup>lt;sup>23</sup> Statistics in this paragraph taken from Table III.

County	1900	1910	1920	1930	1940	Total %
						Increase
Cook	1,838,735	2,405,233	3,053,107	3,982,123	4,063,342	
		31%	27%	30%	2%	90%
Kane	78,792	91,802	99,489	125,327	130,206	
		16%	8%	26%	4%	54%
Will	84,371	74,764	92,911	110,732	114,210	
		-11%	24%	19%	3%	35%
DuPage	28,196	33,492	42,120	91,998	103,480	
		19%	26%	118%	12%	150%
Lake	34,504	55,058	74,285	104,387	121,094	
		60%	35%	40%	16%	151%
McHenry	29,750	32,509	33,164	35,079	37,311	
		9%	2%	6%	6%	23%
Lake County, IN	37,892	82,864	159,957	261,310	293,195	
		119%	93%	63%	12%	287%
Kenosha County,	21,707	32,929	51,284	63,277	63,505	
WI		52%	56%	23%	0.4%	131%

# TABLE III GROWTH OF SIX COUNTIES IN THE CHICAGO METROPOLITAN REGION, 1900 to 1940

Sources: U.S. Department of Commerce, *Thirteenth Census of the United States*, Population, Volume 2 (Washington, 1913), Table 1 for Illinois and Indiana. U.S. Department of Commerce, *Thirteenth Census of the United States*, Population, Volume 3 (Washington, 1913), Table 1 for Wisconsin. U.S. Department of Commerce, *Fourteenth Census of the United States*, Population, Volume 3 (Washington, 1922), Table 9 for Illinois, Indiana and Wisconsin. U.S. Department of Commerce, *Sixteenth Census of the United States*, Population, Volume 1 (Washington, 1942), Table 4 for Illinois, Indiana and Wisconsin.

The suburbs of Cook County grew much faster than the City of Chicago between 1900 and 1940, with population increasing by 199 percent as compared to the city's gain of 79 percent as shown in Table IV. Population growth rates for most of the individual suburbs shown in Table V exceeded 150 percent between 1910 and 1930, compared to the city's growth rate of 49 percent during the same period. Chicago's booming suburbs formed continuous bands of growth along train lines to the north, northwest, and west that allowed residents direct access to office jobs in the Loop. For example, the western suburbs of Oak Park, River Forest, Forest Park, Maywood, Bellwood, Elmhurst, Lombard and Wheaton were all located along the Chicago and Northwestern Railroad's west line. The north line of the Chicago and North Western Railway served Evanston, Wilmette, Winnetka, Glencoe, Highland Park and Lake Forest. The Illinois Central served the South Suburbs. The automobile facilitated subdivision growth in previously undeveloped areas of these suburbs away from the rail lines.

TABLE IVGROWTH OF CHICAGO AND THE COOK COUNTY SUBURBS, 1900 to 1940

	1900	1910	1920	1930	1940	Total %
						Increase
Chicago	1,698,575	2,185,283	2,701,705	3,376,438	3,396,808	
-		29%	24%	25%	0.6%	79%
Cook	140,160	219,950	351,402	605,685	666,534	
County		57%	60%	72%	10%	199%
suburbs						

Sources: U.S. Department of Commerce, *Thirteenth Census of the United States*, Population, Volume 2 (Washington, 1913), Table 1 for Illinois. U.S. Department of Commerce, *Fourteenth Census of the United States*, Population, Volume 3 (Washington, 1922), Table 9 for Illinois. U.S. Department of Commerce, *Sixteenth Census of the United States*, Population, Volume 1 (Washington, 1942), Table 4 for Illinois.

TABLE V
POPULATION GROWTH OF COMMUTER CITIES/SUBURBS IN THE
CHICAGO METROPOLITAN REGION, 1900 to 1940

Suburb	1900	1910	1920	1930	1940	Total
						Increase
Berwyn		5,841	14,150	47,027	48,451	
			142%	232%	3%	377%
						(1910-40)
Maywood	4,582	8,033	12,072	25,829	26,648	
		75%	50%	114%	3%	242%
Downers Grove	2,103	2,601	3,543	8,977	9,526	
		30%	36%	153%	6%	225%
LaGrange	3,969	5,282	6,525	10,103	10,479	
U	ŕ	33%	47%	55%	4%	139%
Highland Park	2,806	4,209	6,167	12,208	14,476	
C		50%	46%	98%	18%	212%
Evanston	19,259	24,978	37,234	63,388	65,389	
		30%	49%	70%	3%	152%
Winnetka	1,833	3,168	6,694	12,166	12,430	
		73%	111%	82%	2%	268%
Blue Island	6,114	8,043	11,484	16,534	16,638	
		32%	43%	44%	1%	120%

Sources: U.S. Department of Commerce, *Thirteenth Census of the United States*, Population, Volume 2 (Washington, 1913), Table 4 for Illinois. U.S. Department of Commerce, *Fourteenth Census of the United States*, Population, Volume 3 (Washington, 1922), Tables 10 and 11 for Illinois. U.S. Department of Commerce, *Sixteenth Census of the United States*, Population, Volume 1 (Washington, 1942), Table 5 for Illinois.

The population of Chicago's "satellite cities" that were established as independent industrial centers in the nineteenth- and early-twentieth-centuries also experienced rapid growth in the interwar era due to the expansion of manufacturing, good rail connections, as well as the automobile. The sizeable industrial base of cities such as Elgin, Aurora, and Joliet, combined with their distance from Chicago, made for self-sufficiency in employment and involved little commuting to the city. Joliet attracted a large labor force to work in varied industries associated with its thriving steel mills. Aurora developed as an industrial center for mainly heavy-machine building equipment, while Elgin's major employer was the Elgin National Watch Company. These three cities were located about 35 miles southwest, west, and northwest of the Loop, respectively.

The city of Gary, Indiana, about 25 miles southeast of the Loop, was established in 1906 by the U.S. Steel Corporation, which supplied the steel needs of the Midwest's expanding industrial base in the early twentieth-century. Abundant jobs spurred its explosive population growth, which rose from 17,000 in 1910 to over 100,000 in 1930. Residents in nearby Hammond, Indiana, worked in its more diversified industries, as did those in the city of Waukegan, Illinois, 36 miles north of the Loop, which featured a busy harbor on the shores of Lake Michigan and excellent rail connections. The automotive industry also brought new factories and employment to other cities under Chicago's widening sphere of economic influence, such as Racine and Kenosha, both in southeastern Wisconsin. Close to the city center, Western Electric opened its mammoth Hawthorne plant in suburban Cicero in 1904, causing its population to quadruple over the next two decades.<sup>24</sup>

<sup>&</sup>lt;sup>24</sup> Population statistics for Gary taken from: Burnham and Kingery, 56. For good overview descriptions of suburbs/cities in the Chicago metropolitan region, see: Ann Durkin Keating, ed. *Chicago Neighborhoods and Suburbs: A Historical Guide* (Chicago: University of Chicago Press, 2008).

# TABLE VI GROWTH OF INDUSTRIAL CITIES/SUBURBS IN THE CHICAGO METROPOLITAN REGION, 1900 to 1940

City/Suburb	1900	1910	1920	1930	1940	Total %
						Increase
Hammond, IN	12,376	20,925	36,004	64,560	70,184	
		69%	72%	79%	9%	229%
Racine WI	29,102	38,002	58,503	67,542	67,195	
		31%	54%	15%	-0.5%	99%
Kenosha, WI	11,606	21,371	40,472	50,262	48,765	
		84%	89%	24%	-3%	194%
Aurora	24,147	29,807	36,397	46,589	47,170	
		23%	22%	28%	1.2%	74%
Elgin	22,438	25,976	27,454	35,929	38,333	
-		16%	6%	31%	7%	60%
Joliet	29,353	34,670	38,442	42,993	42,365	
		18%	11%	12%	-1%	40%
Waukegan	9,426	16,069	19,226	33,499	34,241	
-		70%	20%	74%	2%	166%
Cicero	14,447	16,310	44,995	66,602	64,712	
		12%	209%	48%	-3%	266%

Sources: U.S. Department of Commerce, *Thirteenth Census of the United States*, Population, Volume 2 (Washington, 1913), Table 4 for Illinois; Table 3 for Indiana; Tables 2 and 3 for Wisconsin. U.S. Department of Commerce, *Fourteenth Census of the United States*, Population, Volume 3 (Washington, 1922), Table 10 for Illinois, Indiana and Wisconsin. U.S. Department of Commerce, *Sixteenth Census of the United States*, Population, Volume 1 (Washington, 1942), Table 5 for Illinois, Indiana and Wisconsin.

Both Detroit and Los Angeles experienced their greatest period of growth during the automobile age and their populations were dependent on the construction of roadways, with single-family houses predominating. Detroit's physical expansion proceeded along the six radial thoroughfares that extended from the core toward other cities. Whereas in 1910, 52 percent of upper-income families resided within the Grand Boulevard Circle surrounding the original business district and ten percent live beyond the city's corporate limits, in 1930, 50 percent lived outside the city's municipal boundaries and seven percent inside Grand Boulevard. Fashionable Detroit suburbs included the Grosse Pointe area about seven to ten miles to the east, which was

connected to the core by Jefferson Avenue, while open tracts in the Birmingham district 15 miles to the northwest and accessed via Woodward Avenue featured large county estates.<sup>25</sup>

In his book, *Crabgrass Frontier*, Historian Kenneth Jackson wrote that the suburbanization of Los Angeles was spurred by the discovery of vast amounts of oil in the region in the mid-1890s, drawing an industrial working class to areas in southern Los Angeles County and northern Orange County. "By World War I, a pattern emerged in which industrial suburbs created demand for their own residential suburbs, forming widely separated clusters. The discovery of additional oil fields in 1920s created new suburbs between existing clusters." In contrast were such upper-income suburbs and Beverly Hills and Palos Verdes, which featured more costly houses on large lots. Both boomed in the 1920s, when the population of Beverly Hills rose by 2,485 percent.<sup>26</sup>

### B. <u>Commercial Development: The Core versus the Periphery</u>

Although the decentralization of retail symbolized by suburban shopping malls is often considered a post-World War II phenomenon, this trend in Chicago began in the early twentiethcentury and accelerated in the interwar era. The growth of outlying urban and suburban commercial districts clustered around the intersections of major thoroughfares and streetcar lines was tied to the dispersal of people away from the core and featured a diversity of entertainment and shopping that in the larger centers often rivaled the Loop. Simultaneous vertical expansion of the central district was spurred by a variety of factors, including the demand for larger office buildings with modern technologies; profit-motivated developers; and zoning that allowed for

<sup>&</sup>lt;sup>25</sup> Miles L. Colean, "The Public Moves Away." *Skyscraper Management* Vol. 25 (August 1940) 4.

<sup>&</sup>lt;sup>26</sup> Jackson (1985) 178-179.

taller downtown skyscrapers. Construction of the Michigan Avenue Link Bridge and the widening of this thoroughfare north of Randolph Street spurred the lateral expansion of the Loop with high-end commercial development to the Near North Side Gold Coast. As the outlying districts served everyday shopping needs, the Loop remained the regional center for white-collar jobs and increasingly became more of a "special occasion" destination among the middle class who were moving to the suburbs.

#### 1. Downtown Business Centralization

Although the Loop remained the Chicago region's nexus of business, banking and culture and maintained a strong retail base during the interwar era, its boundaries expanded beyond the iron belt of its elevated lines to the north, south, and west. The enormous Stevens Hotel rose on Michigan Avenue near Roosevelt Road (originally 12<sup>th</sup> Street) on the Loop's southern outskirts. It was intended to accommodate business travelers and with 3,000 rooms was reportedly the largest hotel in the world upon completion. The Loop's office building district expanded westward to the north-south leg of Wacker Drive (originally Market Street) with the erection of the Civic Opera and Daily News buildings, the latter of which was one of the city's two air rights skyscrapers. The other was the mammoth Merchandise Mart, built across the river's main branch by the Marshall Field Company to house its wholesale operations and accommodate other wholesalers as well. The replacement of South Water Street on the Loop's northern periphery with the east-west leg of Wacker Drive was intended to alleviate traffic congestion while providing a dramatic new thoroughfare for corporate office buildings and speculative skyscrapers that benefitted from abundant access to light and air.<sup>27</sup>

However, the most dramatic shift was the expansion of the central business district across the river on the newly widened North Michigan Avenue (formerly Pine Street; originally called Michigan Boulevard or the Upper Boulevard), from Randolph Street to Lake Shore Drive, which sparked rampant real estate speculation along its length. The shift of Chicago's Gold Coast to the Lake Shore Drive and Astor Street starting in the 1890s as well as the rapid development of North Shore suburbs with homes for the city's business elite provided a powerful northward pull for commercial development. North Michigan Avenue served as an annex of, and quickly a competitor to, the aging landscape of the Loop and was made possible through the 1920 completion of the Michigan Avenue link bridge. Over the next decade, North Michigan Avenue developed as an exclusive retail district, lined with specialty shops catering to the wealthy residents of the nearby luxury apartment towers and mansions of Lake Shore Drive, who could reach it without encountering the worst of downtown congestion. The elegant thoroughfare also featured some of the city's most prominent high-rise office towers, club buildings, and hotels.<sup>28</sup>

Construction of the Michigan Avenue Bridge and the widening and double-decking of both North Michigan Avenue and east-west Wacker Drive were key features of the 1909 *Plan of Chicago*, the implementation of which was entrusted to the Chicago Plan Commission, a quasipublic entity established by Mayor Fred A. Busse in November 1909. The CPC was led by

<sup>&</sup>lt;sup>27</sup> For an overview of the development of air rights in Chicago and the Merchandise Mart, see: Deborah F. Rau, "The Making of the Merchandise Mart, 1927-1931: Air Rights and the Plan of Chicago" in: *Chicago Architecture and Design, 1923-1993: Reconfiguration of an American Metropolis*, ed. John Zukowsky (Munich: Prestel-Verlag, 1993) 99-117.

<sup>&</sup>lt;sup>28</sup> For a detailed history of the development of North Michigan Avenue and its individual buildings during the 1920s, see: John Stamper, *Chicago's North Michigan Avenue: Planning and Development, 1900-1930* (Chicago: The University of Chicago Press, 1991).

permanent chairman Charles Wacker and comprised of 328 members of Chicago's civic and business elite, although decision-making was handled by a much smaller 27-member Executive Committee. Aggressive public relations efforts were led by general manager Walter D. Moody and then by his successor, Eugene Taylor. Edward Bennett, the *Plan of Chicago*'s co-author, served as consulting architect to the Commission and led its technical staff. The combination of dynamic leadership, financial backing from the Commercial Club, and public support through voter approved bond issues allowed for successful completion of wide-ranging projects aimed to alleviate downtown traffic congestion while imposing classical standards of beauty upon its industrial streetscapes.<sup>29</sup>

CPC leaders believed that centralization, which increased land values, was economically beneficial for the city and thus supported efforts to raise downtown building height limits. Charles Wacker served as Secretary of the Zoning Commission established by the City Council in 1920 to research and draft Chicago's first-ever zoning ordinance. The resulting 1923 Chicago Zoning Ordinance allowed buildings located within the highest intensity zone, which included the Loop and North Michigan Avenue, to rise 264 feet and also allowed towers containing rentable floor space to be constructed on up to 25 percent of the building footprint. This resulted in the distinctive base-plus-tower design that characterized Chicago skyscrapers of this era, which could now soar up to 47 stories, double the height of those built during the previous

<sup>&</sup>lt;sup>29</sup> For a brief history of the Chicago Plan Commission, see: Helen Whitehead, *The Chicago Plan Commission, A Historical Sketch: 1909-1960* (Chicago: City of Chicago, 1961). Early Chicago Plan Commission members included such prominent individuals as Charles G. Dawes, later Vice President of the United States; Frederic A. Delano, uncle of President Franklin Delano Roosevelt; Edward F. Dunne, later Governor of Illinois; Robert T. Lincoln, Abraham Lincoln's son; as well as a plethora of wealthy businessmen including John G. Shedd, Charles H. Thorne and John V. Farwell. CPC leaders developed a working relationship with successive mayoral administrations starting with Fred A. Busse and including Carter Harrison II William Hale Thompson, William Dever, and Anton Cermak. For more information on the CPC and its downtown infrastructure projects, see essay titled, "Radical Solutions by the Chicago Plan Commission" in Chapter 4 of this dissertation.

construction boom of the early 1910s. In contrast to Chicago, other cities imposed lower building height limits which encouraged the outward expansion of downtown. This was the case in Los Angeles where a building height limit of 150 feet—the equivalent of about thirteen stories—was imposed in 1911 and spurred the lateral growth of downtown to less congested areas to the south and west of, but adjacent to, the old center, during the 1910s and 1920s.<sup>30</sup>

Aside from the increase of building heights, vertical expansion of the central area of Chicago and other cities during the 1920s was driven by pent-up demand for modern office space with larger and more flexible floor plates. Historian Carl Abbott notes that around 1920, "the balance in the labor force began to shift toward commerce and services." In Chicago, expansion of the service sector meant that between 1910 and 1930, the number of clerical workers, domestic and personal employees, professional men and women, and those engaged in public service approximately doubled while those employed in transportation increased 50 percent. Construction was also spurred by the sale of mortgage bonds that allowed developers to borrow the full cost of construction from mortgage houses without any cash investment of their own. Although the use of mortgage bonds was conceived in the 1890s, the use of this financing instrument for the construction of ever-larger buildings did not become predominant until the 1920s. The optimism that accompanied a sharp decline in labor strife and lockouts by the mid-1920s was another driver of skyscraper development during this period.<sup>31</sup>

<sup>&</sup>lt;sup>30</sup> Joseph P. Schwieterman and Dana M. Caspall, *The Politics of Place: A History of Zoning in Chicago* (Chicago: Lake Claremont Press, 2006) 17-25, 79-84. For more discussion on Chicago's building height limits— which were raised and lowered between 1893 and 1923—and the 1923 Zoning Ordinance, see sub-essay titled "Increased Downtown Building Heights" in Chapter 3 of this dissertation.

<sup>&</sup>lt;sup>31</sup> Carl Abbott, *Urban America in the Modern Age: 1920 to the Present*. 1987. Reprint (Wheeling, Illinois: Harlan Davidson, Inc., 2007) 10. Chicago employment statistics from: Burnham and Kingery, 56. Also see essay titled "Drivers of the 1920s Skyscraper Boom" in Chapter 3 of this dissertation.

During the interwar era, Chicago's central business district—now expanded to North Michigan Avenue—remained the premier destination for white collar jobs and a major hub for shopping and entertainment geared to a middle- and upper-middle class clientele. Swanky hotel nightclubs, elite cultural institutions, including the city's symphony and opera houses, department stores, specialty shops, and a lively theater district were all geared to a demographic that was increasingly moving to the suburbs, as opposed to catering to its in-town customer base of working class families and African Americans. Office workers and shoppers poured into the Loop each day via streetcars, elevated trains, automobiles, and suburban commuter trains. In fact, a cordon count of the Loop district in May 1926 revealed that 846,753 persons entered the Loop between seven a.m. and seven p.m. on an average weekday, which was approximately onequarter of the population of the entire city.<sup>32</sup>

Although the Loop was seemingly thriving in the 1920s, new construction did not include all building types, nor was it evenly distributed throughout its urban landscape. While LaSalle Street was completely redeveloped with opulent bank headquarters buildings and speculative skyscrapers, not a single new tower was erected along Dearborn Street, its nineteenth-century competitor for office building primacy. Clark Street remained largely stagnant as well, aside from construction of the Woman's Temple, a speculative office tower topped with a church. Neither of these dark, congested thoroughfares were able to compete with the prestige of LaSalle Street as the city's financial spine nor with the considerably wider Michigan Avenue and Wacker Drive, which offered an abundance of light and air and high visibility for new corporate towers.

<sup>&</sup>lt;sup>32</sup> Cordon count statistic from: McClintock (1926) 15. See Table XVI in Chapter 4 of this dissertation for the percentage of people traveling to the Loop on varying modes of transportation.

Likewise, numerous small-scale hotels formerly scattered throughout the Loop were increasingly razed, unable to compete with the modern amenities offered by the massive new Palmer House, Bismark, and Stevens Hotels, as well as the existing Morrison Hotel, which received a 25-story annex in 1926. Changing tastes in entertainment also rendered small theaters built for legitimate theater and later used for vaudeville obsolete. Instead, the public flocked to the opulent and towering theaters built for movies and dazzling stage shows rising on, and near, Randolph Street. Soaring State Street rents forced the continued expansion of retail eastward to adjacent Wabash Avenue. Both retail and entertainment near the Loop's north end were served by new high-rise garages built on Lake Street, which replaced former wholesale buildings.

Both New York and Detroit also experienced tremendous vertical and lateral expansion during the interwar era. New York increased its office space by an astonishing 92 percent between 1925 and 1931 alone, and in the next two years added another 56 percent, including the Empire State Building and the Rockefeller Center development. As in Chicago, New York's Wall Street financial district was transformed during the 1920s with somber bank-office skyscrapers and speculative office buildings. However, Lower Manhattan was no longer New York's only center of office building development, which moved steadily northward to Midtown Manhattan. A major new rival business center developed around the city's Grand Central Terminal at 42<sup>nd</sup> Street and Park Avenue, a major converging point for both long-distance rail and subway lines. Seventy skyscrapers were erected in this district between 1921 and 1946, including the Chrysler Building, prompting more intensive residential and retail development along Park Avenue and Fifth Avenue, respectively. During the 1930s, development moved north of 42<sup>nd</sup> Street with the creation of Rockefeller Center on Fifth Avenue between 48<sup>th</sup> and 51<sup>st</sup> Streets, also in Midtown Manhattan. The area was located near the wealthy Upper West Side

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and Upper East Side residential areas flanking Central Park to the north. This shift of new office development toward upscale residential areas was comparable, albeit at a much larger scale, to the expansion of the Loop up North Michigan Avenue to the Gold Coast.<sup>33</sup>

During the 1920s, Detroit's auto industry developed with an entirely new business district, appropriately called New Center, at the intersection of Woodward Avenue and Grand Boulevard, three miles north of downtown Detroit. The one-million-square-foot headquarters building of General Motors attracted additional office development, such as the Fisher Building, designed by Albert Kahn. This fast-growing business hub spurred the growth of upper-income neighborhoods near Woodward Avenue northward to the Birmingham estate area and offered convenient access to outlying factories. The stretch of Woodward Avenue connecting New City to the central business district emerged in the 1920s as a mixed-use area known as Midtown, which included some commercial development and such major cultural institutions as the Beaux Arts style Detroit Public Library and Detroit Institute of Arts. Retail establishments were also strung out along the other main thoroughfares that radiated from downtown Detroit, including Fort Street, Jefferson, Gratiot, Grand River, and Michigan.<sup>34</sup>

<sup>&</sup>lt;sup>33</sup> Earle Shultz and Walter Simmons, *Offices in the Sky* (Indianapolis, Indiana: Bobbs-Merrill Company, Inc., 1959) 154-155. For basic information on specific buildings within Manhattan's various office districts, see: Elliot Willensky and Norval White, *AIA Guide to New York City* (San Diego: Harcourt Brace Jovanovich, Publishers, 1988). For a history of the transformation of Wall Street during the 1920s, see: Daniel M. Abramson, *Skyscraper Rivals: The AIG Building and the Architecture of Wall Street* (New York: Princeton University Press, 2001).

<sup>&</sup>lt;sup>34</sup> General Motors left its New Center skyscraper in the late 1990s and is now headquartered in the Renaissance Center in downtown Detroit. Both the General Motors and Fisher Buildings are designated National Historic Landmarks. For an overview of the architecture of downtown Detroit and its various outlying business districts, such as New City, see: Eric J. Hill and John Gallagher, *AIA Detroit: The American Institute of Architects Guide to Detroit Architecture* (Detroit: Wayne State University Press, 2003). For information on the development of the library and arts museum as the intended genesis of a cultural center on Woodward Avenue, see: Daniel M. Bluestone, "Detroit's City Beautiful and the Problem of Commerce," Journal of the Society of Architectural *Historians* Vol. 47 (1988) 245-262.

The Great Depression had a devastating impact on the central business districts of cities nationwide. Retail sales volumes fell to coincide with the public's loss of buying power. Downtown density decreased for the first time as new construction virtually ceased and buildings of all types were demolished when rental income was insufficient to cover expenses. Razed buildings were replaced with parking lots, low-rise garages, and two-story "taxpayer" buildings. Property owners blamed downtown decline on decentralization, which they viewed as the primary threat to land values and the overall future viability of central areas. One businessman in Seattle complained in 1935,

Today there are two centrally located grocery stores in this city of three hundred and fifty thousand people. Formerly dozens of high class restaurants have now been reduced to two or three. Today dinner patrons are along the highways and in the suburbs. Department and chain stores formerly having one downtown location are now scattered through the community business districts, and their central outlet has lower rentals and reduced volume.<sup>35</sup>

While the stores and entertainment venues of the outlying city and suburban districts certainly siphoned customers from central business districts, the growth of these areas could not be blamed for soaring vacancy rates experienced by downtown office buildings starting in the mid- to late 1920s. In fact, the rate of office tenant dispersal in most major U.S. cities remained slow throughout the interwar era. Even as late at 1954, suburban office space in 25 of the nation's largest cities comprised only about 10 million square feet, or less than five percent of their central area office space of 210 million square feet, and much of it was used by tenants who had never been downtown.<sup>36</sup>

<sup>&</sup>lt;sup>35</sup> A.A. Oles, "Let's Take a Look at Suburban Business Areas," *Skyscraper Management* Vol. 20 (January 1935) 12.

<sup>&</sup>lt;sup>36</sup> Statistics on 1954 office space from: Shultz and Simmons, 230. For an overview of twentieth-century job dispersal in the retail, office and manufacturing sectors, see: Robert Bruegmann, "Schaumburg, Oak Brook, Rosemont, and the Recentering of the Chicago Metropolitan Area." in: *Chicago Architecture and Design*, *1923-1993: Reconfiguration of an American Metropolis*, ed. John Zukowsky (Munich: Prestel-Verlag, 1993) 159-177.

The increasingly dismal state of the office market in most downtowns was instead due to a variety of factors, including widespread business foreclosures and overbuilding of the previous decade. During the construction boom that spanned 1925 to 1931, Chicago's office space increased 74 percent and its vacancy rates nearly tripled, from 7.1 percent to 19.2 percent. Only San Diego, New York, and Minneapolis had greater percentage increases in office space than Chicago, all of which also experienced soaring vacancy rates during the same period. In contrast, Detroit and Los Angeles only experienced 25 percent increases in office space construction. However, the collapse of the auto industry that underwrote much of Detroit's economy was instrumental in pushing its office tenant vacancy from 10.5 to 28.5 percent. In contrast, the office vacancy rate of downtown Los Angeles only increased from 11.5 to 15.5 percent.

City	Percentage	Percentage of	Percentage of
	Increase in office space	Vacancies in 1925	Vacancies in 1931
	from 1925 to 1931		
New York	92	5	17
Minneapolis	89	6	20
Chicago	74	7	19
Philadelphia	67	11	25
Denver	53	3	15
Pittsburgh	49	2	13
Cleveland	34	15	17
Seattle	34	19	19
Los Angeles	25	11	15
Detroit	25	10	28

TABLE VII PERCENTAGE INCREASE IN OFFICE SPACE AND OFFICE VACANCY RATES FOR THE PERIOD 1925 to 1931 FOR TEN AMERICAN CITIES

Data taken from: Shultz and Simmons, pp. 162-163. Figures in this table were obtained from rental surveys undertaken of these of other cities by the National Association of Building Owners and Managers during this period.

Many downtown property owners and managers considered it possible to reverse the trend of decentralization by alleviating its causes, foremost among them was traffic congestion, which they believed was a major factor in discouraging trips downtown. What was needed above all, they asserted, was to facilitate travel to and from cities through improved and expanded rapid transit, parking, and new highway construction. Marginal areas on the fringes of downtowns should be re-zoned solely for residential use and, many felt, rebuilt with apartment buildings aimed entice middle- and upper-middle-class consumers with greater purchasing power. Downtown interests responded to the combined threat of decentralization and depression through collective efforts. For example, Chicago businessmen and property owners formed the Downtown Council in 1939 to address a range of problems afflicting the central area and to coordinate the diverse agendas of at least fifteen other groups with more limited objectives.<sup>37</sup>

# 2. Expansion of Outlying Commercial Districts

Outlying urban and suburban commercial districts were established throughout the regions of Chicago and other American cities in the nineteenth- and early twentieth-centuries to serve local shopping needs and were typically concentrated near elevated, subway, or suburban train stations. The expansion of such districts was spurred by accelerating residential dispersal during the real estate boom of the 1920s. During this time, larger satellite commercial districts featuring branch department stores began to rival the central business districts of many cities and

<sup>&</sup>lt;sup>37</sup> The groups represented by the Downtown Council included the Building Owners and Managers Association; State Street Council; Greater Central District Association; Chicago Wholesale District Property Owners' Committee; South State Street Improvement Association; Wabash Avenue District Association; Van Buren Street Association; LaSalle Street property owners; Chicago Association of Commerce; Greater Chicago Hotel Association; North Central Association; West Central Association; and the South Central Association. *Program of the Downtown Council*, Chicago 1939; "16 Groups Unite to Speed Civic Improvements," *Chicago Tribune* (August 6, 1940).

attracted customers from a larger geographic area. Such areas were typically strung out along major thoroughfares leading to downtown, such as Broadway Avenue and Halsted Street in Chicago's Uptown and Englewood districts, respectively; Woodward Avenue in Detroit, which served residential districts of differing income levels along its length; and in Los Angeles, the commercial districts in Hollywood and along Wilshire Boulevard, the most prominent of which was the Miracle Mile. Satellite commercial districts in cities such as Los Angeles, which were located beyond the limits of the streetcar system, were necessarily car-oriented in contrast to those in cities like Chicago and New York with well-established and far-reaching public transportation systems, and were typically centered at the convergence of streetcar transfer points.

Retail decentralization in Los Angeles was more dramatic and far-reaching than in cities elsewhere due to its far-flung residential population. A study conducted of retail trade done by the sixteen major economic areas within the Los Angeles metropolitan market in 1929 and 1939 showed the steady shift in retail trade from the core to the outlying areas. The central area's percentage of total retail sales in Los Angeles County fell from 34.1 percent to 19.6 percent during this period, whereas retail sales in most of its major outlying commercial centers experienced growth.<sup>38</sup>

<sup>&</sup>lt;sup>38</sup> For a discussion of the vertical and lateral expansion of downtown Los Angeles, see Chapter 2 in: Richard Longstreth, *City Center to Regional Mall: Architecture, the Automobile, and Retailing in Los Angeles, 1920-1950* (Cambridge, Massachusetts, The MIT Press, 1997). Statistics on retail trade in Los Angeles County taken from: Ralph Cassady and W.K. Bowden, "Shifting Retail Trade within the Los Angeles Metropolitan Market," *Journal of Marketing* (April 1944). According to this study, the fastest-growth areas were the Wilshire Area, Adams-Inglewood Area, Westwood-Beverly Hills Area, and the San Fernando Valley Area, all of which experienced a gain in retail trade of at least ten percent between 1929 and 1939. In addition to the Central Area (defined as Downtown and Westlake), the other major economic areas of Los Angeles identified by this study are: Glendale Area; Pasadena Area; Pomona-Foothill Area; Alhambra Area; Northeast Area; East Area; Central Area (Downtown and Westlake); Hollywood Area; Santa Monica Bay Area; Southeast Area; Whittier-Norwalk Area; and the South Coast Area.

By the early 1930s, Chicago featured twenty major commercial centers outside the central business district that attracted customers from a wide area. An additional 92 minor commercial centers were comprised of neighborhood business streets that served nearby residents. Eighteen of the major centers were located from four to fourteen miles from the central area. (See Table VIII.) More than half were located on the periphery of the city in areas that featured some of the highest residential land values, indicating the greater buying power of its population. Such districts prospered due to their close proximity to large numbers of residents. According to one study, an average of 88,600 people lived within one mile of each of Chicago's twenty major satellite commercial districts, whereas only 24,700 people lived within one mile of State and Madison streets. The customer base located closest to the Loop—aside from the Near North Side Gold Coast District—featured some of the city's lowest income communities as well as African-Americans of the nearby South Side Black Belt.<sup>39</sup>

<sup>&</sup>lt;sup>39</sup> M.J. Proudfoot, The Major Outlying Business Centers of Chicago. Ph.D. dissertation, University of Chicago (Chicago, 1938) 5. This dissertation presents a twofold analysis of Chicago's major outlying commercial centers, based on field work conducted in 1933. The first analysis discusses the general character of the centers as a group based on a variety of factors, while the second analysis uses the Madison and Pulaski (formerly Crawford) commercial district as a representative case study of Chicago's outlying centers.

# TABLE VIIICHICAGO'S TWENTY MAJOR OUTLYING COMMERCIAL CENTERS IN THE 1920S

Major Centers	Street Miles from
	State and Madison
Halsted & Roosevelt	2
Milwaukee and Paulina	3
North Ave: California to Western	4
Madison & Kedzie	4
Roosevelt & Kedzie	4
Lincoln, Belmont & Ashland	5
Milwaukee & Logan Square	5
Madison & Pulaski	5
47 <sup>th</sup> and South Park	6
Ashland & 47 <sup>th</sup>	8
North and Pulaski	6
Broadway & Wilson	6
Lawrence and Kedzie	8
Halsted and 63 <sup>rd</sup>	9
63 <sup>rd</sup> and Cottage Grove	8
Milwaukee, Irving Park and Cicero	8
Stony Island & 67 <sup>th</sup>	9
Halsted and 79 <sup>th</sup>	11
Commercial and 92 <sup>nd</sup>	13
Michigan and 111 <sup>th</sup>	14

Data taken from: Malcolm J. Proudfoot, *The Major Outlying Business Centers of Chicago* (Chicago: The University of Chicago Libraries, 1938) 5.

The vast majority (83%) of people arrived in Chicago's outlying commercial districts via streetcar and automobile, although expansion of the Uptown and Englewood commercial districts on the North and South Sides, respectively, was also spurred by extensions of the streetcar lines. These two centers, along with the one at Madison and Pulaski (formerly Crawford) streets on the West Side, were among the largest of Chicago's outlying centers.<sup>40</sup>

<sup>&</sup>lt;sup>40</sup> Proudfoot, 5, 10. The nexus of the Uptown commercial district was on Broadway, between Wilson and Lawrence avenues. Englewood's commercial district was clustered around the intersection of 63<sup>rd</sup> and Halsted streets. The Madison and Pulaski intersection is in the West Garfield Park community. All three of these areas went into decline starting in the 1960s. Although Uptown and West Garfield Park have retained much of their commercial building stock, today their businesses cater to the needs of nearby residents. The most visible symbol of Uptown's former glory as a regional center for entertainment, the 4,500-seat Uptown Theater, has been closed for years. Most of the commercial building stock around 63<sup>rd</sup> and Halsted streets has been demolished.

Such major centers attracted customers and visitors from other Chicago communities to their bustling department stores and wide variety of specialty retail stores that offered a range of merchandise. Retail included women's and men's clothing stores, shoe stores, and furniture stores. Electrical appliance stores sold the plethora of consumer goods then being massproduced for the nation's fast-growing consumer economy, which was fueled by the simultaneous growth of consumer credit and the advertising industry. The chain store industry experienced tremendous growth during the 1920s, the heyday of outlying commercial districts. The number of chain stores in the U.S. tripled from 27,000 to about 100,000 between 1920 and 1927. The staggering upsurge of chain stores in the 1920s was evident in Chicago's outlying areas. Some of the more popular national chains that competed for valuable corner sites were the Walgreen drug store, the Woolworth or Kresge variety stores, the Sears and Montgomery Ward department stores, and the United Cigar store. Local/regional chains were also well represented in the major commercial centers. These included the Fannie Mae confectionary, the Benson-Rixon clothing store, and the Wieboldt's and Goldblatt's department stores. Considerably lower rents provided powerful motivation for independent merchants and chains to locate in these areas.41

All of Chicago's major outlying areas boasted an opulent movie palace that was typically operated by a regional or national chain, such as Balaban and Katz. Significantly, this company built its first three movie palaces on Chicago's West, North, and South Sides between 1917 and 1921 before establishing a presence in the Loop with completion of the Chicago Theater in 1925.

<sup>&</sup>lt;sup>41</sup> The chain store industry experienced tremendous growth during the 1920s, the heyday of the outlying commercial districts. Statistic on chain store numbers from: John P. Nichols, *The Chain Store Tells Its Story* (New York: Institute of Distribution, Inc., 1940) 83. Both the Nichols book and the following book written by the editor of *Chain Store Age* magazine present the chain store industry's perspective on its own history: Godfrey Lebhar, *Chain Stores in America: 1859-1962* (New York: Chain Store Publishing Corporation, 1952).

However, the crown jewel in this company's chain was the 4,500-seat Uptown Theater, completed in 1926 as their second movie palace in that community, testifying to its preeminence as a major entertainment district on the city's North Side during its heyday of the 1920s. Many additional venues, such as the lavish Aragon Ballroom and the Green Mill Gardens, a popular nightclub, attracted thousands of revelers from across Chicago and the suburbs to Uptown on a weekly basis. Such major outlying centers featured high quality entertainment formerly only available in the Loop and also offered a host of less expensive venues, such as smaller movie houses, bowling alleys, taverns, restaurants, and cafeterias.<sup>42</sup>

Chicago's outlying commercial centers on the West and North Sides faced growing competition from rival suburban centers in Oak Park and Evanston, where many Loop department stores established branches during the 1920s and 1930s. Marshall Fields built elegant five-story branches in both communities, around which many other branch stores of the time, such as Baskins, Lyttons, Wieboldts, as well as a host of specialty stores and movie theaters, were clustered. These prosperous districts drew customers from nearby Chicago communities on the city's fringes. Especially affected by Oak Park were the large districts at Madison/Pulaski and Madison/Kedzie on the West Side. Evanston tapped the trade of the shopping strips along Devon, Clark, and Howard Streets, as well as the Uptown's Broadway/Wilson district on the North Side. "Instead of attracting trade from the suburbs, the suburbs in their new satellite loops attracted trade away from the outer edges of Chicago," noted Homer Hoyt.<sup>43</sup>

<sup>&</sup>lt;sup>42</sup> Balaban and Katz's first three movie palaces were: the Central Park at 3531 W. Roosevelt Road on the West Side (1917), the Riviera Theater at 4746 N. Broadway on the South Side (1918); and the Tivoli at 63<sup>rd</sup> and Cottage Grove avenues on the South Side (1921). By the mid-1920s, Balaban and Katz had achieved dominance in Chicago's outlying areas and had become a Midwestern cinema powerhouse. The corporation was purchased in 1926 by Hollywood's largest movie company, Famous Players-Lasky, which became Paramount-Publix and grew to 1,000 theaters by 1930. "Balaban & Katz Taken Over by Famous Players," *Chicago Tribune* (June 7, 1926). <sup>43</sup> Hoyt, 1933, 275.

Although Chicago's outlying city and suburban centers thrived as destinations for retail and entertainment, they were less important as sites for professional office jobs, most of which remained downtown. Businesses that did leave the Loop in the immediate post-World War I era due to lack of available office space and sky-high rentals drifted to the wholesale apparel district between Wells Street and the South Branch of the Chicago River, where loft buildings were converted to office use. In addition, many house-to-office conversions occurred along the formerly fashionable residential streets of the Near West Side that had become intermixed with industry and warehouse uses since 1900. According to one realtor who specialized in this area, "[These concerns] find they can transact their business in these buildings and in these localities just as well as, if not better than, in more congested quarters and at the same time save money which they were formerly payout out in rent." The periphery of the Loop remained the preferred location for the majority of tenants leaving downtown through at least the mid-1950s.<sup>44</sup>

Office space that did exist in Chicago's outlying areas was typically situated in the upper floors of two- to three-story commercial blocks that comprised their predominant building stock. Some of the more prominent centers featured mid-rise bank-office towers of up to twelve stories that were always sited at prominent intersections, including the Classical Revival style Sheridan Trust and Savings Bank Building in the heart of the Uptown district. Less common were purely speculative towers, such as West Town's modernistic Northwest Tower at the six-corner intersection of North, Milwaukee and Damen avenues. Office space in the outlying centers was mainly occupied by service-related professionals, many of whom were sole proprietors, such as

<sup>&</sup>lt;sup>44</sup> "West Side: Becoming Very Attractive to Concerns Located in the Central Business District," *The Economist* (November 13, 1920). According to records kept by the Chicago Building Owners and Managers Association, 95 major tenants (of 5,000 square feet and over) left the Loop between 1943 and 1956. Of these, 39 percent moved to periphery of Loop; 27 percent to outlying Chicago areas; 22 percent to suburban areas; and 12 percent out of the metropolitan area. Shultz and Simmons, 230.

doctors, dentists, real estate agents, insurance brokers, and attorneys. Outlying centers with the greatest concentration of office space included Uptown and the district surrounding the six-corner intersection of Irving Park Road, Cicero and Milwaukee avenues.

While exact statistics regarding the volume of business activity in Chicago's outlying commercial districts are unavailable, neighborhood bank deposits reveal something of their growth. As of 1926, the city had 173 outlying banks with total deposits in excess of \$615 million. This marked an increase of 3,000 percent since 1900, which indicated growing commercial transactions in the neighborhood districts. Such banks helped financed the growth of their surrounding communities as they collected the savings of residents for reinvestment in local building projects and provided loans to local merchants. During 1923 and 1924 the outlying banks grew more than 42 percent in deposits, as compared with the 20 percent increase in the central business district institutions and in 1926 featured more than 50 percent of the total bank deposits in the city. By the end of World War I there were also 255 Building and Loan Associations in Chicago, most of which were located in ethnic, working class communities where they helped finance mortgages for their members.<sup>45</sup>

The growing importance of Chicago's outlying commercial districts was also indicated by their skyrocketing land values, especially as compared to the central area. In the period 1910 to 1928, the estimated sales value of land in Chicago's outlying districts increased from \$200 million to \$1.3 billion, or a gain of 567 percent. In comparison, the estimated value of land in the city's central business district rose from \$600 million to \$1 billion in the same period, a rise of 67 percent. Land values were highest at the double and triple intersections that served as

<sup>&</sup>lt;sup>45</sup> McClintock, 1926, 73. Jeffrey A. Brune, "Savings and Loans Association," in *Encyclopedia of Chicago History*: <u>www.encyclopedia.chicagohistory.org</u>. For a contemporary history of early twentieth-century Building and Loan Associations, see: H. M. Bodfish (ed), *History of Building and Loan in the United States* (Chicago: United States Building and Loan League, 1931).

streetcar transfer points and were coveted by rival drug store, banks, and department store chains as they commanded the greatest foot traffic. The number of one-thousand-dollars-a-foot corners increased from 52 to 816 between 1910 and 1929.<sup>46</sup>

# TABLE IXVALUE OF LAND AT PRINCIPAL OUTLYING BUSINESS CORNERS OF CHICAGO,1910 to 1920 (DOLLARS PER FRONT FOOT)

Location	1910	1915	1921	1925	1929
South Side					
63 <sup>rd</sup> -Halsted	1,500	5,000	4,000	9,000	10,000
92 <sup>nd</sup> and Commercial	450	1,500	1,500	2,500	4,000
47 <sup>th</sup> and Ashland	800	1,500	1,750	3,000	4,000
West Side					
Madison-Pulaski	500	1,000	1,250	2,250	7,000
Roosevelt-Halsted	2,000	2,500	2,500	3,000	5,000
Lake-Marion, Oak Park	175	175	200	1,000	2,250
North Side					
Chicago-Ashland	100	750	1,000	1,750	3,000
Lawrence-Broadway	100	1,250	2,000	4,000	5,500
Howard-Paulina	40	90	225	1,000	2,500

Data taken from Table XIX in: Homer Hoyt, *One Hundred Years of Land Use in Chicago* (Chicago: University of Chicago Press, 1933) 252.

In 1910, one observer of Chicago's neighborhood shopping districts struck an optimistic view of commercial dispersal then-prevalent among observers of the city, "It is encouraging and hopeful to observe that the increased business and commercial activities in localities more or less distant from the Loop have in no way detracted from the volume of business transacted in the downtown stores and business houses." By the 1920s, however, the outlying centers as a group were seen as direct competition to long-standing retailers in the Loop. One contemporary

<sup>46</sup> Hoyt (1939) 109; Hoyt (1933) 255.

estimate made in the mid-1930s pegged their aggregate business turnover as likely approximating two-thirds that of the central business district.<sup>47</sup>

Chicago's outlying commercial districts also suffered during the Depression, but not as much as the central area. They were most impacted through the widespread closure of the banks that had formerly financed local business and real estate. Between 1929 and 1933, the number of banks located outside the Loop plummeted from 199 to 33. However, vacancies in such major commercial districts as Madison/Pulaski in West Garfield Park were mainly limited to upper floor office space while first floor retail businesses held their own, indicating a relatively healthy condition. In 1934, the height of the Depression, every store building in the Englewood business district was rented. In the same year, Sears Roebuck and Company built a \$1.5 million department at the 63<sup>rd</sup>-Halsted intersection of that community, adding another story in 1940. Most dramatic was the Marshall Field Estate's decision to undertake a massive real estate buying program in Chicago's outlying commercial districts and in suburban Oak Park, Evanston, and other north shore suburbs from 1934 to 1936, purchasing 31 properties at a cost of \$10 million. According to Managing Trustee George Richardson, this was the first time that the Estate— which was the single largest owner of downtown real estate—had turned away from the Loop.<sup>48</sup>

<sup>&</sup>lt;sup>47</sup> Quote taken from: John F. Smulski, "Vienna Official Praises Chicago: View Echoed by Smulski," *Chicago Tribune* (Dec. 7, 1910). Estimate of outlying retail sales from: Proudfoot, 49.

<sup>&</sup>lt;sup>48</sup> Hoyt (1933) 270; "South Side Trade is Looking Up," *Chicago Tribune* (August 19, 1934); "63<sup>rd</sup> and Halsted Gains Another Claim to Fame: Sears Will Open Windowless Store Thursday," *Chicago Tribune* (Nov. 18, 1934); "Sears, Roebuck & Co. Will Add Floor to Store in Englewood," *Chicago Tribune* (Feb. 4, 1940); Al Chase, "Marshall Field Estate Completing Ten Million Dollar Real Estate Program," *Chicago Tribune* (May 10, 1936).

# C. Industrial Growth and Dispersal

Chicago's advantages as a port and railroad hub in the mid-nineteenth-century attracted manufacturing and by 1890 the city was established as one of the nation's leading centers of industry, second only to New York, and remained so through World War I. The interwar period was distinguished by accelerated industrial dispersal away from the central area due to a variety of factors, including paralyzing traffic congestion, soaring land values, lack of space for expansion, and proliferation of the motor truck. Industrial sites located farther from downtown featured cheaper land and lower taxes as well as large tracts of undeveloped land for construction of expansive one-story plants that accommodated modern assembly-line methods. Such efficient new plants were preferable to the old style multi-story story loft buildings that many companies abandoned in the city center. Although Chicago's industrial economy remained wealthy and diversified during the interwar era, its heyday had passed, and like other Midwestern cities it began showing signs of slower growth with the onset of the Depression and emergence of Sunbelt cities in the South and West.

### 1. Industrial Emergence in Chicago and the Midwest

Chicago's spectacular rise as a mid-continent manufacturing hub was due to its strategic location as a transfer point for trade via water and rail. The city's early transportation advantages lay in its harbor at the mouth of the Chicago River and the 97-mile Illinois and Michigan Canal connecting the Great Lakes and Mississippi River systems, which was completed in 1848. In anticipation of the canal, the federal government cut a channel across the sandbar at the mouth of the Chicago River in the mid-1930s to create a harbor, which became of the nation's busiest by the Civil War. Manufactured goods from the industrialized east and lumber from the woods of

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Wisconsin and Michigan moved across the lake to the bustling wharves along the river, while grain of the Midwestern plains was transported eastward. Tonnage entering the Chicago harbor rose from 440,000 in 1844 to over 3 million in 1869. Equally significant to the city's early industrial growth was the expansion of its railroad network. The Galena and Chicago Union was the only railroad to enter the city in 1850. Six years later, Chicago was the focus of ten trunk lines with nearly 3,000 miles of track. All railroad lines radiating from the East and West Coasts terminated in Chicago, which became the rail center of the nation and remained so through the interwar period.<sup>49</sup>

Prior to the 1871 Chicago Fire, most of the city's industry was located within, or adjacent to, its business district and also clustered near the river branches where parallel rail lines allowed for the transfer of goods among railroad cars, river barges and lake ships. Towering grain elevators defined the south bank of the river's main stem where a thriving wholesale trade was concentrated on South Water Street. The business district itself and the Near West Side featured a range of handicraft industries, such as shoemaking, dressmaking, tailoring, and cigar manufacturing, as well as the printing industry, bakeries, and a variety of other manufacturers. Extensive lumber yards and planing mills clustered along the river's south branch. The

<sup>&</sup>lt;sup>49</sup> The I&M Canal began at the present-day Bridgeport, a neighborhood six miles southwest of Chicago's Loop, where it linked to Lake Michigan via the South Branch of the Chicago River. From there, it flowed in a southwesterly direction to the twin cities of LaSalle-Peru, where it connected to the Illinois River, which flows into the Mississippi. Unlike most canals, which were funded through the sale of state bonds, the I&M Canal was the result of an unusual federal-state partnership that provided the State of Illinois with an expansive land grant that was intended to finance its construction. This 1827 grant served as an important model for federal land grants made to the railroads starting in 1850 with the Illinois Central. Norton & Company, 1991). For more information on the I&M Canal and its significance to the growth of Chicago, see: Michael P. Conzen and Kay J. Carr, *The Illinois and Michigan Canal National Heritage Corridor: A Guide to its History and Sources* (DeKalb, Illinois: Northern Illinois University Press, 1988); James W. Putnam, *The Illinois and Michigan Canal A Study in Economic History* (Chicago: University of Chicago Press, 1918). For a good overview of Chicago's establishment as both a port and rail hub, see Chapter 2 "Rails and Water," in: William Cronon, *Nature's Metropolis: Chicago and the Great West* (New York: W.W. Norton, 1992). Statistics on Chicago harbor tonnage and railroad trunk lines taken from: Mayer and Wade, 35-36, 42.

McCormick Reaper Works was established in 1847 near the mouth of the river and quickly became the largest employer on the city's North Side.

Noisome tanneries and meat-packing concerns were located just outside the municipal limits due to city ordinances, with the former clustering near other factories and breweries on Goose Island, which was created in the 1850s when a canal was cut from the river's north branch. Chicago's budding iron and steel industry also got its start in this area, which featured the city's first rolling-mill. In 1865, a group of railroad companies established the Union Stock Yards on a 320-acre tract just outside the city limits at 39<sup>th</sup> and Halsted streets, which drew most meat packing and related firms to the southwestern portion of the city.<sup>50</sup>

Chicago was the leader of the Midwestern cities that were transformed into manufacturing hubs in the second half of the nineteenth-century, rivaling those of the east that had industrialized a half-century earlier. Historian Jon Teaford notes that whereas in 1860 only two of the nation's top twenty manufacturing counties were in the Midwest, by 1890 the Old Northwest plus St. Louis featured seven of the twenty cities with the greatest value of manufacturers. The 1870s and 1880s marked the emergence of the Midwestern industrial boom, which was driven by the region's advantageous position in regards to natural resources, such as coal, lumber, and fertile agricultural lands; expanding water and rail networks to deliver goods to their markets; and a rapidly growing base of consumers. Iron and steel fabricators proliferated in cities throughout the Midwest as did woodworking industries, while grainaries supplied the brewing industry. Although Chicago was the undisputed leader in the meatpacking industry,

<sup>&</sup>lt;sup>50</sup> The Union Stockyards eventually grew to 475 acres and at its largest extent was bounded by Pershing Road (39<sup>th</sup> Street) and 47<sup>th</sup> Street from north to south, and be Halsted Street and Ashland Avenue from east to west. For a succinct overview of the emergence, growth, and dispersal of Chicago industry, see: Susan E. Hirsch, "Economic Geography," in: *Chicago Neighborhoods and Suburbs: A Historical Guide*, ed. Ann Durkin Keating (Chicago: University of Chicago Press, 2008) 64-75.

other cities sought a share of the business and also established large stockyards and plants related to the by-products of slaughtering. Chicago's thriving mail-order industry, led by Montgomery Ward and Sears Roebuck and Company, remained unrivaled nationwide.<sup>51</sup>

### 2. Chicago's Golden Age of Industry: 1890s through 1920

By the 1890s, Chicago had become the nation's second largest manufacturing city, behind only New York. Its industries soon diversified and greatly expanded in number, with more than 2,500 manufacturing firms, exclusive of handicraft industries, added to the city's total between 1890 and 1910. Chicago's industries also participated in the great wave of mergers and consolidations that occurred in the years around 1900 and were driven by desires to attain market control and minimize competition or in response to declining profits. Although there were only 138 recorded mergers in manufacturing and mining between1895 and 1898, the number of mergers skyrocketed to 2,653 between 1898 and 1902, during which time one or a few leaders came to dominate industries formerly characterized by small- and medium-sized forms. This merger wave saw the creation of the giant corporations that dominated early twentieth-century American business, including the American Tobacco Company, the American Bridge Company, and United States Steel Corporation, which built the world's largest steel plant in Gary, Indiana.<sup>52</sup>

<sup>&</sup>lt;sup>51</sup> An historical overview of the emergence of the Midwest as the nation's manufacturing center can be found in Chapter 2 of: Jon C. Teaford, *Cities of the Heartland: The Rise and Fall of the Industrial Midwest* (Bloomington: Indiana University Press, 1993). The statistic related to the growth of manufacturing cities in the Midwest between 1860 and 1890 was from page 50 of this book.

<sup>&</sup>lt;sup>52</sup> Statistic on Chicago manufacturing growth taken from: The Center for Urban Studies, University of Chicago: *Mid-Chicago Economic Development Study, Volume III* (Chicago, 1966) 21. Statistic on mergers taken from: Herman E. Kroos and Charles Gilbert, *American Business History* (Englewood Cliffs, New Jersey: Prentice-Hall, 1972) 191.

One of the largest industrial mergers to occur in Chicago was the creation of International Harvester in 1902 through a combination of the McCormick Reaper Works, Deering Harvester Works, and two smaller companies. In that year, the company produced an estimated 90 percent of the nation's grain binders, 83 percent of mowers, and 67 percent of rakes, and it continued to dominate the agricultural machinery market for most of the twentieth-century. The Illinois Steel Company was formed in 1889, bringing together all of Chicago's major steel producers. The American Biscuit Company was created in 1890, taking control of 40 bakeries around the Midwest before becoming part of the National Biscuit Company. By the late nineteenth century, Chicago's Big Three packers—Philip Armour, Gustavus Swift, and Nelson Morris—took control of the nation's meatpacking industry and in 1905 formed the short-lived National Packing Company, which voluntarily dissolved in 1912 after the federal government began antitrust proceedings. Only the furniture industry resisted the formation of giant corporations.<sup>53</sup>

Chicago experienced rapid growth in manufacturing from 1909 to 1919, during which time the number of industrial wage earners increased by 37.4 percent and the value of its products nearly tripled. Although this growth was substantial, it was far surpassed by that of Los Angeles and Detroit, where the number of industrial wage earners increased by 172 percent and 106.2 percent, respectively, during the same decade. In Detroit, the majority of those wage earners were engaged in work related to the manufacture of automobiles, an industry that grew exponentially in the early twentieth century. As a result, the value of products manufactured in the nation's auto capital increased by an astounding rate of 388 percent from 1909 to 1919. The

<sup>&</sup>lt;sup>53</sup> The Center for Urban Studies, University of Chicago: *Mid-Chicago Economic Development Study, Volume III* (Chicago, 1966). Also reviewed entries on the National Biscuit Company and meatpacking in the online *Encyclopedia of Chicago*: <u>www.encyclopedia.chicagohistory.org</u>.

value of products manufactured in the fast-growing city of Los Angeles increased by a comparable rate of 306 percent, although it had a considerably more diversified economy that ranged from meat packing to oil refining. In comparison, New York's number of industrial wage earners increased by only 15.3 percent, although the value of its products doubled.<sup>54</sup>

### TABLE X NUMBER OF WAGE EARNERS IN MANUFACTURING INDUSTRIES IN VARYING CITIES AND VALUE OF PRODUCTS IN VARYING CITIES, 1909 TO 1929

Year	Chicago	Los Angeles	Detroit	New York
1909	293,977	17,327	81,011	553,923
	\$1,281,171,181	\$68,586,274	\$252,939,343	\$2,027,425,288
1919	403,942	47,118	167,016	638,775
	\$3,657,424,471	\$278,184,143	\$1,234,519,842	\$5,260,707,577
1929	405,399	76,028	221,588	563,249
	\$3,915,052,959	\$757,702,135	\$2,014,165,786	\$5,984,254,941

Sources: U.S. Department of Commerce, Fourteenth Census of the Unites States, Manufacturers: 1919, Volume 9 (Washington, 1923), Table 6 for all cities shown. U.S. Department of Commerce, Fifteenth Census of the United States, Manufacturers: 1929, Volume 3 (Washington, 1933), Table 14 for all cities shown.

The U.S. emerged from World War One as a creditor nation and the general prosperity of the 1920s was accompanied by mass consumption of durable goods then being mass produced, especially in the Midwest. Los Angeles and Detroit continued to experience healthy influxes in their numbers of industrial wage earners as well as substantial increases of 172 percent and 63 percent, respectively, in the value of products manufactured. In New York, the number of wage earners decreased by 75,526, although the value of its products increased by a modest 13.7 percent. The number of industrial wage earners in Chicago was largely stagnant during the 1920s, rising by only 1,457 workers, while the value of its products increased slightly, by seven percent.<sup>55</sup>

<sup>&</sup>lt;sup>54</sup> Percentages in this paragraph obtained from statistics in Table X.

<sup>&</sup>lt;sup>55</sup> Ibid.
During the 1910s and 1920s, Chicago's primary industries were, in order of importance: slaughtering and meat packing; men's clothing; foundry and machine shop products; book printing and publishing; electrical machinery, apparatus and supplies; bread and other bakery products. The city's manufacturing economy was quite diversified, and there were many other important industries as well. As the recognized center of the electrical machinery industry, it was ranked first nationwide in the manufacture of radio apparatus, a product that switched from a luxury to a necessity during the 1920s. The city was a major manufacturing and distribution center of musical instruments, and pianos in particular. In 1925, twenty-three piano factories in Chicago produced 180,000 pianos, an output that exceeded that of Europe. The city enjoyed preeminence in the confectionary industry, with the massive factory complexes of such nationally known companies as Bunte Bros. and E.J. Brach and Sons producing candy that was distributed worldwide. Chicago was also the country's foremost producer of automobile accessories during this period and was a leading furniture manufacturing center. As late as World War I, most Chicago industry was dependent on regional rather than national markets, with exceptions in meatpacking, metals processing, farm implements, and railroad equipment. The average railroad haul, which had been only 110 miles per ton in 1882, was less than 250 miles per ton in 1910.<sup>56</sup>

<sup>&</sup>lt;sup>56</sup> Rounding out Chicago's top ten industries in 1919 were: railroad cars; newspaper and periodical printing and publishing; women's clothing; confectionary and ice cream; and food preparations. U.S. Department of Commerce, Fourteenth Census of the Unites States, Manufacturers: 1919, Volume 9 (Washington, 1923), Table 16 for Chicago. Stephen Gilchrist, "Chicago Gains Goal as Hub of Radio Industry," *Chicago Tribune* (Nov. 23, 1924); "Is Chicago to Lead World in Radio Marketing?" *Chicago Tribune* (Nov. 8, 1925); "Radio Has Gone from Luxury to Necessity Class," *Chicago Tribune* (Feb. 19, 1928); Larry Wolters, "4 in 5 Own Sets; Radio Builders Aim at Increase," *Chicago Tribune* (May 22, 1938). A 1939 report published by the joint committee on radio research showed that 82 percent of the American population owned radios at that time. "Furniture Leader," *Chicago Tribune* (Nov. 19, 1925); "Commercially, at Least, Chicago is the World's Music Center," *Chicago Tribune* (Feb. 1, 1925); "City Leads in Candy Making: Chicago Brands Guarantee of Purity and Excellence," *Chicago Tribune* (Nov. 16, 1910); "Chicago to be Sweetest Spot on Earth if Candy Boom Lasts," *Chicago Tribune* (April 4, 1920). Statistic on average railroad haul from: The Center for Urban Studies, 51.

#### 3. Economic Geography of Chicago Industry

Heavy industry began to disperse to Chicago's southern outskirts in the 1870s after Congress appropriated money for a harbor at the mouth of the Calumet River, an area within the Village of Hyde Park that became the neighborhood of South Chicago after its 1889 annexation to the city. The six miles of river between Lake Michigan and Lake Calumet was dredged and widened over the next quarter century, during which time the Calumet region began its meteoric rise as one of the world's great industrial complexes and steel-producing areas, well-served by both rail and water transportation. Industrialist George Pullman built an approximately 3,500acre industrial town on the western shores of Lake Calumet in the early 1880s to house the factories used to produce the Pullman Palace Car Company's railroad passenger cars and to house its employees. Steel production began in South Chicago during the same decade in a plant that in 1901 became part of the South Works of the U.S. Steel Corporation.

Enterprises in Pullman and South Chicago attracted other industries to the Calumet region, which by the 1890s included distilleries, lumber yards and planning mills, brick making operations, paint factories, terra cotta works, ice plants, agricultural implements, shoe companies, and bed factories. The West Pullman Industrial District was established in the 1890s to rival the established town of Pullman to the northeast and attracted many additional industries. The early twentieth-century saw the expansion of steel production along the shores of Lake Michigan into northwestern Indiana, where the massive new plants for U.S. Steel and Inland Steel were built in Gary and East Chicago, respectively. Additional industry was drawn to the newly created Indiana Harbor Canal, which connected the Grand Calumet River with Lake Michigan at East Chicago. By 1920, the Calumet and Indiana Harbor complexes became the

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most important on the Great Lakes, featuring oil refineries, chemical plants and other heavy industry in addition to the steel mills.<sup>57</sup>

Although a variety of light industries remained within the central district through the early twentieth-century, such uses increasingly relocated to its periphery or in areas further afield due to paralyzing traffic congestion, soaring land values, and lack of space for expansion. Chicago's apparel industry was one that remained concentrated in a tightly knit cluster of multi-story loft buildings along the Loop's western periphery where close contacts with subcontractors was economically beneficial. The garment district, which included small firms and larger manufacturers, was bounded by Monroe, Van Buren, Wells Street and the south branch of the river. Hart, Schaffner and Marx—located at 36 S. Franklin Street since 1910—was the largest of the men's clothing manufacturers, producing nearly one-fourth of Chicago's ready-made clothing output.<sup>58</sup>

Among the most notable trades to disperse from the Loop was the thriving and trafficinducing produce market on South Water Street, Chicago's oldest commercial thoroughfare, which was driven out by the construction of Wacker Drive and relocated to the vicinity of Sixteenth and Canal streets in 1925. Chicago's printing and publishing industry, second only to New York's, became entrenched on the Near South Side near the Polk Street railroad station, a clock tower building that dramatically terminated Dearborn Street. The Rand McNally Company joined printing house row in 1912 upon completion of a large new headquarters building on a half-block site bounded by Clark, LaSalle, Harrison and Van Buren Streets. Its

<sup>&</sup>lt;sup>57</sup> Good overview histories of Pullman, South Chicago, Gary and East Chicago can be found in Erbe, 1995. For information on the establishment of the West Pullman Land Association, see: West Pullman Land Association, *West Pullman and Stewart Ridge, Chicago, Illinois, 1892-1900* (Chicago: West Pullman Land Association, 1900).

<sup>&</sup>lt;sup>58</sup> The Center for Urban Studies, 32.

departure from a prime Loop location on Adams Street just west of LaSalle represented the continued "sorting out" of the business district as office buildings increasingly elbowed out competing uses on high-value streets. Expansion of the R.R. Donnelley Company forced its relocation from printing house row to a massive Gothic Revival style plant on Calumet Avenue, between 21<sup>st</sup> and 22<sup>nd</sup> street, built in the late 1920s.

On the Near North Side, a wholesale and light manufacturing district developed in the 1910s between Chicago Avenue and St. Clair Street near the lakefront and included plants and/or warehouses for several book publishing companies like A.C. McClurg. In 1908, the Montgomery Ward mail order company was among the more prominent firms to relocate from the Loop to the Kingsbury Street Manufacturing District along the North Branch of the River near Chicago Avenue, just beyond the Chicago and Northwestern's 1882 Wells Street Station. Shoe and boot manufacturing plants also located in this general area, which benefitted from the extension of the Chicago, Milwaukee and St. Paul Railroad.<sup>59</sup>

Completion of the new Chicago and Northwestern Station on the west bank of the river at Madison and Canal streets in 1911 spurred the development of the West Side Manufacturing District, which extended as far as Western Avenue and stretched from Kinzie to Harrison streets from north to south. A number of furniture factories were also located near the lumber yards and planing mills along the South Branch of the Chicago River. Such was the case with the S. Karpen and Brothers Company, one of the nation's largest manufacturers of upholstered furniture, which continued to expand and remodel its factory complex on 22<sup>nd</sup> Street and Union Avenue well into the 1920s.

<sup>&</sup>lt;sup>59</sup> The Chicago & Northwestern's 1882 Station on the Near North Side was razed in the late 1920s during construction of the Merchandise Mart.

Outside the environs of the central business district, industry also tended to cluster along the major trunk railroad lines radiating to downtown. For example, the McCormick Reaper Works relocated from downtown to large tract near Blue Island and Western avenues, where it benefitted from proximity to rail and water transportation networks that ran through the city's Lower West Side. Other industries built factories within densely populated neighborhoods with a ready-made labor force. In 1905, Sears Roebuck and Company relocated from a central location at Canal and Washington streets to a 40-acre site in the southwest side community of Lawndale. The company's new Homan Avenue complex symbolized the company's dominance in the mail order industry, featuring a printing plant that produced the company catalog, an administration building that served as company headquarters, a mail order plant and a power plant. In 1922, the E.J. Brach & Sons Company established a \$5 million confectionary plant in the Far West Side community of Austin, consolidating operations formerly located among several facilities on the Near North Side. Many Chicago neighborhoods featured considerably smaller stand-alone light industrial establishments where residents could walk to work.

Many small- and medium-sized factories were strung out along major thoroughfares that were zoned for commerce or industry, such as the diagonal streets of Clybourn and Elston avenues on the North Side, or the north-south thoroughfares of Western and Cicero avenues on the West Side. Chicago's earliest industrial park was the Central Manufacturing District (CMD), which opened in 1905 on a 265-acre tract of land north of the Union Stock Yards, bounded by 35<sup>th</sup> Street and Pershing Road from north to south, and by Morgan Street and Ashland Avenue from east to west. By 1915 it featured approximately 200 firms providing jobs for 40,000 people. Rapid growth spurred its extension to a 90-acre tract south of Pershing Road, between Ashland and Western in 1915, and to a 47-acre tract at the southwest corner of 47<sup>th</sup> Street and

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Kedzie Avenue in 1917. All three portions of the CMD were served by the Chicago Junction Railway, which connected with every trunk line railroad entering Chicago. Industrial parks such as the CMD were especially attractive as they allowed for expansion without crossing alleys or streets. Both industrial corridors and planned industrial parks located within the city were accessible to workers via streetcar.<sup>60</sup>

Industrial sites located farther from downtown featured cheaper land and lower taxes, opportunities for closer contacts with related businesses, and large tracts of undeveloped land for construction of expansive one-story plants that accommodated modern assembly-line methods. Such efficient new plants were preferable to the old style multi-story story loft buildings that many companies abandoned in the city center. Industrial dispersal during the interwar era was also spurred by the proliferation of the motor truck, which unlike railroads, had no stationary routes and could deliver merchandise from door-to-door without reloading and rehandling the shipment. As a result, transport via motor truck featured lower costs and faster service/deliveries with fewer damaged goods. The number of motor trucks in the U.S. increased at an astounding rate, nearly tripling within the span of two years, from 391,057 to almost 900,000 between 1917 and 1919. Even the Depression did not break the steady growth of motor truck vehicle registration. Between 1933 and 1934, truck registrations in Illinois increased 49 percent, while the national increase was 64 percent.<sup>61</sup>

Chicago added to its locational advantages in 1926, when its new Municipal Airport (renamed Midway in 1949) opened on a 320-acre tract of farmland at 63<sup>rd</sup> Street and Cicero Avenue on the Southwest Side, which was permanently leased from the Chicago Board of

<sup>&</sup>lt;sup>60</sup> Mayer and Wade, 234-235.

<sup>&</sup>lt;sup>61</sup> Center for Urban Studies, 37-38.

Education. Both city officials and the business community anticipated the growth of the transcontinental air passenger lines and in 1928 began negotiations with the Board of Education to double the size of the airport by leasing another 320-acre tract to the north, extending the field to 55<sup>th</sup> Street. This was approved in 1930 and after years of negotiations and court battles to relocate Chicago and Western Indiana Railroad tracks that cut through the site, Municipal Airport was expanded by 1941 to comprise a mile-square site that accommodated the 5,000-footlong runways required for increasingly larger airplanes. At that time, the busy field featured more than 125 daily airline arrivals and departures and hundreds of military and private planes operated from the field. A large terminal built on Cicero Avenue in the early 1940s replaced the original Modernist facility designed by City of Chicago architect Paul Gerhardt, and by the mid-1940s, airline passenger traffic at Chicago Municipal Airport exceeded the one million mark.<sup>62</sup>

Although Chicago was clearly the industrial giant in the metropolitan region, other cities and suburbs developed as independent industrial satellites and experienced growth in terms of their numbers of industrial wage earners and the value of products manufactured, especially during the decade from 1909 to 1919. During the 1920s, such growth slowed in Aurora, Elgin and Waukegan, although industrial production in suburban Cicero skyrocketed due to Western Electric's massive Hawthorne Works complex. Industrial growth in Joliet, which was largely dependent on the steel industry, reverted by 1929 to its 1909 levels of industrial production likely due to competition from Chicago's expanding Calumet region.<sup>63</sup>

<sup>&</sup>lt;sup>62</sup> Wayne Thomas, "City Will Take Airport Tracks on Wednesday: Marks End of Long Fight to Enlarge Field," *Chicago Tribune* (April 25, 1941); "Airport Works To Make Field Nation's Finest," *Chicago Tribune* (Jan. 24, 1941). For a history of Chicago's first public airport, see: Christopher Lynch, *Chicago's Midway Airport: The First Seventy-Five Years* (Chicago, Lake Claremont Press, 2003).

<sup>&</sup>lt;sup>63</sup> Western Electric's plant was located at Clinton and Van Buren streets in Chicago, just west of the Loop, prior to the company's relocation to its new manufacturing complex in west suburban Cicero.

# TABLE XI NUMBER OF WAGE EARNERS IN MANUFACTURING INDUSTRIES IN CHICAGO AND VARYING SUBURBS AND VALUE OF PRODUCTS, 1909 to 1929

Year	Chicago	Aurora	Cicero	Elgin	Joliet	Waukegan
1909	293,977	5,095	No figures	6,067	6,383	2,956
	\$1,281,171,181	\$10,954,175	provided	\$10,537,052	38,816,523	19,540,700
1919	403,942	6,608	14,754	6,846	11,259	2,538
	\$3,657,424,471	30,038,961	\$57,918,418	25,648,891	82,669,536	24,438,514
1929	405,399	5,138	32,386	6,996	4,928	3,323
	\$3,915,052,959	30,939,749	\$295,184,824	32,052,503	39,045,462	32,531,510

Source: U.S. Department of Commerce, Fourteenth Census of the Unites States, Manufacturers: 1919, Volume 9 (Washington, 1923), Table 6 for all cities shown. U.S. Department of Commerce, Fifteenth Census of the United States, Manufacturers: 1929, Volume 3 (Washington, 1933), Table 2 for all cities shown.

In 1907, the Corn Products Refining Company acquired a 110-acre tract of cornfields just south of the Village of Summit at low farmland prices and began construction on a \$5 million plant. The district that housed the plant became known as Argo and was located west of the 3,000-acre Clearing Industrial District, a planned industrial park located between 65<sup>th</sup> and 67<sup>th</sup> streets, which extended from Central Avenue three miles west to Harlem. Both Argo and the Clearing Industrial District were outside Chicago's municipal boundaries and later annexed to the Village of Bedford Park. They featured excellent belt line railroad access with a major switching yard located adjacent to the Clearing District. The latter experienced a surge of growth in the 1920s, during which time it received nearly half of its 91 manufacturing plants and warehouses. The Clearing Industrial District continued to slowly attract new firms during the Depression, attracting seven new entities in 1934 and an additional twelve in 1937, bringing the number of major industries to 114 which employed about 10,000. The district also saw fifteen expansions to existing plants in that year.<sup>64</sup>

<sup>&</sup>lt;sup>64</sup> "Building a Town in the Cornfields: Springing up Around the \$5,000,000 Plant of the Corn Products Company," *Chicago Tribune* (June 21, 1908); Clearing Industrial Association, *The Economy of Location: Creative Economy and the Clearing Industrial District* (Chicago: Clearing Industrial Association, ca. 1928) 6; "Clearing

### 4. <u>Stagnation in Manufacturing Growth</u>

After 1920, the rapid growth of manufacturing job opportunities in Chicago began to slow. An economic development study of Chicago undertaken in the mid-1960s stated: "Between 1919 and 1939, service industries took up much of the slack left by declining or static employment opportunities in meat packing primary metal processing, farm implements, and railroad-related occupations." Although after World War I, the nation's Midwestern industrial heartland remained a wealthy region of manufacturing and commerce, their "heyday had passed," according to historian Jon Teaford, "and Chicago, Cleveland, Detroit and St. Louis settled into a period of maturity. They still demonstrated considerable life but were troubled by the first signs of deteriorating health." The Great Depression took a heavy toll on the industrial Midwest and Chicago as the public's reduced buying power caused a sharp decline in manufacturing production and employment. By December 1932, payrolls in Chicago industries had declined to 29 percent of the level of November 1929.<sup>65</sup>

District Gains Seven New Industries in '34," *Chicago Tribune* (Dec. 30, 1934); "Clearing District Reports Best Year in Quarter Century," *Chicago Tribune* (Jan. 3, 1937).

<sup>&</sup>lt;sup>65</sup> First quote taken from: The Center for Urban Studies, 51. Second quote taken from: Teaford, 174. Information on 1932 industrial payrolls from: Hoyt (1933) 269.

# TABLE XII DECLINE IN EMPLOYMENT AND IN PAYROLLS IN CHICAGO MANUFACTURING INDUSTRIES, 1927 to 1933

Year	Employment	Payrolls
1927	100	99
1929	98	100
1931	74	60
1933	49	26

Data taken from: Homer Hoyt, *One Hundred Years of Land Use in Chicago* (Chicago: University of Chicago Press, 1933) 269. Original source: Illinois Department of Labor, Labor Bulletin, XII, No. 7 (January, 1933) 132

As a city of diverse manufacturers, however, Chicago was not as hard hit as other cities that were dependent solely on the fortunes of a single product, such as Detroit's association with the auto industry. Chicago's industrial real estate market remained relatively quiet until 1935, when 100 new factory buildings were under construction and existing buildings were being expanded in locations throughout the city. Between 1935 and 1940, however, 47 manufacturing plants moved to Chicago's suburbs, carrying with them approximately 4,000 employment opportunities.<sup>66</sup>

During the 1920s and 1930s, some Midwestern cities began to experience the decentralization of their major industries to Sunbelt cities in the South and West that enjoyed advantages in location and transportation similar to those that formerly spurred Midwestern economic growth. For example, the shoe industry in St. Louis began to shift production to plants in small towns scattered through Southern Illinois, Missouri, Kentucky, Tennessee and Arkansas, which by 1929 employed 30,000 workers as compared to only 11,000 wage earners in this industry in the St. Louis metropolitan area. Akron Ohio's rubber industry, which was the

<sup>&</sup>lt;sup>66</sup> "New Industrial District to be Developed Now," *Chicago Tribune* (Nov. 8, 1931); Philip Hampson, "Great Activity is Reported in Chicago District Industrial Real Estate," *Chicago Tribune* (Sept. 8, 1935); The Center for Urban Studies, 41.

mainstay of its economy, began to decentralize production as early as 1920, when Goodyear opened a plant in Los Angeles. By 1930, three other rubber companies had followed, making Los Angeles the second largest rubber manufacturing center in the United States. The food processing industry also began to move westward in the interwar era, aided by accelerated use of the motor truck for transport from farm to city which helped eliminate the need for large concentrations of packers. By 1954, Los Angeles County, California, had more meat packing plants than Cook County, Illinois, although those in Cook County were generally much larger. Such shifts to suburbs and other regions foreshadowed long-term trends in economic growth that would accelerate in the post-World War II era.<sup>67</sup>

#### **Conclusion**

The interwar period in Chicago was characterized by tensions between concentration and dispersal of people, business, and industry that reflected the city's ongoing transition from a manufacturing-anchored economy to a management- and service-based economy. This chapter showed that such changes—along with the introduction of the automobile—set the stage for the widespread redevelopment of the Loop aimed to attract and retain upper-income customers and tenants during a period of rapid decentralization. As better-off residents decanted to the urban and suburban periphery, spurring the growth of outlying commercial districts, downtown interests reacted with laser-focused efforts to maintain the Loop's preeminent role as the regional center of big business, shopping and entertainment. The resulting explosion of high-rise development and core-oriented infrastructure projects, such as street widening and double-decking, were intended to create a modern efficient business district and featured the large-scale

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Teaford, 178-179; The Center for Urban Studies, 48.

removal of nineteenth-century building stock denigrated as obsolete. Thus, decentralization had a major impact on the Loop's urban landscape as it spurred the downtown elite to pursue a variety of public policies aimed to enhance the economic viability of the historic core.

## **III. THE TRANSFORMATION OF LASALLE STREET**

# **Chapter Introduction**

A cordon count taken of Chicago's Loop in May 1926 revealed a remarkable statistic. An astounding 846,753 persons, or approximately 25 percent of the population of the entire city, entered the business district on an average weekday. The vast number of people that poured into the Loop's boundaries was testament to its continued importance as a major regional job center for business and finance during a period that saw accelerating dispersal of retail and entertainment jobs to outlying urban and suburban districts. Chicago participated in the surge of prosperity that enveloped the nation following the brief 1921-22 post-World War I recession. The phenomenal growth of business activity in the 1920s and its accompanying wave of mergers created a need for larger, full-service commercial banks to service an increasingly complex economy. Simultaneously, an enormous pent-up demand existed in Chicago for first-class office buildings with larger floor plates, modern technologies, and luxurious fittings to accommodate the continued expansion of white collar businesses. By decade's end, this demand was met by an overabundance of new office towers that were concentrated along LaSalle Street, Wacker Drive, and Michigan Avenue, the city's most prestigious office thoroughfares.<sup>68</sup>

Whereas Wacker Drive and North Michigan Avenue offered clean slates for building, LaSalle Street was one of Chicago's oldest office corridors. Between 1922 and 1934, however, LaSalle Street's eclectic mix of post-Fire commercial palazzos and late nineteenth-century elevator buildings gave way to a cohesive ensemble of mainly limestone-clad skyscrapers exhibiting an imagery of finance. During this dozen-year period, the LaSalle Street financial

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Statistic from cordon count taken from: McClintock (1926) 15-16.

district—which was concentrated on, and around, the four-block stretch from Jackson to Washington Streets—was redeveloped with five headquarters buildings for prominent financial institutions and two speculative office buildings that ranged from fourteen to 49 stories in height.<sup>69</sup> These included, in chronological order:

- The Federal Reserve Bank of Chicago Building (1921-22; northwest corner of LaSalle/Jackson)
- Illinois Merchants Bank Building (1921-24; northeast corner of LaSalle/Jackson)
- The State Bank of Chicago Building (1926-28; southwest corner of LaSalle/Monroe)
- Foreman National Bank Building (1928-29; southeast corner of LaSalle/Washington)
- Chicago Board of Trade Building (1928-30; terminus of LaSalle Street at Jackson)
- No. 1 LaSalle Street Building (1929-30; northeast corner of LaSalle/Madison)
- Field Building (1931-34; northeast corner of LaSalle/Adams).

The Federal Reserve and Illinois Merchants Banks were both housed in somber, limestone-clad buildings that conveyed the aura of strength and dignity befitting the powerful financial institutions housed within and they formed an impressive Classical frame for the Chicago Board of Trade building at the LaSalle Street terminus. As almost mirror images of each other, they were differentiated only by the Classical Order of their matching porticos— Corinthian for the Federal Reserve and Ionic for the Illinois Merchants—and their height (14 and 20 stories, respectively). Their tripartite designs featured stately colonnades along Jackson

<sup>&</sup>lt;sup>69</sup> As of 2015, all seven of the buildings that are the focus of this chapter are extant and will be referred to by their historic names throughout this dissertation. These buildings feature excellent exterior architectural integrity and their original first floor public spaces are largely intact. However, the Illinois Merchants Bank Building is the only one of LaSalle Street's 1920s bank towers to retain its magnificent second floor banking hall.

Boulevard, completely unadorned shafts, and pilasters at the attic level. Both buildings featured hollow court designs and multi-story windows starting at the second floor level that illuminated their soaring, sky-lit bank halls.





Figure 1 (left): Federal Reserve of Chicago Bank Building, northwest corner of LaSalle/Jackson. Figure 2 (right): Illinois Merchants Bank Building, northeast corner of LaSalle/Jackson. Both photos by author, 2015.

The State Bank of Chicago Building occupied a quarter-block site and its design of stark simplicity matched the bank towers at LaSalle Street's southern terminus created by the same architectural firm. It also had a hollow-square plan and a magnificent second floor banking hall. Rather than a projecting portico, however, the 22-story building featured a recessed entrance portal with four giant order Ionic columns at the center of its LaSalle Street elevation. The building's light gray terra cotta cladding simulated the appearance of the Bedford limestone used on its five-story base.



Figure 3: State Bank of Chicago Building, southwest corner of LaSalle/Monroe. Figure 4: State Bank of Chicago Building portal. Both photos by author, 2015.

Completion of the 38-story limestone-sheathed Foreman National Bank Building—the tallest bank headquarters in Chicago—represented the culmination of the financial district's northward progression. A sweeping vertical effect was attained by placement of the building's fourteen-story tower at the front of its LaSalle Street elevation, as well as the use of continuous piers and recessed spandrels. Lower floors were sheathed in polished granite and a dramatic 20-by-40-foot main entrance on LaSalle Street featured doors and grillwork in bronze, an opulent material appropriate for a major financial thoroughfare.



Figure 5: Foreman National Bank Building, southeast corner of LaSalle/Washington. Figure 6: Base of Foreman National Bank Building. Both photos by author, 2015.

The 45-story Chicago Board of Trade Building, also sheathed in limestone, exemplified the 1920s skyscraper style with the upward sweep of its vertical lines, recessed terra cotta spandrels, and shallow, upper floor setbacks on its central tower, which dramatically culminated in a metal pyramidal roof topped by John Storrs's 31-foot aluminum statue of Ceres. The building's U-shaped plan consisted of a 36-story setback tower and twin thirteen-story corner wings upon a nine-story base glazed with six-story windows that illuminated the main trading room. Low-relief hooded figures representing wheat and corn flanked the massive clock atop the base, which also featured four bovine heads in high relief, all created by Alvin Meyer.



Figure 7: Chicago Board of Trade Building, LaSalle Street terminus at Jackson. Figure 8: Base of Chicago Board of Trade Building. Both photos by author, 2015.

The 49-story No. 1 LaSalle Building joined the adjacent Foreman National Bank Building to create a cohesive, block-long streetscape featuring the streamlined silhouettes of two giant twenties towers. Slightly projecting corner wings fronted its recessed tower, which culminated in gently tapered setbacks and rose above a five-story base, the top of which featured a series of low-relief figure panels depicting America's early explorers by Leon Hermant. The building's first floor of polished granite and array of glassy storefronts was surmounted by grey Bedford limestone sheathing, and its LaSalle Street entrance was distinguished by bronze surrounds with intricately patterned floral motifs.



Figure 9: No. 1 LaSalle Street Building, northeast corner of LaSalle/Madison. Figure 10: Base of No. 1 LaSalle Street Building. Both photos by author, 2015.

The Field Building was a masterpiece of streamlined monumentality, in which surface detail was completely eliminated in favor of powerful massing. The massive half-block edifice featured a 42-story central tower atop a five-story base with shorter 23-story wings on each of its four corners. Slightly depressed spandrels of cast aluminum accentuated the soaring verticality of the building's limestone piers. Polished black granite and white bronze surrounded the building's five-story entrances on Clark and LaSalle streets, which were internally connected by a 305-foot-long lobby arcade.



Figure 11: Field Building, northeast corner LaSalle/Adams; from Chicago History Museum: HB-29104. Photographer: Hedrich Blessing. Figure 12: Clark Street entrance of Field Building. Photo by author, 2015.

During a period in which Chicago's business district was shifting to Wacker Drive and Michigan Avenue, why was LaSalle Street the only office corridor in the Loop's central core to experience widespread redevelopment? What factors influenced the streetscape's cohesive appearance? To address these questions, Chapter Three will unfold in two ways: on the one hand, to place the LaSalle Street boom within the larger context of the 1920s speculative real estate bubble, and on the other hand, to explain the drivers of its unique redevelopment and unified imagery of finance. I will argue that the transformation of LaSalle Street was largely due to the prestige of its banks and exchanges, which sparked high demand and soaring land values that in turn incentivized owners to capitalize land costs with bigger buildings. The cohesive appearance of its somber, gray limestone towers resulted from numerous factors, including longstanding associations of banks with classicism, use of the same architectural firm for five of its seven buildings, and rivalry with Wall Street.

#### A. <u>Drivers of the 1920s Skyscraper Boom</u>

The skyscraper boom of the 1920s, which transformed LaSalle Street, took place within a period of extraordinary economic prosperity for the United States. In Chicago and cities nationwide, the post-World War I growth of business and finance sparked demand for larger, modern office buildings. Chicago's earliest twenties towers—which were headquarter buildings commissioned by corporations and banks that included speculative office space—filled quickly and were extremely profitable, fueling speculative enthusiasm. Rents were high, vacancies at 7.1 percent were low, financing was easy to obtain, and building heights could be greatly increased, thanks to the city's 1923 zoning ordinance. What started as demand-driven boom at start of decade became supply-driven by 1928 as skyscraper construction continued unabated despite rising vacancies. In fact, four of the seven new buildings erected within the LaSalle Street financial district were begun in 1928 or later. This essay identifies the drivers, peak, and ensuing crash of speculative real estate bubble in Chicago's downtown district while placing it within the context of the decade's simultaneous housing boom and agricultural depression.<sup>70</sup>

#### 1. <u>Context: The Housing Boom</u>

The post-World War I era was one of phenomenal growth for the United States economy. The gross national product soared from \$59.4 billion to \$87.2 billion between 1921 and 1929, an increase of 47 percent, while unemployment levels were negligible and inflation was nonexistent. This expansion was fueled by the booming automobile industry and the manufacture of consumer durables, often purchased through the new tool of consumer credit. This era was also

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The 7.1 percent vacancy figure was obtained from Shultz and Simmons, 163.

characterized by a residential land boom as housing construction alone exceeded eight percent of the GNP in each of the four years from 1924 to 1927, prior to the subsequent downturn.<sup>71</sup>

Many middle- and upper-class families who enjoyed increased income and leisure time chose to vacation in Florida, which experienced a great housing boom between 1915 and 1925 that "contained all of the elements of a classic speculative bubble," according to historian John Galbraith. A thriving tourism industry and rapid population growth spurred a phenomenal rise in Florida land prices, while easy access to cheap credit helped drive rampant land speculation during this period. A string of hotels and resorts were built, a coastal railroad installed from Palm Beach to Miami, wetlands were drained, and new roadways were planned as huge amounts of capital were pumped into the local economy and the real estate market. By 1925, however, the unrealistically high real estate prices began to fall as prospective investors lost interest in Florida and others began to sell their holdings. Several natural disasters in the mid-1920s hastened the real estate freefall and soon "the bank reserves flowed out of the state as fast as they had flowed into it. They left in their turbulence an aftermath of failing banks, unfinished structures, and fully paved roads leading to nowhere."<sup>72</sup>

The housing collapse in Florida did not slow the urban housing boom underway in most American cities during the 1920s, a period in which "Americans were displaying an inordinate desire to get rich quickly with a minimum of physical effort." The spectacular economic growth

<sup>&</sup>lt;sup>71</sup> GNP statistics taken from: John Steele Gordon, *The Great Game: The Emergence of Wall Street as a World Power, 1653-2000* (New York: Scribner, 1999) 224 and Alexander J. Field, "Uncontrolled Land Development and the Duration of the Depression in the United States," *The Journal of Economic History* Vol. 52 (December 1992) 785.

<sup>&</sup>lt;sup>72</sup> John Kenneth Galbraith, *The Great Crash, 1929* (Boston: Houghton Mifflin Company, 1955) 8. Second quote taken from: William Frazer and John J. Guthrie Jr., *The Florida Land Boom: Speculation, Money, and the Banks* (Westport, Connecticut: Quorum Books, 1995) 3. The other important book on Florida's boom of the 1920s is: Raymond B. Vickers, *Panic in Paradise: Florida's Banking Crash of 1926* (Tuscaloosa, Alabama: University of Alabama Press, 1994).

of this decade was accompanied by rising urban land values, which doubled from \$25 billion to over \$50 billion in cities over 30,000 in the period between 1919 and 1926. The resulting real estate speculation was driven by post-World War I population growth, as American cities of over thirty thousand increased by nearly nine million people between 1920 and 1930. Many of the migrants who swelled the population of the larger cities had relocated from farms and small towns in rural areas that experienced a general agricultural depression during the 1920s due in large part to declining demand for imported food after the Armistice and overproduction that resulted in lowered commodity prices. In contrast to the decline of rural areas, the nation's large and medium-sized cities offered abundant job opportunities in both the industrial and service sectors. While urban land values rose, rural farm values nationwide fell from their peak of \$50 billion in 1920 to \$37 billion in 1926.<sup>73</sup>

Post-World War I urban population growth sparked housing shortages nationwide and apartment rents in most cities doubled between 1919 and 1924. Pent-up demand for housing combined with rising land values and the expansion of mortgage financing in the 1920s created ripe conditions for a speculative residential real estate boom nationwide. Mortgage financing, which had accounted for less than 45 percent of residential construction finance before World War I, rose to nearly 60 percent at the height of the boom. The sources of lending mainly came from commercial banks, insurance companies, and building and loan associations, according to economic historian Eugene N. White. He notes that "These three innovators expanded their total mortgages by 76, 79 and 62 percent between 1920 and 1926." The peak in single family housing nationwide was reached in 1925-26, when there was nearly \$10 billion in new

<sup>&</sup>lt;sup>73</sup> The "urban housing boom" referenced in this essay refers to residential construction in both city and suburb. Quote in this paragraph taken from Galbraith, 8. Statistics in this paragraph taken from: Hoyt (1933) 234, 236.

residential construction, while a "smaller orgy of apartment building" peaked in 1927.<sup>74</sup> The potential for developers to make a quick profit was highlighted by Homer Hoyt in his discussion of Chicago:

New buildings were nearly always sold at a substantial profit above the land and building cost. Bungalows costing \$5,000 to construct sold for \$7,500. Profits of \$25,000 and \$50,000 were made on single multiple-apartment buildings. Since the entire cost of the building could often be borrowed, it is little wonder that there was a rush into the building field analogous to a Klondike gold rush.<sup>75</sup>

In his nationwide study of unregulated land development during the 1920s, Alexander Field found that "fortunes could be made simply from the subdivision, sale, and resale of land, particularly at the city's edge." As in Florida where real estate promoters hawked "waterfront properties" that were dozens of miles away from the coasts, many new subdivisions of the 1920s were so far removed from employment opportunities that millions of residential lots remained vacant until the post-World War II period. Economic historian Herbert Simpson, writing in 1933 during the depth of the Great Depression, noted that as of 1928 Cook County had 335,000 vacant residential lots that were prematurely subdivided, which he predicted would take until 1960 to absorb based on future population estimates. The problem was especially acute in Niles Township were "we have a population of 9,000, and enough vacant lots for a population of 190,000." Simpson considered the residential land boom a major problem for the national economy. He singled out the expansion of the banking system for the specific purpose of financing real estate promotion as an especially "ominous development," stating that "real estate

<sup>&</sup>lt;sup>74</sup> Statistic on peak years of housing construction taken from: Eugene N. White, "Lessons from the Great American Real Estate Boom and Bust of the 1920s," NBER Working Paper 1557 (December 2009) 7, 24-26. Information on peak year in apartment building taken from: Field (1992) 787.

<sup>&</sup>lt;sup>75</sup> Hoyt (1933) 239-240.

in some form has been the largest single factor in the failure of the 4,800 banks that have closed their doors during the past three years and in the "frozen" condition of a large proportion of the banks whose doors are still open."<sup>76</sup>

# 2. <u>Pent-Up Demand for Modern Office Space</u>

The commercial districts of American cities also experienced a real estate boom during the 1920s that was spurred by a variety of factors, one of which was pent-up demand among corporations and banks for modern office buildings with the latest technologies and larger floor plates. In Chicago, the oversupply of downtown office space created by the boom of the early 1910s had been completely absorbed by 1920, when office buildings in the Loop were nearly 100 percent occupied. According to Homer Hoyt, office rents increased 90 percent from 1918 to 1926 and operating expenses rose just 31 percent, so that net income advanced 300 percent.<sup>77</sup> The scarcity of new first-class office space in Chicago was discussed in a 1921 article in the *Economist* titled, "Good Demand at High Rentals":

There is not an office building in Chicago....which could not rent more space if it had it to rent. This is the present condition in the business district of Chicago and it promises to become more aggravated as the time goes by for the reason that there is very little indication of any revival in building and construction cannot be resumed until there is an adjustment in conditions. Rents will advance because of the strong demand and diminishing supply.<sup>78</sup>

<sup>&</sup>lt;sup>76</sup> Quote taken from Field (1992) 792. Herbert D. Simpson, "Real Estate Speculation and the Depression," *The American Economic Review* Vol. 23 (March 1933) 164-165.

<sup>&</sup>lt;sup>77</sup> Hoyt (1933) 379

<sup>&</sup>lt;sup>78</sup> "Good Demand at High Rentals," *Economist* (March 5, 1921) 541.

The skyscraper boom in the nation's large cities accommodated the growth of financial and corporate services, which often occurred through mergers and consolidations. As companies grew in size they often became more diversified, and integrated production with distribution in order to tap regional and national markets. The organization of big business also became increasingly decentralized as many companies began to operate through divisions, each with their own management team, thereby allowing chief executives to concentrate on long-term planning rather than day-to-day management. Bigger companies featured increased numbers of white collar workers. In Chicago, for example, the number of bookkeepers and accountants rose from 16,920 to 37,105 between 1910 and 1920 and the number of stenographers and typists quadrupled, rising from 9,775 to 45,175. There were also 4,653 lawyers working in Chicago in 1920. The number of bankers and brokers rose from 2,659 to 7,292 during the same period, although some of this growth could be attributed to the rapid growth of outlying banks during the 1920s.<sup>79</sup>

Mergers were also widespread in the commercial banking industry during the 1920s, a decade in which the overall number of banks nationwide declined from 30,000 to 25,000. Larger commercial banks were better positioned to service growing companies needing capital and many expanded into investment banking, especially in Chicago, which vied for position as the second-ranked financial powerhouse in the nation, behind only New York. According to business historian Frank Cyril James, "This was a period of [banking] mergers and

<sup>&</sup>lt;sup>79</sup> For a good synopsis of American business in the interwar era, see: Alfred D. Chandler Jr., *The Visible Hand: The Managerial Revolution in American Business* (Cambridge, Massachusetts: Harvard University Press, 1977) 469-476. For a discussion of the type of office space required to accommodate the growing needs of business, see Chapter 4, titled, "Inside the Skyscraper," in: Oliver Zunz, *Making America Corporate, 1870-1920* (Chicago: University of Chicago Press, 1990). Statistics on Chicago office workers take from the following two sources: U.S. Department of Commerce, Twelfth Census of the United States, Population, Volume 1 (Washington, 1901) Table 94. U.S. Department of Commerce, Fourteenth Census of the United States, Population, Volume 3 (Washington, 1922) Table 19.

amalgamations, more far-reaching in their scope than any that Chicago had previously seen." As a result, it became a common occurrence for portions of Loop streets to be closed over the course of a weekend, while hundreds of millions of dollars were moved in armored cars under heavy guard from one bank to another.<sup>80</sup> James commented in 1938 that:

Within the financial district of the Loop, financial elephantitis was predominant. The leading Chicago banks, in common with those of New York, were forced to enlarge the volume of their resources in order to meet the needs of their customers, while the process of growth was spurred on, in both centers, by the desire for bigness.<sup>81</sup>

Like the horizontally integrated corporations of the 1920s, Chicago's commercial banks became more diversified and offered a full range of services. These "department stores of finance" required larger floor plates with several stories devoted to banking use and rentable floor space above. For example, the lower five floors of the twenty-story Illinois Merchants Bank Building at LaSalle and Adams streets accommodated a magnificent second floor banking hall, luxurious private offices for senior bank officers, as well as departments for commercial banking, savings, trusts, credit, bonds, investment banking, farm loans, and foreign exchange. The institution was led by a staff of fifty bank directors and its building housed hundreds of employees. The State Bank and Foreman Bank both featured a similar diversified mix of departments staffed by equally large numbers of employees.<sup>82</sup>

<sup>&</sup>lt;sup>80</sup> David M. Kotz, *Bank Control of Large Corporations in the United States* (Berkeley: The University of California Press, 1978) 45. Frank Cyril James, *The Growth of Chicago Banks, Volume II* (New York: Harper & Bros., 1938) 945.

<sup>&</sup>lt;sup>81</sup> James, 944.

<sup>&</sup>lt;sup>82</sup> *Illinois Merchants Bank Building* (Chicago: Illinois Merchants Bank, ca. 1922). The State Bank of Chicago occupied the lower four floors of its building and the Foreman-State National Bank, which was situated on a much smaller corner site than either the State or Illinois Merchants Banks, occupied its nine lower stories.

# 3. <u>Reduction of Labor Strife</u>

Despite pent-up demand for new office buildings, skyscraper construction in Chicago and cities nationwide was at a standstill since the start of World War I and remained stagnant in its aftermath due to the high cost of labor and materials, which rose 60 percent between 1914 and 1922, as well as rampant strikes and lockouts in the construction industry. Disputes regarding wages for the building trades held up tens of millions of dollars in building work in Chicago. In one protracted example, a five-week strike among a variety of building trades over wages during the summer of 1919 spurred P.F. Gill, an attaché of the U.S. Department of Labor, to visit Chicago to help both sides arbitrate the dispute, which reportedly "stopped dead" construction projects to cost \$125 million and had locked 105,000 men out of work. Such instability postponed a multitude of skyscraper projects for several years. For example, after the State Bank of Chicago obtained a permit in 1921 for a new headquarters building on LaSalle Street, one writer noted, "The officers of the bank feel they are not justified in going ahead until costs are upon a more reasonable level."<sup>83</sup>

The situation worsened as the nation experienced soaring inflation and slipped into a recession that lasted from 1920 to 1922. Unemployment soared and business interests blamed the building trades for the virtual standstill in construction activity. The revival in building was due in part to an arbitration decision made by federal judge Kenesaw Landis in a wage dispute between the Associated Builders of Chicago, which represented forty building employers' associations, and the Chicago Building Trades Council, which represented the corresponding employees' unions. In his September 7, 1921 ruling—known as the Landis Award—the judge

<sup>&</sup>lt;sup>83</sup> Hoyt (1933) 381; "Fifth Week of Building Strike Brings Hope," *Chicago Tribune* (Aug. 20, 1919); "State Bank of Chicago," *The Economist* (March 5, 1921) 537.

sided with the contractors by recommending wage cuts for the building trades, calling for an end of sympathetic strikes, and allowing the use of nonunion labor. The decision by Judge Landis attracted nationwide interest as similar wage disputes contributed to the building slump that impacted cities from coast to coast.<sup>84</sup>

Chicago unionists were shocked and angered at what was supposed to have been an impartial ruling by Judge Landis. However, it was not completely surprising since the 1920s was a period of good relations between the government and business, which was viewed favorably due to its contributions to the war effort and the nation's prosperity. Refusal by ten of the unions to abide by the Landis ruling spurred the Chicago Chamber of Commerce to help organize an aggressive open-shop campaign through a group known as the Citizens Committee to Enforce the Landis Award. Members included some of Chicago's most prominent business leaders, including Thomas E. Donnelley, Julius Rosenwald, Samuel Insull and Tracy Drake. Construction of both the Illinois Merchants Bank and the Federal Reserve Bank of Chicago Buildings were delayed by strikes and Governor James McDougal of the Federal Reserve publicly voiced his support for the Landis Award.<sup>85</sup>

The Citizens Committee offered contractors and property owners the use of guards and nonunion labor and eventually the majority of rebellious unions were forced to fall into line and work at the Landis wage, which was somewhat less than \$1.25 per hour. With the end of strikes

<sup>&</sup>lt;sup>84</sup> For discussions of the Landis Award, see: Douglas Bukowski, *Big Bill Thompson, Chicago, and the Politics of Image* (Urbana: University of Illinois Press, 1998) 127; Henry K. Holsman, "The Real Significance of the Landis Building-Trades Arbitration," *Western Architect* Vol. 30 (September 1922) 93-100; Lloyd Lewis and Henry Justin Smith, *Chicago: The History of its Reputation* (New York: Blue Ribbon Books, 1929) 408.

<sup>&</sup>lt;sup>85</sup> The unions that initially refused to abide by the Landis ruling included the carpenters, plumbers, gas fitters, lathers, slate and tile roofers and sheet metal workers. George H. Marlove, "Chicago Building Unions Divided," *The Iron and Trade Review* (Feb. 28, 1922) 619; "Federal Bank to Make Firm Stand on Landis Award: Directors Pledge Aid to Wage Committee," *Chicago Tribune* (November 24, 1921).

and provision of sufficient men to accommodate the needs of contractors, the Landis ruling provided stability to the labor situation and opened up a flood of building permits. In 1925, the Citizens Committee reportedly placed 75,000 workers on jobs, with 25,000 brought in from outside the city, and also took credit for the \$250 million in construction projects to be started that year. Those projects were expected to be completed without serious labor interruption as all building trades, with the exception of the structural iron workers, signed new wage agreements with the contractors' associations covering the building season of 1925-26.<sup>86</sup>

# 4. Increased Downtown Building Heights

Despite tumultuous conditions in the construction industry some office buildings did move forward in the post-World War I period, most notably the London Guarantee, Wrigley and Tribune Buildings, all of which were prominently sited around the new Michigan Avenue link bridge. Their extremely diverse designs were far different from the boxy towers of the previous decade due to provisions in the new building height ordinance that was adopted by the City Council in 1920 to spur construction. The new ordinance raised the height limit from 200 feet to 260 feet, allowing office towers to rise 17 to 20 stories, and also allowed ornamental structures to rise up to 400 feet if they weren't occupied.

<sup>Paul M. Green and Melvin G. Holli, eds.:</sup> *The Mayors* (Carbondale: Southern Illinois University Press, 1987) 74; Thomas Wren: "\$250,000,000 In Building to be Begun This Year," *Chicago Tribune* (April 26, 1925).



Figure 13: Wrigley Building (left) and Chicago Tribune Building (right) with ornamental towers allowed under the 1920 building height ordinance. Photo by author, 2015.

Chicago's building heights were raised still further in 1923 with the passage of the city's first-ever zoning ordinance, which responded to pressures for larger buildings to meet the needs of business expansion. The ordinance allowed buildings to rise 264 feet from the street, an increase of only four feet over the 1920 limit. The major change was that substantial towers with rentable floor space could now be constructed above this height and were not subject to specific height limits. However, those towers could comprise no more than 25 percent of the lot and could not exceed one-sixth of the volume of the main building. Such buildings could only be erected in the Loop or on North Michigan Avenue, which comprised Volume District 5, which was the highest intensity zone.<sup>87</sup>

<sup>&</sup>lt;sup>87</sup> Chicago's 1923 Zoning Ordinance assigned each parcel of land in the city into a both a *use* district and a *volume* district. There were four classes of use districts: residential, apartment, commercial and industrial. In each of the five volume districts, restrictions dictated height, the percentage of lot coverage allowed, and the cubical area of the building in proportion to lot size. Volume District 4 was mainly along the lakefront, where there was great demand for high-density residential development. The first, second, and third volume districts tended to be far from the lakefront. Schwieterman and Caspall, 17-25, 80-84.

Chicago's 1923 zoning ordinance stimulated the downtown's skyscraper boom, since in a high demand market that also featured soaring land values, taller buildings were the most profitable. With downtown building heights increased to 264-feet for the base (about 20 stories), plus the allowance for occupied towers that on quarter-block sites could rise another 17 to 20 stories, Chicago's zoning law skyscrapers could be built to twice the height of those previously erected. Whereas pre-zoning skyscrapers were limited to about 20 stories in height, many of Chicago's post-1923 skyscrapers ranged from 38 to 49 stories in height. The 609-foot Chicago Board of Trade soared 45 stories and was Chicago's only skyscraper to exceed 600 feet.<sup>88</sup>

Chicago's new zoning ordinance also impacted the design of the city's twenties towers, creating their distinctive base-plus-tower configuration. The arrangement of setback towers was largely dependent on the size of their parcels. On some, the tall, narrow tower was pushed to the front of its base, creating an effect of overwhelming verticality. In other skyscrapers, the tower was pushed to the rear of the base and flanked by shorter corner wings, creating a U-shaped plan. Elevators occupied the center cores of such buildings, allowing all offices to be arranged around the perimeter and to receive outside light and air. These designs—though similar to tall-slab skyscrapers previously built on small sites—were in stark contrast to hollow-square plans of the pre-zoning era in which buildings featured double-loaded corridors with inner offices facing a central light court, as exemplified by the 1886 Rookery Building on LaSalle Street.

The 1923 zoning ordinance marked the culmination of a thirty-year period in which building heights were continually raised and lowered with each instance triggering contentious

<sup>&</sup>lt;sup>88</sup> For a detailed discussion of early twentieth-century building height and zoning regulations pertaining to skyscrapers in Chicago and New York, see: Carol Willis, *Form Follows Finance: Skyscrapers and Skylines in New York and Chicago* (New York: Princeton University Press, 1995). The 45-story Chicago Board of Trade Building exceeded 600 feet thanks to its high pyramidal roof and 30-foot-high statue of Ceres, the Goddess of Grain. However, the 49-story No. 1 LaSalle Street Building—which was 530 feet in height—had more rentable floors.

debates. Building height ordinances were adopted by the Chicago City Council in the following years: 1893—130 feet maximum; 1902—260 feet maximum; 1910—200 feet maximum; 1920—260 feet maximum. In general, height restrictions were especially favored by owners of business property adjacent to the downtown as such regulations would encourage the lateral expansion of the Loop's commercial functions. Vertical expansion of the central district through increased building heights was favored by many downtown property owners and developers as well as building and real estate interests associated with skyscraper construction.

A second contentious issue pertaining to building height regulation was whether or not skyscrapers caused downtown congestion. Opponents of taller buildings, who also included the city's own traffic engineer, argued that ever-taller skyscrapers poured more pedestrians and automobiles into the constricted boundaries of the Loop than its streets could handle. Advocates of taller buildings rejected this viewpoint, noting that the city should concentrate on infrastructure and transportation improvements to improve street and sidewalk mobility. Other common arguments against taller downtown office buildings were that they would darken streets and contribute to public catastrophe in case of fire or panic.<sup>89</sup>

New York City's 1916 zoning ordinance—the first in the nation—placed restrictions on height and bulk of buildings by requiring setbacks at certain heights until the building occupied no more than 25 percent of its lot site, at which point the building could rise up forever. These regulations created buildings that were arranged in distinct tiers and allowed for several of the world's tallest buildings, such as the 1,045-foot Chrysler Building (1930) and the 1,250-foot Empire State (1931). These buildings were able to conform to zoning regulations by having an

<sup>&</sup>lt;sup>89</sup> For a transcript of a 1922 debate pertaining to building height regulations considered for the 1923 Chicago zoning ordinance, see: Charles M. Nichols, compiler. *Studies on Building Height Limitations* (Chicago: The Chicago Real Estate Board, 1922).

entire city block as their base and making extensive use of setbacks. However, building heights in other American cities that had such regulations were considerably lower than those of Chicago and New York as of 1921 and lacked provisions for towers. These included Baltimore (175 feet), Boston (125 feet), Cleveland (250 feet), Indianapolis (200 feet), Los Angeles (150 feet) Milwaukee (225 feet) and Minneapolis (175 feet).<sup>90</sup>

## 5. Easy Availability of Financing

The easy availability of financing through the sale of real estate mortgage bonds was another key factor in driving the skyscraper boom in Chicago and in cities nationwide during the 1920s. In this method, the mortgage was divided into denominations of \$1,000, \$500, and \$100 that were sold as bonds to the public, allowing individuals of moderate means to invest in downtown office buildings. In contrast, the dominant purchasers of real estate mortgage bonds before 1900 were wealthy individuals and estates. The principal of the bond issue was gradually reduced through serial repayments that came from the building's income. The security behind the mortgage was the building itself, and the amount of the loan and its soundness were based on the estimated net income of the property. Numbers regarding a proposed building's future earnings and its value were provided by appraisers who were generally employed by the bond houses. Overly optimistic calculations allowed larger loans to be provided to building corporations that often lacked substantial capital and which were operating on the proverbial shoestring.<sup>91</sup>

<sup>&</sup>lt;sup>90</sup> For a brief overview of New York's 1916 Zoning Ordinance as it pertained to building heights, see: Schwieterman and Caspall, 87. The list of building heights taken from: Nichols (1922) 27.

<sup>&</sup>lt;sup>91</sup> For a good overview of skyscraper financing through real estate mortgage bonds in the 1920s, see: Shultz and Simmons, 143-163. Other sources on this topic include: C. Stanley Taylor, "Economic Considerations in Bank Planning," *The Architectural Forum* Vol. 38 (June 1923) 281-282; Robert A. Halliburton, *The Real Estate Bond House: A Study of Some of its Financial Practices* (Ann Arbor, Michigan: Edwards Brothers, Inc., 1941); and

The use of mortgage bonds as a means to finance ever-larger office towers was conceived in the 1890s and became an increasingly popular financing instrument after World War I, during which the public became familiar with the purchase of securities through the Liberty Bond campaigns. Previously, only wealthy individuals, banks, estates, and insurance companies had sufficient capital for large projects such as office buildings, which they provided to building corporations through simple, undivided mortgages. The soaring costs involved in the erection of skyscrapers that were twice the height of those built in the pre-World War I era often made it difficult for builders to obtain financing from traditional sources which were reluctant, or unable, to commit such large sums of capital to a single project. And in any case, during the 1920s the extension of traditional, undivided mortgages as a form of financing, "appeared too conservative for the building promoter, eager to make large profits on a relatively small amount of capital...Since the life insurance companies, savings banks, and endowment funds could not be persuaded to advance funds more generously against new projects, the [real estate] dealers appealed directly to the inexperienced public."<sup>92</sup>

Most of the large commercial buildings in Chicago's central business district dating from the 1920s were erected by corporations formed expressly for that purpose, since this form of ownership facilitated the task of raising the enormous sums required. The limited liability associated with the corporate form was another important advantage to promoters. Historian Gerald Kuhn noted that, "Another factor encouraging the adoption of the corporate form was the

Gerald W. Kuhn, A History of the Financing of Commercial Structures in the Chicago Central Business District, 1868 to 1934. Ph.D. dissertation, Indiana University (Bloomington, Indiana, 1969). For a discussion on how the appraisal industry worked to professionalize itself and reinvent appraisal methods in the wake of the 1930s real estate crash, see: Isenberg, 128-135.

<sup>&</sup>lt;sup>92</sup> Quote taken from Halliburton, 6.

prohibition of national banks from advancing funds on loans secured by real estate, while the common stock and bonds of real estate corporations were acceptable security for a loan."<sup>93</sup>

The issuance of mortgage bonds allowed building corporations to borrow the full sum of money required to construct an office building, and in some cases, to acquire the land, with little cash investment of their own. Where property values were especially high, as on LaSalle Street, some land owners chose to lease the site upon which the building was to be erected to the corporation for a long term of typically 99 years. In the late 1920s approximately 40 percent of the major building projects in Chicago's central business district involved the use of long-term ground leases and land owners were typically estates or educational institutions. Six of the seven 1920 skyscrapers in the LaSalle Street financial district were built by corporations, five of which were established by financial institutions and exchanges that purchased or already owned their sites. The exception was the Field Building, which was owned and funded by the Estate of department store magnate Marshall Field.<sup>94</sup>

As the primary form of financing for office buildings and other large projects of the 1920s, the market for real estate mortgage bonds grew at a phenomenal rate nationwide. Approximately 70 percent of the office buildings erected in Chicago's central business district from 1926 through 1930 were financed by real estate mortgage bond issues. According to a study published in the 1930s, total yearly issuance of mortgage bonds grew from \$57.7 million to \$695.8 million, or nearly 1,106 percent, between 1919 and 1925. Market activity was concentrated in New York and Chicago, which backed 46.2 percent and 25.9 percent of the

<sup>&</sup>lt;sup>93</sup> Kuhn, 107-108.

<sup>&</sup>lt;sup>94</sup> Statistic on percentage of buildings in Chicago's central business district under long-term leases in the 1920s taken from: Kuhn, 123.
issuance over \$1 million respectively, while buildings in the next most active city, Detroit, backed only 6.9 percent of the issuance. The total issuance of mortgage bonds was estimated to have exceeded \$4.1 billion across 1,090 individual issues between 1919 and 1931.<sup>95</sup>

Building corporations depended on the bond house to identify willing buyers of real estate bonds, purchase all of the bonds not sold to the public, and act as dealers between the building company and the public to facilitate bond issuance. This form of financing was encouraged by the bond houses since as long as they could find buyers for the bonds, they could collect substantial fees for their services without having to part with much (or any) or their own capital.<sup>96</sup>

One of the nation's largest bond houses of this era was S.W. Straus & Company of Chicago, which was itself housed in a 1920s skyscraper located on Michigan Avenue. Among the plethora of office towers that it financed in Chicago and cities elsewhere was the No. 1 LaSalle Street Building, for which it underwrote a loan of \$5.5 million in December 1928 towards the projected \$8 million cost of construction. This loan was based on a projected annual rental of \$293,906, which capitalized on a five percent basis gave a valuation of \$5,879,201 for its corner site at LaSalle and Madison streets. The building corporation for this speculative skyscraper leased the land from the University of Chicago for a 99-year term. The Chicago Board of Trade Building was financed through a \$12 million first mortgage gold bond issue for twenty years at five percent. These bonds were issued by the Chicago Board of Trade Safe

Statistic on percentage of 1920s Chicago office buildings financed from mortgage bonds taken from: Kuhn,
90. Other figures in this paragraph taken from W.N. Goetzmann and F. Newman, "Securitization in the 1920s," National Bureau of Economic Research Working Paper, No. 15650 (January 2010) 8.

<sup>&</sup>lt;sup>96</sup> Goetzmann and Newman, 7; Halliburton, 10.

Deposit Company, a corporation organized to erect the building, and were purchased by Lee, Higginson & Company, a Boston-based investment bank.<sup>97</sup>

#### 6. <u>The Bubble Bursts</u>

In the mid-1920s, the nation was immersed in what seemed to be a continuous spiral of prosperity. Industrial production and employment were high, business earnings were rapidly rising, and prices were stable. However, the housing bust in Florida was an early sign that the economy was out of sync, as was the decade-long farm depression that began in 1921. The ability of downtown landlords to maintain rents above operating costs became increasingly difficult as the supply of first-class office buildings increased, along with vacancies. Between 1922 and 1928, more than eight million square of office space was added to Chicago's central business district through the construction of 47 buildings and a number of additions to buildings. However, only 5.5 million square feet was absorbed during that same six-year period, resulting in rising vacancy rates that reached thirteen percent in October 1928. This was above the ten percent that was considered normal and slightly higher than the nationwide vacancy rate of 11.88 percent at that time.<sup>98</sup>

More ominously, in October 1928 the Chicago's Building Owners and Managers Association reported that 17 new office buildings were under construction, which were projected to add another 3.5 million square feet to the office supply. Despite the softening of the office

<sup>&</sup>lt;sup>97</sup> "S.W. Straus Co. Will Finance 47 Story Building," *Chicago Tribune* (Dec. 4, 1928); Al Chase, "No. 1 LaSalle Street to Cost \$8,000,000," *Chicago Tribune* (Aug. 5, 1928); Philip Hampson, "Chicago's Pit Will Rise 600 Feet Over City," *Chicago Tribune* (November 18, 1928).

<sup>&</sup>lt;sup>98</sup> Statistics on Chicago in this paragraph taken from: Building Managers' Association of Chicago newsletter (October 23, 1928). Statistic on the nationwide vacancy rate taken from: *October First 1928 Survey of Rental Conditions* (Chicago: National Association of Building Owners and Managers, 1928).

market in the late 1920s, land values remained high, reaching their peak in 1928, and skyscraper construction continued at a rapid pace. This was due in large part to the fact that the market for real estate "gold" bonds remained so good that towering Loop office buildings could be financed with little equity down by the developer or property owner. Downtown skyscraper construction in Chicago, as in cities nationwide, was in no way governed by any relationship to the needs of the city and the amount of office space that could be absorbed. Over five million square feet of rentable office space was added to the Chicago's central district between 1928 and 1932, providing a total of 25,586,932 square feet by the end of that period. This represented a 74 percent increase in office space since 1925. The office vacancy rate jumped to 23 percent in 1932, a rise of 15.5 percent in just seven years.<sup>99</sup>

Whereas renting campaigns of the early 1920s were "extremely dignified" and "hardly more than tight-lipped announcements that buildings were finished and open to tenants," steadily rising vacancy rates later in the decade created a considerably more competitive rental market. Building managers had to work much harder to fill their buildings with tenants in order to make them profitable and "began to beat the drums with newspaper and direct mail advertising." In its 1928 book titled *Renting Offices*, the National Association of Building Owners and Managers reprinted excerpts from the earlier "Chicago Code of Business Practices," in an attempt to curtail the cutthroat competition among members. Warnings that "lone wolfs" engaged in unfair practices to lure tenants from Association buildings would bring greater raids on their own

<sup>&</sup>lt;sup>99</sup> Statistics in first sentence of this paragraph taken from: Building Managers' Association of Chicago newsletter (October 23, 1928). Other sources for this paragraph: Hoyt (1933) 265; *October First 1928 Survey of Rental Conditions* (Chicago: National Association of Building Owners and Managers, 1928); *May First 1932 Survey of Rental Conditions* (Chicago: National Association of Building Owners and Managers, 1932); Shultz and Simmons, 162-163.

buildings in retribution fell on the deaf ears of managers who were increasingly "dependent on kidnapping tenants from their older rivals" as a matter of survival.<sup>100</sup>

What began in the early 1920s as a skyscraper boom to meet tenant-driven demand in the early 1920s was transformed by 1928 into a period of frenzied speculation that produced a glut of office space. Within a dozen years, Chicago's skyline was reconfigured with at least a dozen "zoning law towers" over 35 stories in height that stood in dynamic contrast to the majority of considerably lower buildings erected in the Loop during the 1920s boom. By 1933, land values in the central area had declined by 25 to 30 percent of their peak values in 1928. When the Field Building was completed in 1934, downtown vacancy rates stood at 30 percent and "the era of gaudy overbuilding was over."<sup>101</sup>

# B. <u>Why LaSalle Street? The Power of Prestige</u>

Although the redevelopment of LaSalle Street featured the same drivers as Chicago's larger office tower boom of the 1920s it was unique for its concentration of new headquarters buildings for the city's most powerful financial institutions and exchanges. This was tied to their rapid expansion, which required larger floor plates, luxurious public spaces, and the most updated technologies to accommodate changing programmatic needs, advertise their wealth and stature, and attract first class tenants. However, such institutions could have relocated to Wacker Drive or Michigan Avenue, the city's highly visible new boulevards. Why did they instead choose to reaffirm LaSalle as the city's financial district? The answer had much to do with its

<sup>&</sup>lt;sup>100</sup> Quotes in this paragraph taken from: Shultz and Simmons, 148. William Davidson, *Renting Offices* (Chicago: National Association of Building Owners and Managers, 1928) 97-98.

<sup>&</sup>lt;sup>101</sup> Statistics on land values taken from: Hoyt (1933) 274; Quote taken from: Shultz and Simmons, 159.

history as the "Wall Street of Chicago" as to the desire of financial institutions and their related businesses to cluster together for efficiency. Such concentration drove up demand and land values, which spurred the erection of two speculative towers in their midst, both marketed to first-class tenants who wished to be associated with this prestigious thoroughfare. <sup>102</sup>

# 1. LaSalle Street as Historic Nexus of Financial Exchange

While most of contemporary LaSalle Street was built in the twentieth-century, its roots as Chicago's financial spine date to 1865. In that year, the Chicago Board of Trade moved its headquarters from the intersection of LaSalle and South Water streets to rented quarters in the Chamber of Commerce Building at the southeast corner of LaSalle and Washington streets, which attracted numerous banks to the vicinity. This institution was founded in 1848 as the Chicago's centralized commodity exchange and by the Civil War its prestige was firmly established. Completion of the Lake Shore and Michigan Southern Railroad Station in 1868, which terminated LaSalle Street at Van Buren, exerted a slow southward pull along LaSalle Street from Washington. The station (later called the LaSalle Street Station) was rebuilt after the 1871 Fire and its travelers were accommodated by the magnificent Grand Pacific Hotel one block to the north, at LaSalle and Jackson streets. Office blocks were concentrated in the vicinity of the stone-fronted Nixon Building at LaSalle and Monroe streets, which survived the Chicago Fire relatively undamaged, continuing the southward advance of LaSalle Street.<sup>103</sup>

<sup>&</sup>lt;sup>102</sup> The three-story Lake Shore Trust and Savings Building (1922) at the northeast corner of Michigan and Ohio streets was the only standalone commercial bank building to be erected on North Michigan Avenue in the 1920s. Its clientele was likely drawn from residents of the nearby Gold Coast.

<sup>&</sup>lt;sup>103</sup> Hoyt (1933) 89. The Nixon Building survived the Chicago Fire in large part because its structural members were covered with concrete and plaster of Paris.

However, the physical and symbolic character of LaSalle Street as a center of finance and exchange was established in 1881, when directors of the Chicago Board of Trade voted to build a headquarters building facing LaSalle Street at Jackson after considering a variety of other sites. The site selected was offered for sale by a Mr. W.L. Scott who owned the two blocks south of Jackson separated by LaSalle. Construction of the new Board of Trade Building at this location required a City Council resolution to vacate LaSalle Street between Jackson and Van Buren streets.<sup>104</sup> It also represented the inevitable southward advance of Chicago's rapidly growing business district, as noted by the *Chicago Tribune*:

The Board of Trade is merely following the extension of the business district to the south. Its removal does not signify an abandonment, but an enlargement, of the present business circle. The business district is bounded on the east by the lake, and on the north and west by the river. It can reach out only toward the south. The new Board of Trade building at Jackson street will be the geographical center of Chicago's business district within a few years, when that district shall extend as far south as Twelfth Street.<sup>105</sup>

The ten-story granite-clad Chicago Board of Trade Building was completed in 1885 and had a commanding visual presence at the new LaSalle Street terminus with its 322-foot clock tower, soaring stained glass windows, and profusion of ornamental detailing. It followed a centuries-old tradition of impressive exchange buildings in European financial centers such as Antwerp, Amsterdam and London, which included such prominent edifices as the London Royal Exchange, a two-story building surmounted by a bell tower that was completed in 1566. In the New World, a magnificent colonnaded Merchants Exchange Building with a low dome that

<sup>&</sup>lt;sup>104</sup> "Board of Trade: A Resolution Offered Looking to Securing New Quarters," *Chicago Tribune* (July 11, 1880); "The New Board of Trade Building," *Chicago Tribune* (December 26, 1880).

<sup>&</sup>lt;sup>105</sup> "The Board of Trade's New Quarters," *Chicago Tribune* (June 26, 1881).

resembled that of the ancient Roman Pantheon was erected on Wall Street in 1842. The dramatic siting of the Chicago Board of Trade Building was reminiscent of the distinctive vista created by Trinity Church when it turned to face Wall Street in the late eighteenth-century.<sup>106</sup>



Figure 14: Original Chicago Board of Trade Building at the LaSalle Street terminus, 1893. From: Chicago History Museum: ICHi-00255. Photographer Unknown.

At least a dozen elevator buildings were erected within a block of the Chicago Board of Trade Building between 1884 and 1886, all of which housed financial institutions and were oriented in relation to the nexus of power at LaSalle and Jackson streets. The Rookery and Insurance Exchange Buildings, which faced each other across LaSalle Street at its intersection with Adams, were strikingly similar in appearance. Both designed by Burnham and Root, they were about ten stories in height, clad in richly molded pressed brick, featured massive arched

<sup>&</sup>lt;sup>106</sup> For an excellent overview of the origins of Wall Street's financial imagery, see: Lois Severini, *The Architecture of Finance: Early Wall Street* (Ann Arbor, Michigan: UMI Research Press, 1983). Drawings of the historic exchange buildings in London and New York are shown on figures 7 and 67 of this book.

portals, round-arched windows, and lively terra cotta ornamentation. This unified pair of buildings was among the most visually striking in the financial district and served as a precursor to the matching bank buildings designed by Graham Anderson Probst and White on the same block in the 1920s. The Loop's skyscraper boom of the early 1890s included several monumental buildings on LaSalle Street, such as the Stock Exchange, Women's Temple and Tacoma Buildings. The marketing brochure for the Tacoma touted its location on the "Wall Street of Chicago." However, LaSalle Street's dominance as Chicago's financial spine was rivaled in the late nineteenth-century by Dearborn Street, which also featured many financial institutions, including First National, the city's largest bank.<sup>107</sup>

The narrowness of LaSalle Street itself combined with its termination at Jackson Street intensified the atmosphere of active street life in the financial district. Banks placed their main banking rooms at the front of the office building they occupied, closer to the center of financial energy. When the stately two-story Illinois Trust and Savings Bank Building was built at LaSalle and Jackson streets in 1897, replacing the west half of the Grand Pacific Hotel, it strengthened the character of this intersection as a financial marketplace, a bustling center that combined both exchange and banking activity.

Two other standalone bank buildings were erected in the Financial District during this time period: the Chicago National Bank (1900; Monroe Street, just east of LaSalle) and the Northern Trust Bank (1905; northwest corner of LaSalle/Monroe), both of which were three stories in height. After the building height limit was raised in 1902, several skyscrapers were built on LaSalle Street that incorporated banks: the Corn Exchange (1908; northwest corner of

<sup>&</sup>lt;sup>107</sup> The Chicago Board of Trade District featured four insurance company headquarters, which included the Royal Insurance, Phoenix Insurance, Insurance Exchange, and Home Insurance Buildings. Commercial banks leased space in these buildings, as well as in the surrounding cluster of speculative office blocks.

LaSalle/Adams); Otis (1912; southwest corner LaSalle/Madison), and Borland (1905; southeast corner of LaSalle/Monroe) Buildings. The block of Monroe Street, between LaSalle and Clark, also saw the construction of the seventeen-story American Trust and Savings Bank (1906) and the twenty-story Harris Trust and Savings Bank (1911).<sup>108</sup>

LaSalle Street's status as Chicago's undisputed financial spine and the nexus of banking and exchange was assured when the massive Continental and Commercial National Bank Building was completed in 1914, just one block north of the Board of Trade. The building's massive half-block footprint dwarfed the dimensions of all other office buildings erected in the Loop to date. It was erected by Chicago's then-largest commercial bank for the staggering sum of \$6 million, which was twice the cost of the bank buildings of the previous decade. Whereas two floors were formerly sufficient to house bank operations, the Continental occupied the building's lower four floors, and large parts of the fifth through seventh floors, highlighting the growth of banking and of this institution in particular since the turn of the twentieth-century. The upper floors were leased to various financial institutions, iron and steel concerns, grain, lumber, coal and packing companies, and other large commercial interests. The new Continental Building set the stage for the future consolidation of blocks along LaSalle Street to accommodate increasingly larger commercial developments.<sup>109</sup>

<sup>&</sup>lt;sup>108</sup> Basic information on these and other Loop buildings can be found in: Frank A. Randall, *History of the Development of Building Construction in Chicago* (Urbana:,University of Illinois Press, 1999).

<sup>&</sup>lt;sup>109</sup> In comparison to the Continental and Commercial Bank's 325 by166 foot measurements, First National Bank covered 194 by 229 feet; the Continental National Bank, 190 by 181 feet; the Monadnock, 303 by 66 feet; and the Railway Exchange, 105 by 171 feet. "Bank Will Erect \$10,000,000 Block: Continental-Commercial Plans Huge Skyscraper as Future Headquarters," *Chicago Tribune* (Jan. 15, 1911); "Lends \$6,000,000 on Bank Building; Biggest in West," *Chicago Tribune* (November 20, 1912). For architectural and historical information on the Continental and Commercial National Bank, see: Arthur D. Welton, *The Making of a Modern Bank: An Historical Sketch of the Origin of the Continental and Commercial Banks of Chicago* (Chicago, 1923).

The LaSalle Street Financial District's early twentieth-century skyscrapers—built by banks, estates, and developers—were marketed to first-class tenants that could afford its topnotch rents. These included law firms, oil companies, public utilities, real estate firms, accounting firms and insurance agencies. Such tenants preferred to cluster together and to impress their own clients with spacious, modern offices located on the city's most prestigious thoroughfare for business and finance. "A "front," whether of clothes, furnishing, building, or location, must always be put up so as to indicate wealth back of it all or the business may not be considered sound, profitable, and "up-to-date," wrote New England writer James Truslow Adams in 1929 on the importance of conveying a prestigious appearance in America's new consumer society. Close proximity between tenants and their clients within a segregated financial district such as LaSalle Street was considered desirable for promoting face-to face-contact and efficiency as traffic congestion could be avoided by a short walk or elevator ride.<sup>110</sup>

LaSalle Street benefitted from the advertising value of housing the city's most prominent financial institutions and costliest skyscrapers, which represented tremendous investments by their owners and boosted land values along the thoroughfare. Such projects reassured investors and prospective tenants that the financial district was not going to shift, which was emphasized in the Field Building's ca. 1932 marketing brochure:

At the foot of LaSalle Street, looking down the street, is the new Board of Trade Building. Also included in this brief length are the homes of the Continental Illinois Bank, with its resources of over a billion dollars, the Federal Reserve Bank, the Central Republic Bank, and the Northern Trust Company. Most of these institutions own their own properties and buildings, assuring a permanent tenancy. LaSalle Street is not a thoroughfare of transients. The Chicago Stock Exchange, second only to the New York Exchange, is on LaSalle Street at Monroe. Here, too, are located the big investment banking houses of the Central West. More than

<sup>&</sup>lt;sup>110</sup> James Truslow Adams, *Our Business Civilization: Some Aspects of American Culture* (New York: Albert and Charles Boni, Inc., 1929) 40.

half of Chicago's four hundred odd investment houses, doing an annual business of almost half a billion dollars, are to be found on LaSalle Street.<sup>111</sup>

Although the building sites on the new Wacker Drive and North Michigan Avenue featured greater visibility and access to light and air, LaSalle Street could boast locational advantages preferred by many businessmen, such as five railway terminals—the LaSalle Street Station, Dearborn Street Station, Grand Central Station, Union Station, and the Chicago and Northwestern Station—offering suburban and continental service, which were within a five or ten minute walk. The LaSalle Street Station, located directly behind the Chicago Board of Trade, featured direct access to New York via the Twentieth Century Limited.

Soaring land values on LaSalle Street were accompanied by higher property taxes, incentivizing property owners to sell or lease their parcels to banks/developers interested in erecting considerably larger buildings that would generate greater rental income than the lower buildings they replaced. For example, on the eve of the thirteen-story Tacoma Building's demolition in 1929 for the 49-story No. 1 LaSalle Building, one writer noted that it "was too low to get a sufficient return on the extremely valuable land it occupied." By 1928, the assessed value of its site at the northeast corner of LaSalle and Madison streets had risen to \$1,061,770, while that of the building had plummeted to \$40,000. By extending a 99-year lease to the Chicago Title and Trust Company as trustee for an undisclosed syndicate in charge of erecting the new tower, the University of Chicago stood to gain an annual rental of \$293,960 which was undoubtedly a considerable increase from the rental income it received from the Tacoma Building.<sup>112</sup>

<sup>&</sup>lt;sup>111</sup> Hayes, Loeb & Company, *The Field Building* (Chicago: R.R. Donnelley, ca. 1932).

<sup>&</sup>lt;sup>112</sup> Quote taken from: Philip Hampson, "Metal In First Skyscraper is Good as New: Experts Study Old Tacoma Building," *Chicago Tribune* (May 12, 1929). *Valuations of Central Business Property As Determined by the Board* 

# 2. <u>Prestige and Expansion of LaSalle Street's Financial Institutions</u>

LaSalle Street's boom of the 1920s was sparked by plans for new skyscrapers at its southern end that were commissioned by a trio of financial giants: the Chicago Board of Trade, the Illinois Merchants Bank (which became Chicago's first billion dollar bank by decade's end), and the Federal Reserve of Chicago Bank. Together with the mammoth Continental and Commercial National Bank, they solidified LaSalle Street's position as the undisputed financial district of Chicago while proclaiming the city's prowess as a leader on the international stage of finance. They also spurred further redevelopment with other bank headquarters building and speculative skyscrapers, all of which advertised their prestigious location on LaSalle Street as a means to attract tenants.

#### Federal Reserve Bank of Chicago Building (1921-22; northwest corner of LaSalle/Jackson)

The earliest skyscraper built on LaSalle Street during the 1920s construction boom was a headquarters for the Federal Reserve Bank of Chicago, an institution that raised influence of the city's commercial banks on American financial policies. Congress passed the Federal Reserve Act in 1913, which established a central banking system that was intended to provide the nation with a more flexible and stable financial system. It consisted of twelve regional reserve banks that were largely independent, with a national Federal Reserve Board in Washington D.C. providing advisory power. Pooling member bank reserves in the regional banks created the means for adjusting money and credit conditions to fit short-term fluctuations in demand and to prevent nationwide panics, such as the one that had occurred in 1907. The Federal Reserve Bank

of Review and Approved by the Tax Commission (Chicago: The Economist Publishing Company, 1928). Al Chase, "No. 1 LaSalle St. to Cost \$8,000,000," Chicago Tribune (August 5, 1928).

of Chicago represented the Seventh District of the Federal Reserve System, a region that consisted of northern Illinois and Indiana, southern Wisconsin, all of Iowa and the southern peninsula of Michigan.<sup>113</sup>

Although a fiscal agent of the federal government, the Chicago Federal Reserve Bank's organization and early policies were shaped in large part by George M. Reynolds and James B. Forgan who served on its original board of directors and were also the presidents of the city's two largest commercial banks: the Continental and Commercial (later Continental National) Bank and the First National Bank, respectively. Most of the officers and employees of the Federal Reserve Bank of Chicago had previously been employed by one of these men. The directors selected James B. McDougal as the Bank's first governor, a choice that was greeted with universal approval among Chicago's financial community. (In 1935, the title of governor was changed to president.) McDougal had extensive familiarity with Chicago bankers and local banking conditions due to many years of experience, first as a national bank examiner and later as chief examiner of the Chicago Clearing House Association, an organization that served and regulated the city's banking industry.<sup>114</sup>

<sup>&</sup>lt;sup>113</sup> The other Federal Reserve banks are located in Boston, New York, Philadelphia, Richmond, Atlanta, Cleveland, Minneapolis, St. Louis, Kansas City, Dallas, and San Francisco. Historian Stanley Buder notes that the New York Reserve Bank, under the powerful leadership of Benjamin Strong, was the most powerful of the twelve reserve banks. It policed the other eleven and retained control of an estimated 50 percent of the country's banking until important changes were enacted in 1935. Stanley Buder, *Capitalizing on Change: A Social History of American Business* (Chapel Hill: University of North Carolina Press, 2009) 218. All national banks were required to join the Federal Reserve System and state banks were given the option of joining if they desired. For overview descriptions of the establishment of the Federal Reserve System, see: Niemi, 200-204; Keith L. Bryant Jr. and Henry C. Dethloff, *A History of American Business* (Englewood, New Jersey: Prentice-Hall, Inc., 1983) 225-227.

<sup>&</sup>lt;sup>114</sup> During a January 1914 visit to Chicago by members of the Federal Reserve Bank's Organizing Committee, both Forgan and Reynolds advocated for Chicago to receive a much larger territory for its district than it subsequently received. Forgan's argument focused on Chicago's financial and locational importance, stating: "From one point of view, if we are just going to look upon it territorially, we are really the center and New York is on the circumference of the circle." New York also attempted to claim a larger district that would encompass nearly half the banking resources of the United States. Quote taken from: James, 870-871, 881.

The Federal Reserve Bank of Chicago opened on November 16, 1914 with 41 employees who occupied two floors of rental space in the Rector Building at the southeast corner of Clark and Monroe streets. The institution experienced phenomenal internal growth due in large part to its involvement in the sale of Liberty Bonds during World War I. Within five years, its staff had increased to 1,200 employees who were spread out among eight different downtown buildings and various Chicago banks housed the institution's gold and securities. The need to consolidate operations under a single roof for both efficiency and security reasons spurred plans for a new headquarters building.<sup>115</sup>

Bank directors purchased a quarter-block site at the northwest corner of LaSalle Street at Jackson from the John G. Shedd estate in late December 1918 at a cost of \$2,936,500—in cash. This was reportedly the largest single cash transaction in the history of the city. The bank could easily absorb this expense as well as the approximately \$7.5 million that it eventually cost to erect its new building since in 1921 and 1922, the years in which the edifice was erected, its gross earnings amounted to \$30 million and \$20 million, respectively. Wrecking of the four buildings that occupied the site began in May 1920, the same month that the City Council voted to raise the building height from 200 to 260 feet in an attempt to stimulate skyscraper construction following World War I. Architects Graham, Anderson, Probst and White awarded contracts in November 1920 but labor strife and the high cost of materials delayed the building's completion until the end of 1922. The Federal Reserve Bank occupied all fourteen stories of its

<sup>&</sup>lt;sup>115</sup> For information on the Federal Reserve Bank of Chicago's establishment and its headquarters building, see: John A. Griswold, A History of the Federal Reserve Bank of Chicago. Ph.D. dissertation, St. Louis University (St. Louis, Missouri, 1936) 94.

limestone-clad headquarters building, which featured a stately Corinthian portico, second floor banking hall, and a gymnasium and dining rooms for employees.<sup>116</sup>



Figure 15: Federal Reserve of Chicago Building, 1923. Chicago History Museum: ICHi-00233. Photographer: Kaufmann & Fabry.

# Illinois Merchants Bank Building (1921-24; renamed Continental-Illinois Bank Building in 1928; northeast corner of LaSalle/Jackson)

The Illinois Merchants Bank was founded in 1919 when officials of three prominent Loop banks—the Illinois Trust and Savings Bank, Merchants Loan and Trust Company, and the Corn Exchange National Bank—made a decision to merge upon completion of a new headquarters building. This was the largest consolidation that had occurred in the financial

<sup>&</sup>lt;sup>116</sup> "Reserve Bank Pays \$2,936,500 For Loop Site," *Chicago Tribune* (Jan. 1, 1919); Al Chase, "Wreckers Put Pep Into Downtown Leases," *Chicago Tribune* (March 10, 1920); Al Chase, "Rector Building is Sold to Bank," *Chicago Tribune* (March 11, 1920); "Federal Reserve Bank Building," *The Economist* (November 6, 1920); Federal Bank To Make Firm Stand on Landis Award," *Chicago Tribune* (November 21, 1921). The buildings razed for construction of the Federal Reserve Bank of Chicago Building were the Counselman, Gaff and Mallers Buildings (from south to north on LaSalle Street)—as well as the Royal Insurance Building on Jackson Street, all of which dated to 1884. "Passing of Some Chicago Landmarks," *The Western Architect* Vol. 29 (June 1920) 9.

history of Chicago and it involved two of the oldest banks in the city. At the time of their decision to eventually merge, these three banks were each housed in their own buildings, two of which were skyscrapers less than twenty years old. For the site of their new bank building, they chose the most underutilized of the three sites and the one with the most prominent location: the northeast corner of LaSalle and Jackson which featured the two-story Illinois Trust and Savings Bank that was built in 1897. Also in 1919, bank directors obtained a 99-year lease from Joseph Leiter for the quarter block parcel to the east, then occupied by the 1874 Grand Pacific Hotel, as well as a 77-year lease from Northwestern University for the ten-foot strip of land in-between the Grand Pacific and Illinois Trust Bank. This allowed them to consolidate a half-block site bounded by LaSalle, Jackson, Clark and Quincy streets for their new headquarters building.<sup>117</sup>

The east half of the 21-story Illinois Merchants Bank Building was completed in April 1923, when the assets of the former Merchants Loan and Trust Company and the Illinois Trust and Savings Bank moved into their new home. The west, or LaSalle-facing, half of the Illinois Merchants Bank was completed in September 1924, necessitating another big "money moving day" when the Corn Exchange Bank transferred nearly \$150 million in cash and securities from its former skyscraper at the northwest corner of LaSalle and Adams. The final cost of the Illinois Merchants Bank Building was in the range of \$12.5 million. The new institution was directed by a staff of about fifty bank officers and featured every area of finance—commercial, savings, trust, foreign banking, investment banking and farm loans—which occupied the building's lower

<sup>&</sup>lt;sup>117</sup> The ten-story Merchants Loan and Trust Company Building, completed in 1900 and designed by D.H. Burnham & Co., was located at the northwest corner of Clark and Adams and demolished in the early 1930s for construction of the Field Building. The seventeen-story Corn Exchange Bank Building, completed in 1908 and designed by Shepley, Rutan and Coolidge, was at the northwest corner of LaSalle and Adams streets. It remained until its 1985 replacement by the 190 S. LaSalle Building. Information on the three institutions and their merger obtained from: James, 950; and *Illinois Merchants Bank Building* (Chicago: Illinois Merchants Bank, ca. 1922).

five stories while the basement housed the largest safety deposit vaults in Chicago, with space for 40,000 boxes.<sup>118</sup>



Figure 16: Rendering of Illinois Merchants Bank Building; from *Illinois Merchants Review* (Chicago, 1928). Figure 17: Second Floor Banking Hall of the Continental Illinois Bank Building (formerly Illinois Merchants Bank Building) 1965. Chicago History Museum: ICHi-23517. Photographer: Stephen Deutch.

The Illinois Merchant's four-story banking hall was the largest in the Loop, soaring to a height of 53 feet and measuring 167 feet wide by 200 feet long. The vast, sky-lit space was accessed via two marble staircases and featured twenty-eight fluted Ionic columns of Cunard pink marble from northern Italy, floors of Hauteveille marble from France, and brass fixtures. Especially notable were the frieze-level murals of Chicago's 1893 World's Columbian

<sup>&</sup>lt;sup>118</sup> "New Illinois Merchants' Bank To Open Monday," *Chicago Tribune* (April 7, 1923); "\$500,000,000 Treasure Moved as Banks Merge," *Chicago Tribune* (April 8, 1923); "Tomorrow is Moving Day for Corn Exchange Cash," *Chicago Tribune* (Sept. 26, 1924). Figure on the building's cost obtained from: Sally A. Kitt Chappell, *Architecture and Planning of Graham, Anderson, Probst and White, 1912-1926: Transforming Tradition* (Chicago and London, 1992) 142. This book has more information on the Jules Guerin murals.

Exposition painted by Jules Guerin, a prominent artist who studied at the Ecole des Beaux-Arts in Paris and was illustrator of Burnham and Bennett's *Plan of Chicago*.<sup>119</sup>

The upper sixteen floors of the Illinois Merchants Building were leased as speculative office space, which attracted an impressive roster of first class tenants of the type that typically gravitated to financial districts, including financial houses, law firms, oil companies, public utilities, real estate firms and insurance agencies. The building offered the considerable attraction of large, flexible floor plans; the provision of natural light to all offices from either the street side or its white enameled brick interior court; twenty-four electrically operated passenger elevators, as opposed to the older hydraulic versions; a vacuum cleaning plant; and the regulation of heat to desired temperatures through a thermostatic control system. No less important was the prestige associated with a building occupied by one of Chicago's largest banks.<sup>120</sup>

In late 1928 the Illinois Merchants Bank merged with the Continental National Bank and Trust Company (formerly Continental and Commercial National Bank). For the first time, Chicago had a billion dollar bank. The new Continental-Illinois Bank became the second or third largest bank in the United States, ranking behind the National City Bank of New York and running a close race for second place with the Chase National Bank of New York. As Cyril James noted, "To be one of the largest banks in the United States was of tremendous importance in the attraction of business; to be the first on that exclusive list was regarded as great cause for envy."<sup>121</sup> In writing about this latest, and largest, of the seemingly endless succession of banking mergers in Chicago, one writer quipped:

<sup>120</sup> Information on the bank building's amenities obtained from: *Illinois Merchants Bank Building* (1922).

<sup>&</sup>lt;sup>119</sup> Information on artist Jules Guerin can be found in: Robert Bruegmann, Burnham, Guerin, and the City as Image. In: *The Plan of Chicago: 1909-1979: An Exhibition of the Burnham Library of Architecture, The Art Institute of Chicago, December 8, 1979 through November 30, 1980* (Chicago: The Art Institute of Chicago, 1979) 17.

<sup>&</sup>lt;sup>121</sup> James, 944.

Customers of the two great financial institutions which have consolidated to form Chicago's first billion dollar bank are likely to become a little dizzy—both over the profound thought of a billion dollar bank and in the confusion, at the moment of drawing a check, concerning just what collection of bank titles must be written in to give the draft a fair chance of being honored.<sup>122</sup>

The massive merger of the two institutions involved transferring \$2.5 billion in cash and securities from the former Continental Bank Building at 208 South LaSalle across the street to the recently completed Illinois Merchants Bank at 231 South LaSalle, where the new Continental Illinois Bank was to be housed. This methodical process, which took place on March 17, 1929, was accompanied by "one of the greatest massings of armament in the history of peace-time Chicago." It included eighteen armored cars, a machine gun car, eighty guards, twenty mounted policemen, forty policemen on foot, two squads of detectives, eighty bank policemen, and a detail of sharp-shooters. In addition, "twelve armored cars were parked on such a way that vehicular traffic approaching the banks found itself confronted by steel barricades across LaSalle near the surrounding streets."<sup>123</sup>

#### State Bank of Chicago Building (1926-28; southwest corner of LaSalle/Monroe)

The State Bank of Chicago was chartered in 1891 as a successor to the private banking house of Haugan & Lindgren, which was established in 1879 by Helge A. Haugen and John R.

<sup>&</sup>lt;sup>122</sup> Editorial by Martin J. Quigley was originally published in: *The Chicagoan*, October 6 1928. It was reprinted in: Neil Harris, *The Chicagoan: A Lost Magazine of the Jazz Age* (Chicago: University of Chicago Press, 2008) 176.

<sup>&</sup>lt;sup>123</sup> Quote taken from: "Moving \$2,500,000,000 In Three Hours," *Bankers' Magazine* (April 1929). In 1928, the Utilities Power and Light Corporation purchased Continental's former building at 208 S. LaSalle and its half-block site for \$20 million. Continental's former quarters were leased by the Central Trust Bank, which relocated from its previous three-story building on Monroe Street. "20,000,000 Paid for Loop Building," *Chicago Tribune* (November 22, 1928).

Lindgren, both of Norwegian descent. Its founders decided to apply for a state charter, rather than organize as a national bank, due to their desire to develop the bank primarily as a savings institution. Although the State Bank originally catered to the city's large Scandinavian population, it later expanded to Chicagoans outside those ethnic groups as its business increased through internal growth, rather than mergers. In 1897, the institution moved from leased space in the Marine Building at the northeast corner of LaSalle and Lake streets, to ground floor quarters in the newer and better-located Chamber of Commerce Building at the southeast corner of LaSalle and Washington streets, where it remained for the next quarter-century. As of 1909, the State Bank's savings deposits were equaled by only four other Chicago institutions, with the average account about \$341 for each depositor. The bank's other profitable lines of business were its Trust Department and its Real Estate Loan Department, through which it controlled numerous buildings managed by the bank for clients whose estates were committed to its care.<sup>124</sup>

Ongoing growth of the State Bank of Chicago spurred its directors in 1919 to purchase Burnham and Root's Women's Temple Building at the southwest corner of LaSalle and Monroe streets at a cost of \$550,000 and announce their intention of building a magnificent new headquarters on the site. Bank president Henry A. Haugan commissioned Graham, Anderson, Probst and White to design the building, a drawing of which was published in the March 5, 1921 issue of *The Economist* after the building permit was obtained. However, bank officials prudently decided to defer construction for several years due to the instability of labor and material costs in the early 1920s. In July 1925, the bank purchased 92-and-a-half feet of adjacent Monroe frontage for \$700,000 from the Levi Leiter Estate. In July of the following year, the

<sup>&</sup>lt;sup>124</sup> "State Bank of Chicago Chartered," *Chicago Tribune* (Feb. 10 1891). For a pre-1905 history of the State Bank of Chicago, see: Henry S. Henschen, *A History of the State Bank of Chicago from 1879-1904* (Chicago: The Lakeside Press, 1905).

bank purchased the ground beneath the Woman's Temple at a cost of \$1,350,000. Both land and building were formerly owned by the Marshall Field Estate.<sup>125</sup>

Five years passed before State Bank officials moved forward on their building project. Tenants of the Woman's Temple were given sixty-day notices to vacate at the end of January 1926 and the building was razed in August of that year. Construction of the State Bank of Chicago Building began in December 1926 and it was completed in April 1928. Haugan decided on a conservative height of 22 stories and a design of stark simplicity with hollow-court design that matched the bank-office towers at LaSalle Street's southern terminus created by the same design team. The bank's savings department shared the ground floor with an L-shaped retail arcade. The institution also occupied floors two through four, with a two-story banking hall on the second floor that was sheathed in marble and featured a skylight with antique colored glass.<sup>126</sup>

<sup>&</sup>lt;sup>125</sup> The 1891 Women's Temple was never a money-maker and finally succumbed to foreclosure in 1914 when it came under the control of the Marshall Field Estate, which also owned its parcel. The building suffered from an ongoing lack of maintenance since that time, which was likely an important reason for tenant defections and its subsequent loss of income. "Leroy Goddard, Veteran Banker Resigns His Post," *Chicago Tribune* (June 4, 1919); "State Bank of Chicago," *The Economist* (March 5, 1921) 537; "Largest Bank Building Hinted by Loop Sale," *Chicago Tribune* (July 15, 1925); Al Chase, "State Bank of Chicago Buys LaSalle Fee," *Chicago Tribune* (July 2, 1926).

<sup>&</sup>lt;sup>126</sup> "Start on New State Bank of Chicago Soon: Temple Tenants Told to Vacate," *Chicago Tribune* (Jan. 31, 1926); "State Bank of Chicago Begins Work on New \$15,000,000 Home," *Bankers' Magazine* (January 1927); "Visitors Inspect New Quarters of State Bank," *Chicago Tribune* (April 17, 1928).



Figure 18: State Bank of Chicago Building, 1928. Chicago History Museum: ICHi-30193. Photographer unknown.

The State Bank of Chicago Building's most prestigious tenant was the Chicago Stock Exchange, which defected from the Rookery upon the promise of a new two-story trading room with modern technologies that was intended to accommodate its expansion. The Stock Exchange experienced phenomenal growth from 1927 to 1928—the period that the State Bank was under construction—with daily total sales of shares rising from an average of 45,000 to over 100,000. Stock price increases in both the Chicago and New York Exchanges early in the decade were fueled by solid factors as business profits led to higher dividends. By the late 1920s, however, the market was overtaken by speculative greed. Despite rapid growth of stocks traded on the Chicago Exchange, bank historian Cyril James noted, "it must be admitted that the aggregate operations of all the organized security markets in Chicago was not calculated to disturb New York very seriously." Yet, the growth of the Stock Exchange served as another opportunity for Chicago's business leaders to assert the city's financial independence. <sup>127</sup> Upon announcing the

<sup>&</sup>lt;sup>127</sup> "Stock Exchange in New Home; Business Gains," *Chicago Tribune* (April 17, 1928). Although the number of small investors expanded during the 1920s, the three million Americans owning stock in 1928 only

Illinois Central Railroad's decision to list its stocks on the Chicago Exchange for the first time in 1928, President L.A. Downs noted,

Why should the people of Chicagoland have to go to the east to do their trading in stocks and bonds? The Chicago stock exchange, as I see it, is by way of being a friendly declaration of independence from the appearance if not the fact of eastern financial domination.<sup>128</sup>

#### Foreman National Bank Building (1928-29; southeast corner of LaSalle/Washington)

The Foreman National Bank was a family-owned banking business with its origins dating to a private Chicago bank founded in 1862 by Gerhard Foreman, a German Jewish immigrant. The elder Foreman retired in 1885, transferring his interests to his sons, who conducted the business as a family partnership until 1897. In that year, the bank was incorporated as a state bank under the name of the Foreman Brothers Banking Company. In 1923, this business was placed under national charter through the creation of the Foreman National Bank. The Foreman Trust and Savings Bank was set up at the same time as an affiliated institution chartered through the state. Oscar Foreman, son of Gerhard, became chairman of the board of both banks which in the early 1920s occupied leased space on the second floor of the 30 North LaSalle Street Building, built in 1894 as the headquarters of the Chicago Stock Exchange. Directly across LaSalle Street was the 1891 Chamber of Commerce Building, which the Foreman National Bank purchased in 1925 as the site of its future bank headquarters. Both the building and its parcel were acquired at a cost of \$3.5 million. The owners were likely incentivized to sell in the mid-

amounted to 2.5 percent of the population. A year later, this number had dropped to about 1.5 million. David M. Kennedy, *Freedom from Fear: The American People in Depression and War, 1929-1945* (New York: Oxford University Press, 1999) 40-41. Quote take from: James, 968.

<sup>&</sup>lt;sup>128</sup> O.A. Mather, "Sees Chicago as America's Greatest City," *Chicago Tribune* (May 4, 1928).

1920s as they faced the upcoming loss of its anchor tenant for the past quarter century—the State Bank of Chicago—upon the completion of its new headquarters building at the southwest corner of LaSalle and Monroe streets.<sup>129</sup>

In March 1928, the *Chicago Tribune* published a feature story on the 38-story skyscraper planned for the Foreman Banks according to designs by Graham, Anderson, Probst and White. Demolition of the Chamber of Commerce Building began in May 1928 and the steel skeleton frame of the new bank building was raised by early December of the same year. While construction was underway, the Foreman Banks consolidated with the State Bank of Chicago to form the Foreman-State National Bank, which immediately became the third largest in Chicago with combined resources of about \$222 million. The bank's diverse operations also included departments for real estate loan and savings; commercial departments; foreign and credit departments and a trust department. The new institution immediately announced the organization of the Foreman-State Corporation, their securities affiliate, which was intended to handle industrial, municipal and public utility financing with a branch office at 52 Wall Street in New York.<sup>130</sup>

<sup>&</sup>lt;sup>129</sup> "Gerhard Foreman Dies," *Chicago Tribune* (August 14, 1897); "Oscar Foreman, Former Banker, Is Dead at 69," *Chicago Tribune* (March 7, 1933); "Foreman Bros. To Get National Bank Charter," *Chicago Tribune* (Jan. 3, 1923); "Foreman Banks Pay \$3,500,000 for Skyscraper: Buy Chamber Commerce for Future Home," *Chicago Tribune* (June 17, 1925).

<sup>&</sup>lt;sup>130</sup> New Home of Foreman National to Be City's Tallest Bank," *Chicago Tribune* (March 11, 1928); "Complete Steel Work on Foreman Bank Building," *Chicago Tribune* (December 6, 1928); O.A. Mather, "Unite Foreman Banks and State Bank," *Chicago Tribune* (July 23, 1929); "Foreman Banks and State Bank, Chicago, to Consolidate," *Bankers' Magazine* (September 1929); "Billion Moved to New Foreman Bank Building," *Chicago Tribune* (December 15, 1929); "Foreman-State Bank Will Move Next Monday," *Chicago Tribune* (December 9, 1929); O.A. Mather, "Foreman-State Bank Opens in New Quarters," *Chicago Tribune* (Dec. 17, 1929); "Foreman-State Banks in New Home," *Bankers' Magazine* (January 1930). At the time of the Foreman Banks merger with the State Bank, the former remained very much a family operation. Oscar G. Foreman, chairman of the executive committee of the consolidated banks, was the son of the founder. Harold E. Foreman, Chairman of the board, represented the third generation of the family in the banks, as did Alfred K. Foreman, Gerhard Foreman and Edwin G. Foreman Jr.

The State Bank abandoned its new headquarters building and the merged banks occupied the renamed Foreman-State National Bank upon its completion in December 1929, which represented the culmination of the northward progression of bank-office towers built during the 1920s economic boom. The bank's 1,000 employees occupied the lower eight floors of the building, which included a banking hall that comprised most of the second floor, which was typical. This expansive space featured what one writer referred to as a "modern adaptation of Classical design" with squared, fluted columns lacking in capitals and pendant lighting fixtures hanging from the coffered ceiling. It had walls of Tavernelle marble imported from Italy and floors of Tennessee marble with the entire ensemble featuring a single cream-colored hue with red accents. In contrast to other bank buildings its directors' room was on the uppermost floor, rather than adjacent to the banking hall, and was reimagined as a swanky lounge. The remainder of the building was leased as speculative office space.<sup>131</sup>



Figure 19: Second Floor Banking Hall of Foreman National Bank, 1930. Figure 20: Directors Lounge of Foreman National Bank, 1930. Both photos from *The Architectural Record* Vol. 68 (July 1930) 11, 13. Photographer: Chicago Architectural Photography Company.

<sup>&</sup>lt;sup>131</sup> "Foreman-State Banks in New Home," *Bankers' Magazine* (January 1930).

# Chicago Board of Trade (1928-30; terminus of LaSalle Street at Jackson)

Although the Chicago Board of Trade was the last of LaSalle Street's major institutions to erect a headquarters building during the 1920s construction boom, discussions to replace its 1885 edifice at the LaSalle Street terminus began as early as 1909 when members appointed a committee to explore options for a larger building. From a financial standpoint, the ten-story height of its existing 1885 building was impractical in terms of providing sufficient rental income commensurate to its high profile site. Moreover, its trading hall—touted as the largest in the world—lacked the technological sophistication needed by the early twentieth-century, when Chicago attained its leading position worldwide in the field of commodities trading. Planning continued intermittingly over the years, finally moving into high gear in 1927 when Holabird & Roche (reorganized as Holabird & Root in 1928) was awarded the high-profile commission, a permit was obtained, and the firm Albert H. Wetten and Company was selected as the building manager.<sup>132</sup>

On December 8, 1928, the sounding of the great gong ended trade in the building occupied by the grain exchange for the past 43 years. As "Taps" was sounded by the buglers of the Board of Trade Post of the American Legion, members gathered on the trading floor and proceeded to march to their temporary quarters in a two-story building designed by Holabird and Roche at 447-511 S. Clark Street. Over the next eighteen months, a force of 1,254 laborers, craftsmen and engineers was mobilized to ensure the building's completion by May 1, 1930. At

<sup>&</sup>lt;sup>132</sup> "Board of Trade Building Project is Given Impetus," *Chicago Tribune* (July 10, 1910); "Drop Board of Trade Plan for Large New Building," *Chicago Tribune* (August 11, 1911); "Board of Trade Plans 41 Story Home at Once," *Chicago Tribune* (March 13, 1927). The building constructed for the CBOT's temporary occupancy was located at 447-511 South Clark Street and later demolished for the widening of the Congress Street. The best overall history and description of the CBOT Building can be found in: Robert Bruegmann, *Holabird & Roche, Holabird & Root, An Illustrated Catalog of Works: Volume III, 1927-1940* (New York: Garland Publishing, Inc. 1991) 23-39.

that time, its speculative office space above the fifth floor was open to a roster of first-class tenants who included the administrative offices of Armour and Company, the renowned meat packing firm; the Quaker Oats Company; the investment banking firm of Lee, Higginson & Company of Boston; the public accounting firm of Ernst and Ernst; and the Canadian Pacific Railway and Steamship Line's Western Office. Additional rental income was obtained from shops in the lobby arcade.<sup>133</sup>

At forty-five stories, the Board of Trade Building was a commanding focal point at the terminus of the financial district, "towering head and shoulders above its mighty neighbors" and its architecture was considered "expressive of power and success." Built at a cost of \$22 million, the CBOT Building was touted as one of the "four outstanding business nerve centers of the world," on par with such world-renowned institutions as the Bank of England, the Bourse in Paris, and the New York Stock Exchange. The CBOT enjoyed its status as the oldest grain exchange in the world and was the largest in volume of business.<sup>134</sup>

The Board of Trade's streamlined public spaces offered dazzling examples of the modernistic twenties style. Wheat was the decorative motif featured in the metal grilles surrounding the entrance vestibule's revolving doors, elevator doors, lobby railings, and panels atop the lobby piers. The two-story lobby arcade displayed swelling, buff-colored marble cascades on the second floor balcony that alternated with full-height tapered black marble piers accented by vertical strips of nickel, the same material that framed its storefronts. Diffused light

<sup>&</sup>lt;sup>133</sup> "Taps Sounded in Old Board of Trade Building," *Chicago Tribune* (Dec. 8, 1928); "New Chicago Board of Trade Building: The Mid-West's Commercial Capital—Rapidly Nears Completion," *Chicago Tribune* (Jan. 27, 1930); "Thousands Employed in Finishing New Board of Trade Building," *Chicago Tribune* (March 24 1930).

<sup>&</sup>lt;sup>134</sup> First quote taken from: *The Board of Trade of the City of Chicago: A Souvenir of the Dedication of Its New Home* (June 9, 1930) 5. Second quote taken from the Chicago Board of Trade's circa 1928 marketing brochure. Third quote taken from: "Thousands Employed in Finishing New Board of Trade Building," *Chicago Tribune* (March 24 1930).

was provided to the lobby by glass-and-nickel wall-mounted reflectors and well as a backlit glass ceiling panel trimmed in nickel. Large, geometric glass ceiling fixtures graced the lobby vestibule.





Figure 21: Lobby of Chicago Board of Trade Building. Figure 22: Elevator door in Chicago Board of Trade Building. Both photos by author, 2015.

The building's nexus of activity centered around its massive trading room on the fourth floor which encompassed 113 by 163 feet of unobstructed space and rose to a majestic height of 60 feet. It was equipped with state-of-the-art communications needed for a building that was considered "a nerve center of business." The trading room—which had six octagonal-shaped pits, the largest being thirty-eight-foot-wide wheat pit—was connected with other international exchanges and to 540 cities from coast-to-coast through the over 2,700 miles of telephone and telegraph wires embedded within its rubber tiled floor. According to the dedication brochure for the building, "So perfect, so lightning-swift, is the entire system that a man in Kansas City can place an order to buy in Chicago and in thirty seconds, receive a confirmation of his purchase." Such rapid communication was needed as the prices that emanated from its trading floor formed "the basis of buying and selling the world over." Its wood-paneled walls featured a 31-foot mural of Ceres by John W. Norton and soaring ventilating grilles of nickel as well as an enormous octagonal colored glass ceiling light fixture surrounded by setback skyscraper motifs.<sup>135</sup>



Figure 23: Trading Room in the Chicago Board of Trade Building, June 20, 1947. Chicago History Museum: HB-10297. Photographer: Hedrich Blessing.

Figure 24: Mural of Ceres by John W. Norton ca. 1930 (now reinstalled in atrium of Chicago Board Trade Addition). Chicago Board of Trade records, series V, sub-series 3, Public Relations, 1848-2000, box 263, folder 3. Special Collections and University Archives, University of Illinois at Chicago Library. Photographer unknown.

<sup>&</sup>lt;sup>135</sup> Quotes and building information in this paragraph were taken from: *The Board of Trade of the City of Chicago: A Souvenir of the Dedication of Its New Home* (June 9, 1930). For information on Norton and images of his preliminary studies for the Ceres mural, see: Thomas E. Tallmadge, *John W. Norton, American Painter, 1876-1934* (Chicago: Lakeside Press, ca. 1935). The mural of Ceres is now situated in the atrium of the CBOT's south addition.

# 3. LaSalle Street's Speculative Skyscrapers

The prominent financial institutions and costly skyscrapers built in the financial district sparked high demand for a LaSalle Street address and the construction of two first-class speculative office towers in their midst: the No. 1 LaSalle Street Building and the Field Building.

# No. 1 LaSalle Street Building (1929-30; northeast corner of LaSalle/Madison streets)

In 1928, an undisclosed building corporation obtained a 99-year lease from the University of Chicago to build a speculative skyscraper at the northeast corner of LaSalle and Adams streets to be called by its address, "No. 1 LaSalle Street." The site was then occupied by the 14-story Tacoma Building and two smaller office blocks and was adjacent to the Foreman National Bank Building, which was nearing completion as the No. 1 LaSalle Building was getting started. K.M. Vitzthum & Company (comprised of partners Karl Vitzthum and John Burns) was commissioned to design the limestone-clad skyscraper, which was begun in spring 1929 and completed in 1930 at a cost of \$8 million. The building's lobby was a sumptuous example of Art Deco styling with its walls of rich green-black marble, bronze elevator doors with sinuously curve female figures, and exquisite peacock light fixtures. <sup>136</sup>

<sup>&</sup>lt;sup>136</sup> Al Chase, "No. 1 LaSalle St. to Cost \$8,000,000," *Chicago Tribune* (August 5, 1928); Al Chase, "S.W. Straus Co. Will Finance 47-Story Building," *Chicago Tribune* (December 4, 1928). Other downtown Chicago office buildings designed by this understudied firm are the Bell Building at 307 North Michigan Avenue (1925); the Midland Club Building ( at 276 W. Adams Street (1927); and the Steuben Club Building at 188 W. Randolph Street (1929).



Figure 25: Elevator lobby in No. 1 LaSalle Street Building. Figure 26: Elevator doors in No. 1 LaSalle Street Building. Both photos by author, 2015.

At 49 stories, it was Chicago's tallest building in terms of rentable floors, a feature that had great advertising value. Other items intended to attract prospective tenants were the flexibility provided by undivided plans on floors 27 through 49, as well as amenities that included indirect lighting, ventilation, automatic heat control, and sound deadening materials. The No. 1 LaSalle Building's name was intended to evoke a sense of prestige as it followed the fashion of using numbers for names, as evidenced on luxury Gold Coast apartment buildings of the time. Its LaSalle Street address was considered a key selling point in the building's ca. 1929 marketing brochure which noted that it featured an "unsurpassed location on one of America's most noted thoroughfares." According to the brochure, much of the building was already leased to "a number of the nation's largest corporations and many of Chicago's prominent business houses and professional men," offering prospective tenants the opportunity to join its exclusive clientele.<sup>137</sup>

#### Field Building (1931-34; northeast corner of LaSalle/Adams)

The Field Building was built by the Marshall Field Estate, which was one of the Loop's largest landowners through the early twentieth-century. In 1919, however, the Estate's Trustees began disposing of its downtown real estate holdings—which were then estimated to be worth \$100 million—due to what they characterized as meager annual net returns of one to two percent. By 1938, only twelve of the Estate's 51 real estate holdings in the Chicago metropolitan area—comprised of either land or buildings—were located within the Loop while most others were in the city's outlying commercial districts or suburbs. Its Loop holdings included the Conway and Pittsfield office buildings, the LaSalle Theater, the land beneath the Mallers Building and the State-Lake Theater, as well as several parking lots and taxpayer buildings.<sup>138</sup>

Trustees of the Marshall Field Estate evidently thought that LaSalle Street, with its prestigious institutions and rising land values, was a sound bet for investment, however, since in the mid-1920s they initiated plans to consolidate a large parcel for the purpose of building a speculative office building. The half-block site selected was on the north side of Adams street, between LaSalle and Clark Streets, a choice influenced by its location "in the very heart of Chicago's money and business center." The west, or LaSalle-facing half of the site was occupied by the 1885 Home Insurance Building, which the Estate's Trustees acquired in 1926 from James and Charles Deering at a cost of \$3,250,000. The Marshall Field Estate already

<sup>&</sup>lt;sup>137</sup> One LaSalle Street Building. L.J. Sheridan & Co. Agents (Chicago, 1930).

<sup>&</sup>lt;sup>138</sup> "War Taxes May Break Up Vast Loop Holdings," *Chicago Tribune* (May 30, 1919). Letter from Albert Wetten to George Richardson dated July 25, 1938 found in: Marshall Field Family Papers; Series 1: Marshall Field.

owned the east half of the site, which was occupied by the Standard Trust Building, an edifice commissioned by Field in 1899 as the Merchants Loan and Trust Company Building.<sup>139</sup>

The Estate's plan for the future Field Building was announced in a September 1929 article published in the *Chicago Tribune*, which included an early rendering by Graham, Anderson, Probst and White. Although construction was stalled for two years due to existing leases, work finally began in late September 1931 with the demolition of the Home Insurance Building. The westernmost unit of the Field Building was open for tenants in May 1932 and the remainder of the skyscraper was completed in April 1934 in the depth of the Great Depression, signaling the end of LaSalle Street's great building boom.<sup>140</sup>

The massive edifice, which was faced with Indiana limestone, featured a 42-story central tower with shorter 23-story wings on each of its four corners. Aluminum window frames allowed larger expanses of glass than traditional wooden frames. The building's 305-foot-long lobby arcade was sheathed in white and tan marble and featured a wealth of modernistic detailing, such as mirrored bridges with nautical railings linking the mezzanine level; tiered ceiling lights with prismatic glass; and top-lit nickel wall sconces.

<sup>&</sup>lt;sup>139</sup> Quote taken from: Hayes, Loeb & Company, *The Field Building* (Chicago: R.R. Donnelley, ca. 1932).

<sup>&</sup>lt;sup>140</sup> Al Chase, "Home Insurance Building Sold for \$3,250,000," *Chicago Tribune* (Jan. 19, 1926); Al Chase, "Marshall Field Estate Plans \$15,000,000 Office Building," *Chicago Tribune* (Sept. 29, 1929); "Tenants Enter First Unit of Field Building," *Chicago Tribune* (May 29, 1932). The Trustees of the Estate of Marshall Field appointed a committee to examine the Home Insurance Building during the demolition process in order to ascertain the extent to which metal skeleton framing was used in its construction. The committee's report of its findings was featured in the following article: John Roberts and Paul E. Holcombe, "Historic Landmark Passes: Home Insurance Building, Chicago, Part I," *Skyscraper Management* (November 1931) 17.



Figure 27: Lobby arcade in the Field Building. Figure 28: Information desk in the Field Building with elevator indicator in shape of building in the background. Both photos by author, 2015.

Also notable was semicircular marble information desk and the flattened bronze elevator indicator and mailbox created in the shape of the building. Amenities included forty high-speed elevators, flexible floor plans, and state-of-the-art heating and ventilating systems, all of which were touted as providing greater efficiency for tenants. Most notably, the Field Building was the first skyscraper in Chicago to be partially air conditioned from the basement through the fourth floor. Tenants also enjoyed courts for squash, racquetball, and handball, as well as exercise rooms, vapor and steam baths, and a variety of ground floor retail shops.<sup>141</sup>

<sup>&</sup>lt;sup>141</sup> "The Field Building: Chicago's Newest Skyscraper," *Architectural Record* (August 1934) 120-123; "Field Building to have an Air Cooling System," *Chicago Tribune* (April 9, 1932); Hayes, Loeb & Company, *The Field Building* (Chicago: R.R. Donnelley, ca. 1932).

Prior to the Field Building's completion, Ernest Graham commented: "The design of the entire building is one of solidity which bespeaks the financial and commercial importance of the institutions which will be housed therein." Its designation as the largest office building in Chicago, combined with elegant public spaces and a plethora of modern amenities, enticed a range of desirable tenants, including public utilities, investment bankers, law firms, and insurance companies. The Attic Club, established in 1923 and composed of 300 bankers, lawyers, brokers, and merchants, occupied elegant quarters in the top floor of the tower section.<sup>142</sup>

# C. LaSalle Street's Unified Imagery of Finance

The LaSalle Street financial district, with its great cluster of somber, gray limestone towers, is a symbolic expression of economic power. Seen from the Chicago River at Wacker Drive it emerges as a densely coherent mass, dramatically terminating in the 45-story Chicago Board of Trade Building, framed by the lower, colonnaded Federal Reserve of Chicago and Illinois Merchants (now Bank of America) Bank buildings." Both as a whole and in its parts, LaSalle Street represents a unified imagery of finance that was created between 1922 and 1934. The dignified appearance of its buildings was intended to convey that LaSalle Street's institutions were solid, conservative, and could be entrusted with the safe guardianship of their clients' money and business interests. The architectural expression of this thoroughfare resulted from numerous factors, including long-standing associations of banks with classicism, use of the same architectural firm for five of its seven buildings, and rivalry with Wall Street. The

<sup>&</sup>lt;sup>142</sup> Al Chase, "Marshall Field Estate Plans \$15,000,000 Office Building," *Chicago Tribune* (Sept. 29, 1929); "Attic Club to Move into Field Building Tower," *Chicago Tribune* (December 10, 1933).

cohesiveness of LaSalle Street was in contrast to North Michigan Avenue, which exhibited far more architectural diversity despite the intentions of its promoters for a more unified appearance.<sup>143</sup>

## 1. <u>Precedents for Neoclassicism on LaSalle Street</u>

The massive entrance porticos and colonnades exhibited on the Federal Reserve of Chicago, Illinois Merchants, and State Bank of Chicago buildings represented the historic association of American bank architecture with Greek and Roman classicism as evidenced by some of the nation's earliest banks in Philadelphia, Washington, D.C., and on Wall Street. Such classicism competed with the English Georgian style through the mid-nineteenth-century, when both styles were largely replaced by Italianate style commercial blocks in which banks typically leased ground floor space. Stylistic preferences changed once again following the 1893 World's Columbian Exposition in Chicago, which featured a concentration of white classically-styled buildings of the Fair's Court of Honor, ushering in a wave of Neoclasssicm for civic buildings and banks that lasted through the 1920s.<sup>144</sup>

The Illinois Trust and Savings Bank, built in 1897 at the northeast corner of LaSalle and Jackson streets, was the Loop's first Neoclassically-styled bank building. Only two stories in height, the edifice and had a monumental presence due to its giant order Corinthian colonnade

<sup>&</sup>lt;sup>143</sup> Quote taken from: *The Board of Trade of the City of Chicago: A Souvenir of the Dedication of Its New Home* (June 9, 1930) 5.

<sup>&</sup>lt;sup>144</sup> The First Bank of the United States in Philadelphia (1798) featured a Roman style Corinthian temple front that was affixed to an English Georgian building. The Bank of Pennsylvania (1798) and the Second Bank of the United States (1819), both in Philadelphia, were early buildings in the Greek Revival mode with Doric temple fronts, a style also used for the Phenix Building on Wall Street (1827). The U.S. Treasury Building in Washington D.C. (1836) featured an Ionic colonnade along its entire front elevation and resembled the earlier Paris Bourse (1826). Drawings of all of these buildings can be found in: Severini, 26, 28, 44, 48, 69.
that was elevated on a podium and fronted a 100-foot-long recessed entrance loggia. The building's design by D.H. Burnham & Company—which featured walls of Hallowell granite selected for its white color—was the result of a nationwide competition. If the Illinois Trust's colonnaded exterior was reminiscent of such stately early-nineteenth-century institutions as the Merchants' Exchange in New York, the U.S. Treasury Building in Washington, D.C., or even the Paris Bourse, its interior resembled the courtyard of an Italian palazzo. Its hollow-square plan featured a two-story sky-lit banking hall ringed on three sides by a Doric colonnade supporting a second floor arcade with Composite columns situated upon carved balustrades. The banking hall and corridors were entirely sheathed in richly veined buff, red, green and purple marble and featured a range of exquisite bronze work. Even during an era in which the public spaces of office buildings were quite luxurious, the interior of the Illinois Trust Bank was considered dazzling.<sup>145</sup>

<sup>&</sup>lt;sup>145</sup> Chicago's office market was overbuilt in the late 1890s, which likely resulted in the decision to erect a twostory building devoted solely to bank operations, rather than a bank-office building. A nationwide design competition for the Illinois Trust's new bank in the spring of 1896 attracted sixteen entries from New York, Boston, and Chicago. Prominent local participants included D.H. Burnham and Company, Jenney and Mundie, William A. Otis, Charles H. Frost, Henry Ives Cobb, Wilson and Marshall, and Beers, Clay and Dutton. Bank officials had previously made clear their preference for a Classically-inspired design that would "conform more closely to the one-story bank buildings in Philadelphia than to the Bank of England, combining the more lively outlines of the former with the solidity and stateliness of the latter." For contemporary articles on this competition and descriptions of the Illinois Trust Bank see: "Architects in a Race: Making Designs for the Illinois Trust's New Bank," *Chicago Tribune* (May 17, 1896); "Defies the Robber: New Illinois Trust and Savings Bank Building," *Chicago Tribune* (May 2, 1987); "Technical Review: The Illinois Trust and Savings Bank, Chicago," *Inland Architect* (May 1897); A.N. Rebori, "The Work of Burnham and Root, D.H. Burnham & Co., and Graham, Burnham & Co.," *Architectural Record* (July 1915) 44, 69, 72, 81.



Figure 29: Illinois Trust and Savings Bank, northeast corner of LaSalle/Jackson, ca. 1900 (demolished); from *Architectural Record* Vol. 38 (July 1915) 44. Photographer unknown.

Bank President John J. Mitchell, who personally approved every important detail of the Illinois Trust's new building, clearly intended for it to make a bold architectural statement on LaSalle Street, which unlike Wall Street, had no distinctive visual imagery for banking as such institutions typically leased ground floor space in commercial blocks. As they expanded in the late-nineteenth-century, banks sought larger quarters in more prestigious office buildings along Dearborn or LaSalle streets, both of which boomed with skyscrapers housing financial concerns and competed for the title of the "Wall Street of Chicago." As banks continually moved about the Loop in a game of musical chairs, there was no stigma attached to an institution taking over the quarters formerly occupied by a competitor.<sup>146</sup>

Only two other banks in the Loop subsequently erected low-rise Neoclassical-style buildings dedicated solely to banking operations. The three-story Chicago National Bank, located on Monroe Street, just east of LaSalle, featured a monumental pedimented portico—the first such example on a Loop bank—supported by four giant order Corinthian columns on

<sup>&</sup>lt;sup>146</sup> For information on the competition between Dearborn and LaSalle Streets, see Gerald R. Larson's chapter titled, "Chicago's Loop, 1830-1890: A Tale of Two Grids," in: Pauline Saliga (Ed), *Fragments of Chicago's Past.* (Chicago: The Art Institute of Chicago, 1990) 68-79.

pedestals. Designed by Jenney and Mundie and begun in 1900, the dignified building closely resembled Philadelphia's First Bank of the United States of 1797. The Northern Trust Bank left its quarters in the Rookery in 1905 upon completion of its new three-story building at the northwest corner of LaSalle and Monroe Streets, designed by Frost and Granger. The building's upper floors were visually unified by continuous two-story engaged columns that alternated with tall windows illuminating the second-story banking hall.<sup>147</sup>





Figure 30 (left): Chicago National Bank Building on the south side of Monroe Street, just east of LaSalle Street, ca. 1905 (demolished); from: *Architectural Review* Vol. 12 (March 1905) 91. Figure 31 (right). Northern Trust Bank at the northwest corner of LaSalle/Monroe streets. (Top two floors are modern addition.) Photo by author, 2015.

Prior to World War I, LaSalle Street's most magnificent Neoclassical-style bank building

was the twenty-story Continental and Commercial National Bank Building, located on a half-

<sup>&</sup>lt;sup>147</sup> Historic photographs and plans of the Chicago National Bank are in: "Chicago National Bank," *The Architectural Review* (March 1905) 90-91. Historic photographs of the Northern Trust Bank are in: "Northern Trust Bank," *Architectural Record* (January 1907) 51-56.

block parcel at the southwest corner of LaSalle and Adams streets. The building's gray terracotta sheathing was intended to resemble granite and its giant order Doric colonnade fronted a 100-foot-long recessed entrance loggia. Centered between the columns were three pairs of bronze double doors. A three-story attic featuring a Doric colonnade provided a stately terminus to the building's tripartite design of base, shaft and capital. Its magnificent second floor banking hall was considerably larger and more dramatic than any previous examples in the city. The basilica-like space was accessed via two marble staircases, rose nearly seventy feet to a barrelvaulted skylight, and featured forty-foot-high fluted Doric columns. This massive building signaled the desire of Chicago's banking giants to build monuments to their exploding wealth and stature, which together with a rash of somber speculative office towers, would establish LaSalle Street's cohesive imagery of finance in the next decade.<sup>148</sup>



Figure 32: Continental and Commercial National Bank Building at the southwest corner of LaSalle/Adams (now J.W. Marriott Hotel). Photo by author, 2015.

<sup>&</sup>lt;sup>148</sup> Daniel Burnham died on June 1, 1912 and the Continental Bank Building was completed by the successor firm of Graham, Burnham and Company. A contemporary description of this building can be found in: Arthur D. Welton, *The Making of a Modern Bank: An Historical Sketch of the Origin of the Continental and Commercial Banks of Chicago* (Chicago, 1923).

# 2. **Explanations for the Cohesiveness**

The building boom sparked by the gravitation of Chicago's most prominent financial institutions to LaSalle Street resulted in a remarkable physical transformation during the 1920s. Within a span of just twelve years (1922-34), its vibrant mix of business blocks displaying a variety of materials, colors, styles, and periods was largely overtaken by a cohesive ensemble of larger and taller skyscrapers that were built to their lot lines, sheathed in limestone or grey terra cotta, and exhibited austere, stripped-down silhouettes. These new towers of the financial district largely eschewed exterior ornamentation, embraced dignity and simplicity, and above all, symbolized the triumph of big business and finance. While restrained compared to the more individualistic corporate towers built simultaneously along Wacker Drive and Michigan Avenue, they represented larger trends for an aesthetic that reflected no-nonsense American business values. No other street within the Loop was changed so drastically during this decade.



Figure 33 (left): LaSalle Street looking north from the Chicago Board of Trade Building at Jackson, 1911. Chicago History Museum: DN-0056537. Photographer: Chicago Daily News. Figure 34 (right): LaSalle Street looking north from Chicago Board of Trade Building at Jackson, 1927. Chicago History Museum: DN-0084266. Photographer: Chicago Daily News.

The twin Federal Reserve and Illinois Merchants Buildings faced each other across LaSalle Street at Jackson and featured stately pedimented porticos that were distinguished only by their Classical orders, which were Corinthian and Ionic, respectively. Entrance to the State Bank of Chicago was through a recessed portal with four giant Ionic columns. Such grandeur was considered necessary to clearly distinguish the building as a bank so that the institution that built it would not "merely have the appearance of a tenant in a rented portion of the building," according to architect C. Stanley Taylor.<sup>149</sup>

These three bank buildings featured blocky, hollow-square plans and tripartite articulation of their elevations with base, middle shaft, and capital that harmonized with existing towers of the 1910s. The colonnaded Jackson Street elevations of the Federal Reserve and Illinois Merchants Bank Buildings related to Insurance Exchange Building across Jackson Street, as well as to other classically derived buildings on LaSalle Street, such as the Continental National Bank building. Above the base, both buildings features unadorned, flat wall planes while those of the State Bank emphasized verticality through continuous piers and slightly depressed spandrels which featured wave-scroll designs. As was typical of classicized buildings of this era, their uppermost floors were unified through the use of pilasters or arcades and each was crowned by a cornice. The second floor banking halls of all three buildings were surrounded by classical colonnades, sheathed in marble, and graced by expansive skylights. They also sacrificed two- to three stories of valuable office space simply to gain prestige. Skyscraper builder William A. Starrett commented in 1928, "Banking can be done under a ten-

<sup>&</sup>lt;sup>149</sup> C. Stanley Taylor, "Economic Considerations in Bank Planning," *The Architectural Forum* Vol. 38 (June 1923) 282.

foot ceiling as efficiently as beneath a sixty-foot ceiling....The public demands both an impressive facade and a marble interior of an institution where it deposits its money"<sup>150</sup>



Figure 35 (left): Jackson Street colonnades of the Illinois Merchants Bank Building (foreground) and the Federal Reserve of Chicago Bank Building. Figure 36 (right): Colonnades of the Federal Reserve Bank of Chicago Building (right) and the Insurance Exchange Building across Jackson Street. Both photos by author, 2015.

All four of LaSalle Street's twenties bank buildings, which included the 38-story Foreman Bank, were designed by Graham, Anderson, Probst and White, the same firm that also designed the massive Field Building in their midst. This large, full-service firm was the successor to D.H. Burnham and Company and inherited its large specialized practice of bank design, seven of which were for banks in the Federal Reserve System. A conservative firm, it was comprised of architects who were committed classicists and followed City Beautiful planning precepts that embraced the creation of unified vistas through cohesive groupings of monumental public buildings. To this end, the Graham firm also vied for the prestigious Chicago Board of Trade Building commission as shown by an unexecuted proposal that featured a portico matching those designed for the twin banks across the street as well as unified cornice

<sup>&</sup>lt;sup>150</sup> Quote taken from: William A. Starrett, *Skyscrapers and the Men Who Build Them* (New York: Scribner, 1928) 95. *Illinois Merchants Bank Building* (1922).

lines, but was distinguished by an ornamental rooftop cupola. Peirce Anderson, designer of the two banks that faced the Board of Trade site, intended both buildings to blend in with LaSalle Street's established classical aesthetic. Had the Graham firm's design for the Board of Trade been selected, it would have completed the grouping of Neoclassical-style buildings at the nexus of the financial district.<sup>151</sup>

The paired design for the Federal Reserve of Chicago and the Illinois Merchants Banks' new headquarters buildings was likely due in part to the close personal ties of their leaders who served as long-time members of the Chicago Clearing House Association, an organization established to standardize the city's banking practices. More importantly, Illinois Merchants Bank president Edmund Hulbert "commanded the confidence of [President Woodrow] Wilson" to whom he "offered advice on financial matters," which included the creation of the Federal Reserve System that Wilson signed into law in 1913. Writing about Hulbert's close ties with Wilson, one contemporary writer noted that he was "said to have been the first person to whom the original plan for the [Chicago] federal reserve bank was shown." This hints at Hulbert's early knowledge of the design for the bank to be erected across the street from his institution and the likely collaboration that existed between himself and Federal Reserve Bank of Chicago governor James McDougal, former chief examiner of the Chicago Clearing House Association, to subordinate their building designs.<sup>152</sup>

The four tallest towers in the financial district—the Foreman, No. 1 LaSalle, Chicago Board of Trade and Field Buildings—were distinguished by their streamlined monumentality

<sup>&</sup>lt;sup>151</sup> Information on Peirce Anderson's design intentions gleaned from: Chappell, 44. Page 46 of this book on Graham, Anderson, Probst and White includes a rendering of the firm's unexecuted design for the Chicago Board of Trade Building.

<sup>&</sup>lt;sup>152</sup> "Hulbert dies as Goal, Merger of 3 Banks, Nears," *Chicago Tribune* (March 31, 1923). Quote taken from James, 806.

and soaring verticality, achieved through the subordination of surface detail to powerful massing. Their setback tower designs were influenced by Chicago's 1923 zoning law and featured different variations of the base-plus-tower configuration, the choice of which was dependent on the size and location of their parcels. These giant skyscrapers featured slightly depressed spandrels of terra cotta (or aluminum in the case of the Field Building), which accentuated the sweeping verticality of their continuous limestone piers. Flat, unadorned wall planes were pierced by unrelenting vertical strips of double-hung windows, which were framed in either steel or aluminum. In several buildings, the upward sweep of their vertical lines culminated in shallow, upper floor setbacks and rooflines were either flat or tapered.

Together with the earlier bank headquarters buildings, these skyscrapers adhered to the sobriety thought appropriate for a great financial artery with their restrained, gray limestone facades; monumental, multi-storied entrances; and in some cases, bases sheathed with polished granite. The later skyscrapers showed a preference for the stripped classicism practiced by the big firms of Holabird and Root and Graham, Anderson, Probst and White in the late 1920s that were influenced by Eliel Saarinen's second place entry in Chicago's 1922 Tribune Tower competition. Other similar skyscrapers were widely interspersed along Michigan Avenue and Wacker Drive. They included the 333 N. Michigan Avenue Building, the Merchandise Mart, Civic Opera House, LaSalle-Wacker Building, Daily News Building, and the Palmolive Building, all built between 1927-30. Yet only on LaSalle Street were such skyscrapers concentrated to such a degree to create such a powerful effect. <sup>153</sup>

<sup>&</sup>lt;sup>153</sup> For a detailed discussion of the Chicago Tribune Tower Competition and its influence, see: Robert Bruegmann, "When Worlds Collided: European and American Entries to the Chicago Tribune Competition of 1922," in: John Zukowsky (ed), *Chicago Architecture 1872-1922: Birth of a Metropolis* (Munich: Prestel Verlag, 1987) 302-317.

The Paris Exhibition of 1925, which was officially titled the *Exposition Internationale des Arts Décoratifs et Industriels Modernes*, also exerted influence on American skyscraper designs. Exhibition regulations stressed the need for "modern" inspiration, resulting in a series of small exhibition buildings that showcased contemporary European designs with their geometric and symmetrical forms, smooth wall planes, and sculptural ornamentation that had no Classical references and kept close to the surface. Such an aesthetic was exhibited at the top of the No. 1 LaSalle Street Building's five-story base, which featured low-relief figural panels of Iroquois Indians, early American explorers, and two figures representing commerce and transportation. All were sculpted by Leon Hermant, who also executed sculptural reliefs for the Illinois Athletic Club and the Medinah Athletic Club, both on Michigan Avenue.<sup>154</sup>



Figure: 37: Sculptural reliefs by Leon Hermant atop entrance to No. 1 LaSalle Street Building. Figure: 38: Detail of sculptural reliefs above base of No. 1 LaSalle Street Building. Both photos by author, 2015.

<sup>&</sup>lt;sup>154</sup> Explorers depicted include Robert Cavelier, Sieur de LaSalle; Father Jacques Marquette; Christopher Columbus; William Clark; and Louis Jolliet. For information on the work of Leon Hermant, see: Ira J. Bach and Mary L. Gray, *A Guide to Chicago's Public Sculpture* (Chicago: University of Chicago Press, 1983).

Likewise, the base of the Chicago Board of Trade Building featured low-relief figures representing wheat and corn, the grains traded in the building, as well as four bovine heads, all sculpted by Alvin Meyer. Most dramatically, the 45-story building culminated in a metal pyramidal roof topped by John Storrs's thirty-seven-foot statue of Ceres, the Roman Goddess of Grain, a streamlined, faceless figure that was fabricated in aluminum and reflected the spirit of the machine age with the sharp-edged lines of her drapery. Alvin Meyer won the Prix de Rome in 1923 and created sculpture for Holabird and Root's Chicago Daily News Building and the Northwest Armory on Kedzie Avenue. John Storrs, a pioneering modernist sculptor, attended the School of the Art Institute of Chicago and was a pupil of Auguste Rodin in Paris. His diverse work was widely exhibited during his lifetime and was recognized in numerous exhibitions after his death.<sup>155</sup>

<sup>&</sup>lt;sup>155</sup> For information on the work of John Storrs and Alvin Meyer, see: Bach and Gray; Noel Frackman, *John Storrs* (New York: Whitney Museum of American Art, 1986); James Riedy, *Chicago Sculpture* (Urbana: University of Illinois Press, 1981).





Figure 39: Chicago Board of Trade Building (1930), statue of Ceres before installation. John H. Storrs, sculptor. Historical Landscape and Architecture Image Collection, Ryerson and Burnham Archives, The Art Institute of Chicago. Digital File #L080225. Figure 40: Relief sculpture by Alvin Meyer atop base of Chicago Board of Trade Building. Photo by author, 2015.

Similar sleek, modernistic skyscrapers were built in cities nationwide during the 1920s, with a large concentration along Wall Street in New York, which was also redeveloped with a cohesive grouping of mainly limestone-clad office buildings and bank headquarters. Unlike those in Chicago, they featured the use of tapered setbacks, rather than the base-plus-tower configuration, due to provisions in New York's 1916 zoning ordinance. LaSalle Street's prominent cluster of costly skyscrapers lent further cache to the thoroughfare as great height in architecture was always equated with prestige and had strong advertising value. They also represented Chicago's rising place on the national and international stage of finance and big business and symbolized the city's declaration of financial independence from Wall Street. As a money market, Chicago stood as the third greatest in the world, behind only New York and

London, according to John W. O'Leary, former president of the U.S Chamber of Commerce. As the United States emerged from World War I as a creditor nation, Chicago's largest banks established branches in foreign countries and extended loans to war-torn European nations seeking to rebuild.<sup>156</sup>

Moreover, Chicago's rapidly expanding industries and public utilities were increasingly financed by the city's ever-larger downtown commercial banks, rather than eastern capital. This posed a challenge to the dominance of New York's private investment banks that had previously financed the city's industrial growth, such as J.P. Morgan, which spearheaded the consolidation of Chicago-based International Harvester in 1902. In 1928, the *Chicago Tribune* editorialized about the city's new financial self-sufficiency:

Conscious of the debt it owes for the outside capital which built its greatness, developed its resources, and sustained its growth, Chicago as the financial center of the Midwest, enters on a new period, financing its own industries, supporting its own business enterprises, owning, working, profiting by its own capital.<sup>157</sup>

# 3. <u>Comparison to North Michigan Avenue</u>

LaSalle Street's stripped-down skyscrapers of the late 1920s stood in contrast to many of the showier and highly individualistic office buildings interspersed along Wacker Drive and North Michigan Avenue that represented the more romantic impulses of the immediate post-World War I period. Particularly notable were the skyscrapers that occupied three of the four corners of the Michigan Avenue Bridge Plaza: the Wrigley Building, Chicago Tribune Tower,

<sup>&</sup>lt;sup>156</sup> For information on the 1920s redevelopment of Wall Street see: Daniel M. Abramson, *Skyscraper Rivals: The AIG Building and the Architecture of Wall Street* (New York: Princeton University Press, 2001). Opinion of John O'Leary found in: "Chicago Opens Its Treasury," *Chicago Tribune* (Oct. 19, 1927).

<sup>&</sup>lt;sup>157</sup> "Chicago Opens Its Treasury," *Chicago Tribune* (Oct. 19, 1927).

and London Guarantee Building. These skyscrapers of the early 1920s represented a wide range of styles (Spanish, Gothic Revival, and Neoclassical) and materials (gray limestone and white terra cotta). They also featured especially distinctive crowns that included flying buttresses (Tribune Tower) and a Roman tempietto (London Guarantee), while the Wrigley Building's eleven-story tower was based on the Giralda Tower in Seville, Spain. Together with the streamlined, limestone-clad 333 North Michigan Avenue Building, these four skyscrapers served as a prominent gateway to Chicago's elegant new thoroughfare, where at least two dozen buildings were built or remodeled during the 1920s.

Unlike LaSalle Street, North Michigan Avenue was planned by it promoters to serve as a visually cohesive ensemble of buildings. In 1918 the North Central Business District Association, which was comprised of property owners in the area, asked a group of prominent architects to establish voluntary design guidelines for the new boulevard. Their recommendations followed those in Burnham and Bennett's 1909 *Plan of Chicago* for uniform heights (ten stories) and cornice lines as well as cohesive elevations. In the same year, the Association developed an agreement specifying building use on Michigan Avenue from the river north to Chicago Avenue and established a committee to obtain signatures from property owners. In general, the agreement embraced office buildings, hotels, clubs, and high-end shops as opposed to industrial and warehouse uses. By the end of 1919, nearly every foot of ground along the North Michigan Avenue was bound by this agreement, which was to remain in force for the next twenty years.<sup>158</sup>

<sup>&</sup>lt;sup>158</sup> New speculative office space in North Michigan Avenue office buildings attracted advertising agencies, jewelers, publishing company offices, clubs, and architecture firms that wished to flee the Loop's high rents and congestion. Stamper, 22-27.

Efforts by the North Central Business Association to establish a cohesive streetscape with classically-styled buildings of uniform heights were considerably less successful. Chicago's 1923 zoning ordinance placed both North Michigan Avenue and the Loop within Volume District 5, which allowed for the greatest building heights in the city. As a result, the boulevard came to feature a mix of low- to mid-rise commercial-retail blocks, hotels and apartment buildings as well as high-rise club houses and corporate towers. Building size and height depended on a range of factors, including financing, parcel size, and the programmatic needs of their intended use. Although LaSalle Street's skyscrapers were devoted solely to finance and business, North Michigan Avenue featured a diversity of buildings that defied the imposition of a single, unifying architectural style. However, many of the stone-clad low-rise shop buildings designed by Philip Maher were based on French Renaissance precedents. Other stylistic influences displayed on the taller buildings included Spanish, Italian, and Gothic Revival precedents, while the Palmolive and 333 N. Michigan Avenue office towers exhibited the modern, streamlined aesthetic popular in the late 1920s as exhibited on LaSalle Street. Despite variations in height, style, and materials, North Michigan Avenue exhibited the overall appearance of a high-class thorough fare replete with elegant and distinctive buildings, most of which featured large shop windows on their lower two floors.

#### **Conclusion**

The redevelopment of LaSalle Street in Chicago offers an excellent case study of the drivers that spurred the speculative office boom of the 1920s, which impacted cities of all sizes from coast to coast. This chapter particularly highlighted the transformative power of prestige in driving up land values and thus spurring redevelopment of thoroughfares considered most

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desirable—either due to their prominent institutions or their highly visible locations, both of which conveyed valuable advertising benefits. The replacement of aging office blocks along LaSalle Street with a unified ensemble of modern skyscrapers was especially significant as a metaphorical expression of economic power aimed to attract and retain the headquarters of large corporations and banks so vital to Chicago's emerging management- and finance-based economy. The concentration of reinvestment on LaSalle Street, as well as the newly widened Wacker Drive and North Michigan Avenue, highlighted the most recent shifts to occur within Chicago's central business district. Such shifts invariably impacted the older office corridors neglected during the boom, as was dramatically illustrated by the widespread demolition that occurred on Lake Street for parking garages and Dearborn Street for taxpayer buildings, to be described in the ensuing chapters.

# IV: TOWARD THE MOTOR AGE CITY: RETROFITTING THE LOOP FOR THE AUTOMOBILE

### **Chapter Introduction**

Although the skyscrapers that transformed LaSalle Street, Michigan Avenue, and the newly-created Wacker Drive symbolized for many the Loop's preeminent position as a regional center for banking and big business, others viewed such towers as spurring greater downtown congestion, pouring more people and their automobiles into the central district. The Loop experienced paralyzing traffic congestion in the interwar era, as cars clogged its narrow streets and the numbers of existing off-street parking facilities—both lots and garages—were wholly inadequate to contain them. Downtown business and civic leaders considered the traffic crisis to be a primary cause of decentralization and an alarming problem that needed to be solved in order for the Loop to maintain its economic viability.

Chapter Four is concerned with the varied projects spearheaded by Chicago's business community and private entrepreneurs during the 1920s to retrofit the central district to automobile, thereby encouraging more people (especially middle- and upper-income motorists) to drive downtown. Solutions advanced by downtown interests were intended to promote greater centralization during a decade characterized by the growth of outlying commercial districts. Leaders of the Chicago Plan Commission pursued such radical interventions as double-decked street construction and widenings to facilitate downtown traffic flow. Such costly projects involved the demolition of entire nineteenth-century streetscapes and the denigration of their "antiquated" loft buildings and office blocks which were considered impediments to progress. The Chicago Association of Commerce sought to expand street capacity within the core of the Loop by replacing streetcars with subways, imposing a curbside parking ban, and planning a vast underground municipal garage in Grant Park to accommodate the loss of free curbside space. In a climate of high demand for parking, profit-motivated entrepreneurs instigated a spurt of highrise garage construction in and around the Loop's periphery that was cut short by the Depression.

I will show that although the business community was largely successful expanding street capacity and creating new parking facilities during the 1920s, such efforts ultimately failed to relieve the traffic crisis in the short-term. By decade's end, the creation of a quadrangle street system around the Loop—which included two double-decked thoroughfares—was nearly complete, as were projects to widen North LaSalle Street and construct modern bascule bridges. Upon the onset of the Depression, Chicago was the only city in the nation to have a downtown curbside parking ban and planning for the State and Dearborn subways was well underway. Paradoxically, however, the expansion of urban mobility and parking facilities seemingly spurred a cyclical pattern by encouraging more people to drive into the Loop, thereby bringing more congestion.

A secondary focus of this chapter is the physical impact of such interventions on the urban landscape, especially in the north Loop where contrasts between tradition and progress were especially apparent. Most dramatic was the replacement of South Water Street—the city's oldest commercial thoroughfare—with Wacker Drive, a symbol of modernity and the Motor Age. The Beaux Art features of this European-styled boulevard and its monumental bridge houses were reminiscent of City Beautiful precepts while its double-decked design and new steel bascule bridges were examples of City Efficient planning that characterized the 1920s. Massive, multi-storied parking garages built on Lake Street and elsewhere along low-cost periphery represented a new scientifically-planned building type designed to accommodate the automobile and stood in contrast to walk-up commercial buildings from the post-Fire era.

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Rejuvenation of the Loop's nineteenth-century street system and the construction of urban garages, both of which began in earnest during the 1920s, signified the start of its transition to an efficient, modern business district. Although Chicago's responses to the automobile were indicative of those advanced in cities nationwide, its successful track record in terms of implementation was unusual and due in large part to the strong leadership of its business community. Chicago built the nation's first double-decked boulevard while futuristic proposals for multilevel streets elsewhere remained on the drawing table. Widened streets facilitated traffic circulation, accommodated higher-intensity skyscrapers on their expansive, light-filled sites, and increased downtown land values. Such core-oriented projects were simultaneous to efforts by new regional planning associations to build highways and encourage dispersal as a means to alleviate center-city congestion. This chapter ends with an essay that addresses the differing agendas of the Chicago Plan Commission and the Chicago Regional Planning Association.

#### A. <u>Downtown Urban Renewal in the 1920s</u>

Although the Loop's paralyzing traffic congestion was not a new problem, it was immensely exacerbated by the explosion of automobiles—both moving and parked at curbside upon narrow city streets already choked with double-track streetcars, motor trucks, and horsedrawn wagons, which competed with nearly a million pedestrians who entered the Loop each day. This section focuses on the ambitious and costly urban renewal projects pursued by the Chicago Plan Commission to alleviate the downtown traffic crisis. Construction of Wacker Drive and North Michigan Avenue entailed the condemnation and demolition of extensive nineteenth-century street frontage, as did the widening of LaSalle Street north of Randolph

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Street. In symbolic terms, the replacement of South Water Street with Wacker Drive proclaimed Chicago's larger desire to remake its physical landscape into one consonant with its rising stature in the worldwide economy. Yet the clash between the boulevard's classical standards of beauty and its futuristic double-decked design demonstrated the tensions between tradition and progress that still held sway during this period of transition.

### 1. <u>Traffic Congestion and Its Causes</u>

The number of automobiles registered in the United States increased from eight million to 23 million between 1920 and 1930, during which time it became a vehicle increasingly used for work-related transit, rather than solely for recreation. Americans were enamored with the private passenger car, which provided freedom, convenience, and privacy. People were no longer confined to living within walking distance of public transportation and could reside in formerly undeveloped areas accessible by car on improved roads. In Chicago, the number of registered motor vehicles increased threefold between 1920 and 1926, from 119,000 to 341,468, resulting in a ratio of one automobile for every 8.9 persons. Other cities with less welldeveloped systems of mass transportation had far greater ratios of automobile ownership, however. Los Angeles featured the largest percentage of automobile ownership in the world, with one car for every 2.3 persons, resulting in astounding downtown traffic congestion that greatly surpassed that of Chicago. A total of 385,376 passenger automobiles entered and left the central business district of Los Angeles during an 11-hour period on a typical weekday in November 1923. In comparison, a total of 180,846 automobiles entered and left the central business district of Chicago during a 12-hour period on a typical weekday in May 1926. <sup>159</sup>

<sup>&</sup>lt;sup>159</sup> Statistic on nationwide automobile ownership obtained from: John A. Jakle and Keith A. Sculle, *Lots of Parking: Land Use in a Car Culture* (Charlottesville and London: University of Virginia Press, 2004) 19. A survey

As was the case in other cities, many Chicagoans with comfortable incomes increasingly chose to commute to work in their cars, which exacerbated downtown traffic congestion that had already been intolerable. Writing as early as 1922, one local reporter noted, "Traffic in the Loop under prevailing conditions has just about reached the saturation point, in the opinion of experts. A 10 or 15 percent increase in the vehicles now on the Loop streets, some say, would perhaps cut the average rate of speed during the crowded hours to less than a mile an hour. Surveys indicate that it now dawdles along at two miles an hour.<sup>160</sup> Finnish architect and urban planner Eliel Saarinen noted his reaction to seeing Michigan Avenue for the first time in 1923:

A perspective sketch of Michigan Avenue, according to the Burnham Plan, arises in my memory. I see elegant ladies and gentlemen promenading the Avenue in light, colorful costumes, and as a background for the whole, Grant Park in sunny splendor. Instead of finding this, I see the street overcrowded with stalled automobiles awaiting their turn to proceed—at least for a space. Thus the picture has changed in fifteen years!<sup>161</sup>

Congestion resulted when varied forms of surface transportation and hoards of pedestrians were jammed together on urban streets intended for horse-drawn vehicles. Chicago's citywide traffic survey of 1926 found that of the 131,177 vehicles entering its central district during a typical 12-hour workday (7 a.m. to 7 p.m.), 69 percent were passenger automobiles and 18.7 percent were motor trucks. The remaining vehicles were streetcars (6.4 percent), horse-

undertaken in 1923 by the National Automobile Chamber of Commerce revealed that nearly half the total number of automobiles nationwide were being used daily for business, and another 36 percent were used for occasional business errands. "What Do Folks Use Their Cars For?" *Literary Digest* Vol 79 (November 17, 1923) 66-69. Statistics on Chicago and Los Angeles automobile ownership obtained from: McClintock, 1926, 26. Statistic on automobiles entering/leaving the CBD of Los Angeles obtained from: Frederick Law Olsted, *A Major Traffic Street Plan for Los Angeles* (Los Angeles, California, May 1924) 35. Statistic on automobiles entering/leaving the CBD of Chicago obtained from: McClintock (1926) 18.

<sup>&</sup>lt;sup>160</sup> Arthur Evans, "Parking in Loop Large Factor in Slowing Traffic," *Chicago Tribune* (June 5, 1922).

<sup>&</sup>lt;sup>161</sup> Eliel Saarinen, "Project for Lake Front Development of the City of Chicago," *The American Architect and the Architectural Review* Vol. 124 (December 5, 1923) 488.

drawn vehicles (4.5 percent), and motor buses (1.4 percent). Downtown street capacity for its mix of passenger and commercial vehicles was greatly reduced by the 20-foot streetcar right-of-way as well as cars parked at curbside, which together left little room for mobility. Loop streets were also forced to accommodate a large volume of through traffic moving from one part of the city to another. <sup>162</sup>

Moreover, the excessive number of bridge openings created massive traffic jams and greatly hindered traffic flow into downtown from the North and West Sides of the city. Only four streets connected the South Side to the Loop in the 1920s—Michigan Avenue, Wabash Avenue, State and Clark streets—onto which a massive amount of traffic was channeled. Railroad tracks and a bend in the South Branch of the Chicago River blocked the southward extension of other Loop streets. City engineers estimated in 1920 that streetcar riders were collectively losing 13,000 hours per day in auto-related traffic jams. Congestion also slowed merchandise deliveries and thus increased the cost of doing business in the city. Hours wasted in traffic jams, trying to find a parking space or a place to load/unload merchandise deliveries negated the supposed benefits of concentration, which was greater efficiency. Leaders of the Chicago Plan Commission consistently framed the city's traffic crisis as an economic problem as reflected by Charles Wacker's comments in 1924: "[Traffic congestion] places an almost intolerable burden upon our commerce and obstructs our business development. Beyond that, it adds materially to the cost of living and doing business in Chicago."<sup>163</sup>

<sup>&</sup>lt;sup>162</sup> McClintock, 1926, 17-18.

<sup>&</sup>lt;sup>163</sup> During the year ending June 1926, the streets of Chicago's central district were blocked 35,351 times for an average of approximately 3.5 minutes, which was the equivalent of 254 eight-hour days. McClintock (1926) 52. Paul Barrett, *The Automobile and Urban Transit: The Formation of Public Policy in Chicago, 1900-1930* (Philadelphia: Temple University Press, 1983) 132. Wacker quote taken from: Chicago Plan Commission, *How the LaSalle Street Improvement Affects You* (Chicago: Chicago Plan Commission, 1924) 13-14.

Vehicular congestion was augmented by the massive influx of people who descended upon the Loop each day. More white-collar workers traveled downtown than ever before due to the growth of business in the 1920s, which was accommodated by the new skyscrapers that increased office space in the central district by 74 percent between 1925 and 1931. The downtown building boom of the 1920s also featured new movie palaces, business hotels, and cultural institutions of great size that exerted a strong gravitational pull. The State Street retail district remained the premier regional shopping destination and expanded onto adjacent Wabash Avenue during this decade. The intersection of State and Madison streets earned its designation as "the world's busiest corner" in 1926, when the city's street traffic survey recorded a massive amount of foot traffic.<sup>164</sup>

Although the Loop appeared to thrive during the 1920s and expanded northward across the river to North Michigan Avenue, downtown business leaders and especially merchants increasingly feared the long-term economic ramifications of traffic congestion, which they considered to be the primary cause of decentralization. Traffic engineer Miller McClintock voiced this commonly held viewpoint in 1926: "It is a well-known fact in the growth in American cities that when travel over the streets become difficult and inconvenient, retail business tends to move outward from the original centers of trade toward the most valuable

<sup>&</sup>lt;sup>164</sup> Statistic on Loop office vacancy rates obtained from: Shultz and Simmons, 162-163. Loop hotels built during the 1920s included the Bismarck, Morrison Annex, Palmer House, and the gargantuan Stevens Hotel, advertised as the largest in the world. The extravagant Chicago, Oriental, and Palace Theaters—all designed by the firm Rapp and Rapp—added to a thriving theater and entertainment district near the Loop's northern periphery that featured a plethora of nearby restaurants. Smaller Loop theaters built during the 1920s were the Roosevelt (110 N. State Street), Apollo (31 W. Randolph), and Harris-Selwyn (170 N. Dearborn), all of which have been razed, although the façade of the Harris-Selwyn Theater has been preserved. The Loop's role as a center of culture was reinforced by construction of the Field Museum and Shedd Aquarium along the lakefront and the Civic Opera House on North Wacker Drive. Designation of State and Madison as the "world's busiest corner" found in: McClintock (1926) 64, and repeated in the following article: "Congestion Peak Found on Chicago Corner," *Chicago Commerce* (October 2, 1926).

purchasing power. This tendency is known as decentralization and has been an increasing condition in all of the larger cities during the past decade, stimulated chiefly by the growing congestion upon city streets." Chicago featured twenty major commercial centers outside the central business district in the interwar era, with the two largest located in the Uptown and Englewood neighborhoods on the North and South Sides. Fears of decentralization spurred the business community to advance a series of core-oriented projects and policies aimed to alleviate traffic congestion, justified by the need for preserving and increasing land values in the central district, the tiny square-mile area that paid the vast majority of the city's property taxes. <sup>165</sup>

## 2. <u>Radical Solutions by the Chicago Plan Commission</u>

On May 14, 1920, Mayor William "Big Bill" Thompson led a spectacular parade up the newly widened Michigan Avenue that began at Monroe Street, proceeding northward to the Chicago River, where he ceremoniously cut a red, white and blue ribbon to officially open its first-ever bridge. Absent from Thompson's lead parade car for unknown reasons was Chicago Plan Commission chairman Charles Wacker, a key figure in the decade-long crusade to widen Michigan Avenue and construct its double-decked bridge linking the North and South Sides of the city, as part of that organization's larger mission to implement Burnham and Bennett's 1909 *Plan of Chicago*. Instead, Thompson was joined by his crony Michael J. Faherty, president of the Board of Local Improvements, the city department responsible for constructing many of the street improvements specified in the *Plan*. The mayor declared the day a citywide holiday so that tens of thousands could attend the parade, which featured a procession of over 5,000 cars,

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Quote taken from: McClintock (1926) 71.

floats, trucks, a band, fireworks, and even a shower of confetti dropped from airplanes upon the crowd.<sup>166</sup>

Never mind that planning for Michigan Avenue redevelopment involved an extensive coalition of business and civic interests and began well before Thompson took office. As with all Chicago Plan projects completed under his watch, Thompson made sure to take full credit in keeping with his self-styled role as "Big Bill the Builder" during his three terms as mayor that lasted from 1915-23 and 1927-31. These costly, multi-year improvements provided him with opportunities to dole out highly lucrative construction contracts and patronage jobs while the resulting increased property values added substantial sums to the city's tax rolls. It was a winwin situation for the controversial mayor who campaigned on the slogan of "Thompsonprosperity," which was chanted by the cheering crowds that attended his first inaugural parade. Other mayors, including Fred Busse (1907-11), Carter Harrison II (1911-15), and William Dever (1923-27) certainly recognized that supporting the Plan of Chicago was a way to gain public favor and votes. Successive city councils also endorsed the Plan's wide-ranging infrastructure projects for a simple reason identified by Thompson biographer Douglas Bukowski: "If anything constituted treason—as well as political suicide—in Chicago, it was a politician opposed to progress in the form of public works."<sup>167</sup>

<sup>&</sup>lt;sup>166</sup> "Today's Program for Opening of the "Link" Bridge," *Chicago Tribune* (May 14, 1920).

<sup>&</sup>lt;sup>167</sup> Charles N. Wheeler, "Parading Thousands Hail New Chicago Mayor Agent of Speedy Prosperity," *Chicago Tribune* (April 27, 1915). "Big Bill the Builder" was the name of a song that premiered on January 25, 1928 at Chicago City Hall and the Hotel Sherman. For the first verse and the chorus, see: "Mayor's Bard Bursts into Song Again with 'Big Bill the Builder," *Chicago Tribune* (Jan. 26, 1928). The song was written by Milton Weil, assistant member of the Illinois Commerce Commission, who also penned Thompson's campaign song, "America First." Quote taken from: Douglas Bukowski, *Big Bill Thompson, Chicago, and the Politics of Image* (Urbana: University of Illinois Press, 1998) 228. According to Bukowsi, the always controversial Thompson celebrated the completion of such public works projects as a means to divert public attention from ongoing charges of corruption and a host of other, often outrageous, actions through the years that expended political capital.

Wacker, his successor James Simpson, and their colleagues at the Chicago Plan Commission had a more business-oriented agenda regarding the pursuit of downtown public improvements. They viewed projects to relieve traffic congestion as crucial to the general prosperity of the city and to their own interests. To this end, they relentlessly pursued two key avenues to facilitate downtown urban mobility during the interwar era. The first was the creation of an inner belt or quadrangle of widened streets around the central business district. The second was the provision of better linkages between the Loop and the North, West, and South Sides of city through street connections and the construction of modern bascule bridges, as well as planning for a lakefront Outer Drive and a West Side superhighway. Underlying efforts for such core-oriented projects, which emphasized the "City Practical" in addition to the "City Beautiful," was the view that centralization was economically beneficial for the city. Chicago's business elite argued that relieving the traffic crisis would result in greater efficiency for commerce, raise property values throughout the central business district, and encourage the upper and middle class-a highly-prized demographic-to continue driving downtown to conduct business and shop.<sup>168</sup>

Creation of a quadrangle of widened streets around the central business district, a massive undertaking that was largely completed by 1930, allowed traffic to skirt the congested Loop instead of driving through it, while featuring boundaries that incorporated both vacant and underdeveloped land to the south and west, allowing for future growth. The four streets selected to form the quadrangle in the *Plan of Chicago* were Twelfth Street (now Roosevelt Road) on the

<sup>&</sup>lt;sup>168</sup> In his discussion of promotional efforts undertaken by CPC managing director Walter D. Moody on behalf of Chicago Plan improvements, Mel Scott noted, "Finding that many persons considered the Plan impractical and idealistic he soon had Wacker and other influential members of the Commercial Club emphasizing the "city practical" at every opportunity." Mel Scott, *American City Planning Since 1890* (Berkeley University of California Press, 1969) 139. The economic benefits of the *Chicago Plan* were emphasized in all of the CPC's promotional materials, Progress Reports, and in speeches and slide lectures given by its leaders.

south, Canal Street on the west, South Water Street (now Wacker Drive) on the north, and Michigan Avenue on the east. Wacker Drive was double-decked, as was Michigan Avenue between Randolph and Ohio streets, which allowed for the diversion of commercial truck traffic to their lower levels. The Twelfth Street improvement was notable for including a great viaduct and bridge over the railroad tracks and river. Writing in 1924, CPC manager Eugene Taylor optimistically predicted that together, these improvements "will cut Loop street traffic nearly in half."<sup>169</sup>

Construction of the LaSalle Street Bridge and the widening of that thoroughfare from Washington Street northward to Illinois Street were undertaken in 1927-28 to relieve congestion on Michigan Avenue into the Loop. LaSalle, Wells and Franklin streets were expected to be linked to their southerly extensions after the straightening of a bend in the Chicago River between Polk and 18<sup>th</sup> streets, which was completed by the end of 1929. Construction of a lakefront Outer Drive began in 1929 as a means to divert Michigan Avenue's ever-increasing through traffic away from the Loop and to connect the North and South Side park systems, which met at the mouth of the Chicago River. Lack of funds forced a shutdown in 1932 but the project was restarted in 1937 with federal Works Progress Administration funds and the Outer Drive and its Bridge were completed in 1941. Extensive planning for a West Side Superhighway

<sup>&</sup>lt;sup>169</sup> Quote taken from: Eugene S. Taylor, "The Plan of Chicago in 1924, With Special Reference to Traffic Problems and How They Are Being Met," *Annals of the American Academy of Political and Social Science* Vol. 116 (November 1924) 226. Taylor's article provides an excellent contemporary overview of the CPC's efforts to combat traffic congestion through downtown street improvements as does: Anne Lee, "Chicago's Traffic Problems Solved by Burnham Plan, *Architectural Record* Vol. 62 (Oct. 1927) 262-272. Information on the quadrangle street improvements can also be found in: Chicago Plan Commission, *Chicago Plan Progress* (Chicago, 1927). For a good overview of planning involved for the Michigan Avenue redevelopment and bridge, see: Stamper, 1-27.

by the CPC in the 1920s came to fruition in the post-World War II era, when it was completed along the Congress Street axis according to the depressed plan envisioned by Edward Bennett.<sup>170</sup>



Figure 41: LaSalle Street Bridge and its four classically-styled bridge houses. Photo by author, 2015.

These immensely complex and costly multi-year projects were conceived by the

Burnham Plan and pursued by the Chicago Plan Commission whose work was financed by the

<sup>170</sup> For history of the Outer Drive and Bridge see: Chicago Plan Commission, The Outer Drive Along the Lake Front, Chicago (Chicago, 1929); Earl Minderman, "Chicago's New Lake-Front Highway," The American City Vol. 57 (June 1942) 41-42; and Hugh E. Young, "Lakefront Boulevard Link Forms Milestone in Chicago Plan," Engineering News-Record Vol. 118 (April 15, 1937) 546-548. LaSalle Street was widened from 80 to 100 feet between Washington and Randolph by taking 20 feet of property from the west side of the street opposite the City-County Building. It was widened to 120 feet from Randolph north to Illinois street by taking 20 feet of property from each side of the street. The extra width was needed due to the street car tunnel entrances. Chicago Plan Commission, Chicago Plan Progress (Chicago, 1927) 19. LaSalle and Wells streets were never extended south of Polk Street and Franklin Street terminates at Harrison Street. As in 1930, the Loop today is connected to the South Side via just four north-south thoroughfares: Clark, State, Wabash streets and Michigan Avenue. In contrast, all Loop streets extend northward across the Chicago River. The Chicago Plan Commission endorsed engineer Hugh Young's proposal for an elevated West Side Superhighway along Monroe Street while long-time CPC consulting architect Edward Bennett argued that the Congress Street route envisioned by the Chicago Plan of 1909 was the most suitable. See: Edward H. Bennett and Harry T. Frost, The Axis of Chicago (Chicago: Bennett, Parsons and Frost, 1929).

Commercial Club. Consulting architect Edward Bennett and chief engineer Hugh Young developed designs for architectural and technical features of Plan improvements that were approved by the Commission prior to their submittal to the appropriate city department responsible for executing the work. CPC leaders spearheaded citywide promotional efforts since public support was critical for projects financed largely by bond issues as well as special assessments. They benefitted from the talents of managing director Walter D. Moody, who publicized the Burnham Plan "with the aggressiveness of a salesman and the fervor of a religious zealot." Efforts included the development of a 90-page abridged version of the Chicago Plan that was distributed to over 165,000 Chicago residents; publication of *Wacker's Manual of the Plan of Chicago*, which adopted by the Board of Education in 1912 for use as an eighth grade text; issuance of a plethora of brochures on specific Plan projects as a means to gain support; the development of lantern slide collection illustrating the Plan that was viewed by tens of thousands of Chicagoans; and even a film titled, *A Tale of One City*, contrasting conditions in Chicago with those proposed by the Plan.<sup>171</sup>

Between 1912 and 1931, the City of Chicago raised \$233,985,000 through bond issues and \$57,596,000 through special assessments for Chicago Plan improvements that also included lakefront park expansion and the widening of through streets outside the central business district. Bond issues approved by voters during this period included funds for the widening of Twelfth Street (1912, 1919, 1924), the Michigan Avenue widening and bridge (1914, 1918, 1919), the LaSalle Street widening and bridge (1923, 1926, 1930), and the construction of Wacker Drive (1919 and 1924). These projects carried heavy price tags, estimated at \$16 million for Michigan

<sup>&</sup>lt;sup>171</sup> Quote taken from: Scott, 140. For more on Moody and the CPC's promotional efforts, see: Thomas J. Schlereth, "Burnham's Plan and Moody's Manual: City Planning as Progressive Reform," *Journal of the American Planning Association* Vol. 47 (January 1981) 70-82.

Avenue, \$22 million for Wacker Drive, and \$10 million for LaSalle Street, which were justified by the economic stimulus to be provided the city in terms of increased land values and property taxes. During the 1920s, the CPC often touted Michigan Avenue redevelopment as a case study for this argument, claiming that by the mid-1920s the project had already "paid for itself six times over" through land values increased by \$100 million, which reportedly provided annual revenues of \$4 million in property taxes.<sup>172</sup>

Once an ordinance for a project was passed by the City Council and its bond issue(s) were approved by voters, it still faced years of delay due to extensive litigation that the City fought through the courts, backed by the Plan Commission. The lengthy period between a project's recommendation by the CPC and its completion is shown in Table XIII. Street widenings entailed the City's use of its power of condemnation to acquire the land needed, which prompted many owners to file lawsuits over the valuations of their property. Even more time consuming was litigation from hundreds of property owners within the larger assessed districts regarding the amount of assessments. Litigation pertaining to Michigan Avenue lasted from 1916-18 and one contemporary writer noted that the Wacker Drive improvement was finally accomplished in 1926 "not without endless lawsuits and every form of legal objection," which lasted from the passage of its ordinance in December 1919 until construction began in October 1924. Finally, after years of planning and court battles, contracts for building demolition were

<sup>&</sup>lt;sup>172</sup> Total funds raised through bond issues for downtown improvements included: \$3.95 million for Twelfth Street (Roosevelt Road) widening; \$8.8 million for Michigan Avenue widening and bridge; \$13.8 million for construction of Wacker Drive; and \$10.97 million for LaSalle Street widening and bridge. The remaining funds for these projects were raised from property owners in the special assessed districts who were expected to benefit from increased values of their properties. Unlike other Plan projects, the widening of Canal Street was financed by the railroads that built Union Station in the early 1920s, which fronted that thoroughfare, at the urging of Chicago Plan Commission leaders. Statistics on bond issues obtained from: Robert A. Walker, *The Planning Function in Urban Government, Second Edition* (Chicago: 1950): 246-49; "Big Bond Issues Voted for Public Improvements," *The American City* (December 1923) 568; E.S.Taylor, 227; and Chicago Plan Commission (1927) 21.

let and, "The fronts of immense buildings were cut away, everything that obstructed the plan was ruthlessly destroyed..."<sup>173</sup>

Project	Date Recommended by	Date Ordinance Passed	Date Completed		
	Plan Commission				
Roosevelt Road	Jan. 19, 1910	April 5, 1911	Nov. 20, 1930		
Michigan Avenue	July 10, 1911	March 23, 1914	May 15, 1920		
Wacker Drive	Nov. 23, 1917	Dec. 15, 1919	Oct. 20, 1926		

## TABLE XIII CONSTRUCTION RECORD OF KEY CHICAGO PLAN PROJECTS

Source: Robert A. Walker, *The Planning Function in Urban Government, Second Edition* (Chicago: University of Chicago, 1950) 253.

Downtown street widening projects spurred immediate high-rise redevelopment and a dramatic jump in land values, as predicted by their proponents. Values per front foot along South Water Street, which ranged from \$2,650 to \$3,850 in 1910, increased to a uniform value of \$10,000 in 1928 following its transformation into the double-decked Wacker Drive. Values per front foot along the newly widened stretches of Michigan Avenue and LaSalle Street north of Randolph doubled, tripled, or even quadrupled between 1910 and 1928, as shown in Table XIV. These gains exceeded the rise in land values on LaSalle Street south of Randolph Street, which although impressive, rose by 30 percent, as shown in Table XV. They were equaled only by the rise in land values on Michigan Avenue south of Randolph Street. The rise in land values per front foot along other streets within the Loop during this same time period were nowhere near as dramatic as those along these three thoroughfares.<sup>174</sup>

<sup>&</sup>lt;sup>173</sup> Quotes taken from: Paul T. Gilbert, *Chicago and Its Makers* (Chicago: F. Mendelsohn, 1929) 232-233.

<sup>&</sup>lt;sup>174</sup> Figures on South Water Street taken from: Hoyt (1933) 341, Figure 74.

#### TABLE XIV

# LAND VALUES IN DOLLARS PER FRONT FOOT FOR THREE BLOCKS OF LASALLE STREET AND MICHIGAN AVENUE, INCLUDING INSIDE AND CORNER LOST WITH A DEPTH OF HALF A BLOCK

	Washington to Randolph		Randolph to Lake			Lake to Wacker			
	1910	1928	1931	1910	1928	1931	1910	1928	1931
Michigan Ave.	6,000	15,000	12,000	4,750	17,000	12,000	4,000	18,000	11,000
LaSalle Street	12,500	27,000	13,500	6,600	17,500	7,500	3,650	15,000	6,500

Data taken from: Homer Hoyt, One Hundred Years of Land Use in Chicago (Chicago: University of Chicago Press, 1933) 341.

#### TABLE XV

# LAND VALUES IN DOLLARS PER FRONT FOOT FOR THREE BLOCKS OF LASALLE STREET AND MICHIGAN AVENUE, INCLUDING INSIDE AND CORNER LOTS WITH A DEPTH OF HALF A BLOCK

	Washington to Madison		Madison to Monroe			Monroe to Adams			
	1910	1928	1931	1910	1928	1931	1910	1928	1931
Michigan Ave.	10,000	30,000	17,500	15,000	30,000	17,500	16,500	27,000	17,500
LaSalle Street	20,000	35,000	17,250	20,000	33,000	17,000	20,000	33,000	16,000

Data taken from: Homer Hoyt, *One Hundred Years of Land Use in Chicago* (Chicago: University of Chicago Press, 1933) 341.

The Chicago Plan Commission's successful track record in implementing its downtown agenda, despite protracted delays caused in large part by extensive litigation, was due to the strong combined support of the downtown business community, general public, city leaders, and the press for the *Plan of Chicago*. Ironically, by pursuing core-oriented projects, which included efforts to raise downtown building heights in the city's 1923 zoning ordinance, CPC leaders were instrumental in creating the very congestion that they were simultaneously trying to alleviate. In general, the construction of widened streets, new bridges, and new garages along the periphery (the latter be discussed later in this chapter) encouraged more people to drive downtown than ever before. For example, as soon as Michigan Avenue was widened it was immediately filled, which served as justification for the widening of LaSalle Street and construction of its new bridge. The situation was encapsulated by Charles Wacker in remarks pertaining to traffic congestion:

Every new building that is erected makes the situation worse. Each time a skyscraper is put up....a large amount of new traffic, both vehicular and pedestrian, is added to our already congested thoroughfares. Soon the situation will become impossible, unless we open and widen streets such as LaSalle, so that the Loop district may expand naturally and so that traffic may be taken care of properly.<sup>175</sup>

The nearly universal support enjoyed by Chicago Plan projects waned in the late 1920s when they became tainted in a highly publicized corruption scandal surrounding the Thompson administration. In 1928 the mayor, along with Michael Faherty and city controller George Harding were convicted of making exorbitant payments of \$1,732,279 to real estate appraisers involved with condemnation proceedings for various downtown improvements in exchange for campaign contributions. It was alleged that "the financing of the City Beautiful Improvements and of the Thompson-Lundin machine was conducted simultaneously by the same group of individuals, including most of the principal defendants herein." In the same year, voters overwhelmingly defeated all of the 31 local bond issues proposed. Most of the Chicago Plan's downtown improvements were completed by that time, however. Although the citywide program of public improvements instigated by the CPC proved to be greatly beneficial in the long-term, they became a major factor in the city's financial woes of the 1930s. At the onset of the Depression, Mayor Thompson was recast as the "Big Tax Builder" as land values plummeted along with expected revenue from property taxes, leaving the municipal government and Chicagoans with massive tax bills to pay for improvements during a decade-long economic downtown that saw the start of recovery only with the onset of World War II.<sup>176</sup>

<sup>&</sup>lt;sup>175</sup> Chicago Plan Commission, 1924, 14.

<sup>&</sup>lt;sup>176</sup> For the full text of Judge Hugo Friend's opinion regarding the Thompson conviction of 1928 see: "Judge Exposes Record of Realty Fee Conspiracy to Defraud City," *Chicago Tribune* (June 21, 1928). For a discussion of this scandal, also see: Robert A. Walker, 246-252; and "Big Tax Builder Is Chief Issue, Albert Asserts: Candidate Demands End of Thompsonism," *Chicago Tribune* (Feb. 11, 1931).

#### 3. Traditionalism versus Modernity: The Wacker Drive Improvement

The downtown improvements undertaken by the Chicago Plan Commission drastically impacted the northern periphery of the Loop, which experienced extensive building demolition for its street widening projects. Approximately 200 buildings were razed on South Water Street alone to accommodate its transformation to the double-decked Wacker Drive. Dozens of additional buildings were razed on Michigan Avenue and LaSalle Street, north of Washington and Randolph streets, respectively. Together, they featured mainly low-rise brick-clad nineteenth-century commercial blocks and light industrial loft buildings. Although the CPCsponsored campaigns for these improvements focused on their economic value to the city, they were also notable for the voracious manner in which the buildings themselves were denigrated in order to justify their removal. The language of blight characterizing old buildings considered "obstructions to progress" as ugly, unsafe, obsolete and unsanitary served as a prelude to arguments made on behalf of building demolition of the 1930s and beyond.

The harshest language was directed at South Water Street, occupied by the city's produce market, a business that was largely carried on in the street and caused serious traffic obstructions. The streetscape was characterized as a "civic eye-sore" that needed to be "exterminated" in a CPC brochure from 1917 titled, *South Water Street Must Go.* Charles Wacker referred to South Water Street as a "combination barnyard and garbage dump," and CPC engineer Hugh Young charged that it was "insanitary...a drawback to Chicago's process, and a conflagration danger to the whole Loop district." Yet, the street's post-Fire buildings were no different than those scattered throughout the Loop at that time. However, South Water Street's antiquated appearance was considered especially objectionable due to its role as a gateway to the Loop. It was the east-west belt through which all traffic from the north—which comprised nearly 60

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percent of all Loop traffic—had to pass when driving downtown. Motorists arriving from this direction included residents of the city's Gold Coast, its upper middle class neighborhoods, and those of the wealthy North Shore suburbs. A writer for *Chicago Commerce* magazine noted the potential of South Water Street's renewal as Wacker Drive: "The advertising value of this river front drive, built up with the highest type of buildings, can hardly be estimated. Traffic entering the business district from the north cannot but be impressed with the dignity of the city." <sup>177</sup>



Figure 42: South Water Street in 1923. Chicago History Museum: DN-0075459. Photographer: Chicago Daily News.

<sup>&</sup>lt;sup>177</sup> First and second quotes taken from: Chicago Plan Commission, *South Water Street Must Go* (Chicago: Chicago Plan Commission, November 1917) 8. Hugh Young quote from: Hugh E. Young, "New Wacker Drive Supplants "Run-Down" Water-Front Street," *American City* Vol. 34 (April 1926) 381. As of 1933, 230 of the 607 total buildings in Chicago's Loop dated from the period 1871-87. Statistic taken from Hoyt (1933) 335. Quote in last sentence taken from: "Wacker Drive in the Greater Chicago," *Chicago Commerce* (August 14, 1926) 9. For other contemporary writings on South Water Street/Wacker Drive, see: "Chicago Double Deck Street for Congested District," *Engineering News-Record* Vol. 85 (July 22, 1920) 173-175; Chicago Plan Commission, *Souvenir of Wacker Drive, Chicago* (Chicago: Chicago Plan Commission, 1926) 2.

Transforming this congested belt into a "high-class business boulevard" was in keeping with the aspirations of Chicago's downtown elite to remake the Loop into a modern, efficient business district designed for beauty as well as utility. "For who would wish to have his city great only as a commercial center, and undistinguished, even ugly, from the standpoint of physical appearance?" With its highly visible location along the south bank of the Chicago River, the new double-decked Wacker Drive and its crop of skyscrapers was intended as a prominent symbol of the city's rising stature on world stage of big business and finance in the aftermath of World War One. In urging the start of work in 1917 during a time of war, Charles Wacker emphasized the need for Chicago to keep up with developments underway in leading European centers lest it be left behind:<sup>178</sup>

France has recently passed a law compelling every city to lay out its future development according to modern city-planning methods. England is working along similar far-reaching lines. Berlin all during the war has gone steadily forward with vast construction projects....If we are to maintain our position among the great nations of the world, we, too, must build in the present for the future.<sup>179</sup>

Following years of delay and litigation, construction of Wacker Drive officially began in October 1924 with the swing of the pickaxe as buildings along its western segment were razed. Upon completion of the massive undertaking—which architect Andrew N. Rebori dubbed "Napoleanic in conception"—exactly two years later, Wacker Drive embodied a split personality. On the one hand, as a modern, multi-level thoroughfare connected to new bascule bridges exhibiting the latest technologies, it was a cutting-edge example of City Efficient

<sup>&</sup>lt;sup>178</sup> Quote taken from: Chicago Plan Commission (1926) 2.

<sup>&</sup>lt;sup>179</sup> Quote taken from: Chicago Plan Commission (1917) 6.
planning. However, the boulevard's classically-inspired architectural design revealed the influence of its City Beautiful origins as embodied in the *Plan of Chicago*.<sup>180</sup>



Figure 43: Upper level of Wacker Drive looking northeast with LaSalle Street Bridge in background, 1930. Chicago History Museum: DN-0094151. Photographer: Chicago Daily News. Figure 44: Wacker Drive looking southwest from Michigan Avenue showing lower level. Photo by author, 2015.

Wacker Drive was built on a tradition dating to the early twentieth-century of thrilling designs for double- or tripled-decked streets intended to separate different types of traffic and/or separate traffic and pedestrians. These included a scheme developed by New York architect Harvey Wiley Corbett and dramatically rendered by Hugh Ferriss featuring elevated walkways for pedestrians arcaded within the building lines and connected by bridges, with automobiles on the surface and rail traffic below ground.

<sup>&</sup>lt;sup>180</sup> "Unroof Building Over Heads of S. Water Firms: City's Biggest Road Project Starts," *Chicago Tribune* (October 3, 1924); "75,000 Watch Opening of Wacker Drive, First Link in River Boulevard System," *Chicago Tribune* (Oct. 21, 1926); Rebori quote taken from: Andrew N. Rebori, "South Water Street Improvement, Chicago," *Architectural Record* Vol. 58 (September 1925) 222.

Edward Bennett advanced a similar proposal for elevated sidewalks in Chicago, as he felt a key cause of congestion was interference between pedestrians and vehicular traffic. Such futuristic schemes for multi-level streets were prohibitively expensive, disruptive, and remained on the drawing boards in all cities, except for Chicago, where Wacker Drive became the nation's second double-decked street in 1926, with the first being Michigan Avenue. Proposals for multilevel downtown streets differed from those developed for elevated highways, which lacked crossings at grade-level and featured an uninterrupted flow of traffic above the surface, such as New York's West Side Elevated Highway.<sup>181</sup>

For a detailed explanation and illustrations of the Corbett-Ferriss scheme, see: Harvey Wiley Corbett, "Different Levels for Foot, Wheel and Rail," *American City* Vol. 31 (July 1924) 2-6; Harvey Wiley Corbett, "The Problem of Traffic Congestion, and a Solution," *Architectural Forum* Vol. 46 (March 1927) 201-208; and Hugh Ferriss, *The Metropolis of Tomorrow*. 1929. Reprint (Princeton, New Jersey: Princeton Architectural Press, 1986) 66-67. For a discussion of other futuristic schemes for multilevel streets and elevated superhighways, see: Robert M. Fogelson, *Downtown: Its Rise and Fall, 1880-1950* (New Haven, Connecticut: Yale University Press, 2001) 262-268. Bennett's plan for elevated sidewalks was included in a booklet he published voicing opposition to the City of Chicago's subway plan, which he felt would attract more downtown congestion. For more information, see: Edward H. Bennett, *The Chicago Business Center and The Subway Question* (Privately Printed. April 15, 1926) and "Raised Sidewalks and Traffic Separation Urged for Chicago," *American City* Vol. 35 (September 1926) 334-336.



Figure 45: Edward H. Bennett, rendering of a proposal for a multi-level street system in Chicago; from: *The Chicago Business Center and the Subway Question* (Chicago, 1926) 9.

Wacker Drive's unique riverfront location allowed for dramatic views of its cutting-edge bi-level design with lower level traffic seen through a series of wide openings, making it an immediate symbol of the Motor Age. Especially notable was its functionality. The surface level boulevard provided a route for through movement between the North and West Sides of the city, allowing fast-moving automobile traffic to skirt, rather than enter, the congested Loop. Slowmoving commercial trucking traffic was diverted to its lower level, which was uninterrupted by cross traffic and served as a direct route between the boat and railroad terminals east of Michigan Avenue and the West Side industrial district. Lower Wacker also provided a continuous platform for unloading freight directly into buildings, accessed the basement entrances of garages within several of its office towers, and accommodated 2,000 parking spaces. A broad embankment along the riverfront was intended to serve as a boat landing during a period that the Chicago River remained an important artery for freight steamers. The reinforced concrete structure was supported by octagonal columns, "each of which, with its broad shouldering, looks like a concrete Atlas supporting the river," according to one contemporary description.<sup>182</sup>



Figure 46: Lower Wacker Drive showing original octagonal columns. Photo by author, 2015.

City Efficient planning was also made visible through construction of six modern bascule bridges in the 1920s that connected Wacker Drive to the North Side. They either replaced older swing bridges, which obstructed river traffic with their center pier designs, or were the first-ever bridges at their locations, as was the case at Michigan Avenue and LaSalle Street. These "Chicago type" bascule bridges were designed to rotate around a fixed trunnion located at the center of gravity of the movable span or leaf. In opening, the bridge raised its leaves to a nearly vertical position, giving an absolutely clear, open river passage for vessels. Downtown bridges of this period incorporated the latest technological advances in design and were aesthetically distinguished from those built prior to 1910. In that year, the Chicago Plan Commission's

<sup>&</sup>lt;sup>182</sup> Young, 381-385; "Alderman Raps Wacker Drive Parking Racket," *Chicago Tribune* (Feb. 21, 1928). Quote taken from: Chicago Plan Commission (1926).

consulting architect Edward Bennett began to work with City of Chicago engineers John Ericson, Thomas G. Pihlfeldt and Hugh E. Young to improve the artistic quality of Chicago bridges. The efforts of this group resulted in extensive revisions to the type and shape of trusses, the appearance of bridge operator houses, and the design of sidewalk railings, light fixtures, and other ornamental elements.<sup>183</sup>



Figure 47: Adams Street Bridge, completed 1927, which features gracefully curved deck trusses and two classically-styled bridge houses with mansard roofs and classical detailing. Photo by author, 2015.

Bennett and members of the Municipal Art League, who provided input on several bridge

houses, considered the use of deck trusses to be aesthetically preferable to pony trusses since

<sup>&</sup>lt;sup>183</sup> The following six bridges were completed between 1920 and 1930 across the main channel of the Chicago River: Michigan Avenue, Franklin Street, Wells Street, LaSalle Street, Clark Street and Wabash Avenue. The bridges at Madison Street and Adams Street were also built in the 1920s to span the south branch of the river. For a good overview of the development of the "Chicago type" trunnion bascule bridge, see: Donald N. Becker, "Development of the Chicago type Bascule Bridge." *American Society of Civil Engineers Transactions* 109 (1945) 995-1046; Daphne Christensen (ed.), *Chicago Public Works: A History* (Chicago Rand McNally & Co., 1973); and Patrick McBriarty. *Chicago River Bridges* (Urbana: University of Illinois Press, 2013).

they were located beneath the roadway and therefore allowed the ornamental handrails of each bridge to be easily seen. In fact, such bridges were depicted in the 1909 *Plan of Chicago*, which Bennett co-authored with Daniel Burnham. The Jackson Street Bridge of 1915-16 was Chicago's first vehicular bridge to feature deck trusses, thereby conforming to Bennett's design criteria, which also included the design of limestone-clad bridge houses with classical detailing and mansard roofs. Such artfully-designed bridges were intended to enhance civic beauty while playing a pivotal role in facilitating traffic circulation, both important goals of the Chicago Plan Commission.<sup>184</sup>



Figure 48: Bridge house at northwest corner of Michigan Avenue Bridge. Figure 49: Michigan Avenue Bridge showing its lower level. Both photos by author, 2015.

The most visually impressive Chicago bascule bridge of this era was that of Michigan

Avenue, which featured a bi-level design, integrated embankments, and four monumental Beaux

<sup>&</sup>lt;sup>184</sup> For a discussion of Edward Bennett's contribution to the design of Wacker Drive and downtown Chicago's bridges, see: Joan E. Draper, *Chicago Bridges* (Chicago: City of Chicago, 1984). For a good overview of Bennett's overall role as consulting architect to the Chicago Plan Commission, see: Joan E. Draper, *Edward H. Bennett: Architect and City Planner, 1984-1954* (Chicago: The Art Institute of Chicago, 1982).

Arts style bridge houses, each embellished with sculptural reliefs in Chicago's history. Equal in stature were the four bridge houses completed eight years later for the LaSalle Street Bridge to accommodate its widening, while all other bridges featured two bridge houses. Together, they embodied the City Beautiful aspects featured in Bennett's architectural design for Wacker Drive, which was embellished with a classical stone balustrade and pylons.



Figure 50: Classical stone balustrade and pylons on Wacker Drive. Photo by author, 2015.

#### B. <u>"Solving" the Traffic Problem</u>

*Solving the Traffic Problem* was a publication written in 1926 by Hugh Young and Eugene Taylor, the Chicago Plan Commission's engineer and manager, which set forth the authors' ideas in this regard. Its title reflected the belief prevalent among many planners, traffic engineers, city officials, and businessmen through the mid-1920s that traffic congestion was indeed solvable through scientific study and planning. However, not all downtown interests were convinced that street widening, which was extremely complex, time-consuming and costly, was the best and/or only way to relieve the traffic crisis. This section addresses various other solutions advanced by the business community to expand street capacity within the core of the Loop where extensive building demolition was not feasible. These included advocacy efforts by the Chicago Association of Commerce (CAC) and its allies for the replacement of streetcars with a subway system as well as the adoption of a long-debated curbside parking ban. The CAC also led intensive planning and coalition-building efforts for an underground parking garage in Grant Park, the implementation of which awaited Chicago's municipal garage boom of the 1950s.<sup>185</sup>

#### 1. <u>Transit Solutions to Traffic Congestion</u>

As passenger automobiles, taxicabs, and motor trucks increasingly filled the Loop, they had to compete for street space with existing double-track streetcar lines, the elevated structure, and buses, all of which were run by different companies. The Chicago Surface Lines was established in 1913 upon a merger of Chicago's various streetcar companies. Its traffic increased steadily at an average rate of nearly 21 million per year, from 482 million in 1910 to the high point of just under 900 million in 1929. In 1924, the various elevated companies merged into the Chicago Rapid Transit Company, which was controlled by Commonwealth Edison president Samuel Insull and enjoyed its highest total number of annual passengers in 1927. The Chicago Motor Coach Company was established in 1917 to operate double-decked buses chiefly on Michigan Avenue, Lake Shore Drive, and Sheridan Road where there were no streetcar lines. Its ridership skyrocketed from 9.6 million to 21.9 million between 1923 and 1924 when its South and West Side boulevard routes were put into operation.<sup>186</sup>

<sup>&</sup>lt;sup>185</sup> Hugh E. Young and Eugene S. Taylor, *Solving the Traffic Problem* (Chicago, 1926).

<sup>&</sup>lt;sup>186</sup> Statistic on Chicago Surface Lines ridership taken from: Carl W. Condit, *Chicago 1910-29: Building, Planning, and Urban Technology* (Chicago: The University of Chicago Press, 1973) 235. Information on the

On a typical weekday in 1926, 80.8 percent of all people entering and leaving Chicago's central district did so via public transportation, while only 19.2 percent traveled by car. Table XVI shows that approximately two-thirds of those people using public transportation relied on either the streetcar or the elevated train. This table also shows that 58.1 percent of people traveling from their homes to daily work in the central business district did so in vehicles that used the surface of the public streets (streetcar, bus, automobile) as opposed to 41.9 percent that used off-street transit (elevated, steam railroads, and electric interurban).

#### TABLE XVI

## COUNT OF PASSENGERS ENTERING AND LEAVING THE CENTRAL BUSINESS DISTRICT OF CHICAGO BY ALL MODES OF TRANSPORTATION, 12-HOUR PERIOD, 7 A.M. TO 7 P.M., TYPICAL WEEKDAY, MAY 1926

Mode of Transportation	Number of Passengers	Per Cent
Streetcar	568,925	33.6
Elevated	473,736	28.0
Steam R.R. (Suburban)	192,909	11.4
Steam R.R. (Through)	29,173	1.7
Electric Interurban	13,870	0.8
Motor Bus	89,369	5.3
Passenger Auto	325,524	<u>19.2</u>
Total	1,693,506	100.0

Data taken from: Miller McClintock, *Report and Recommendations of the Metropolitan Street Traffic Survey* (Chicago, 1926) 17.

Despite steady growth of streetcar and elevated ridership, their service and efficiency

declined though the mid-1920s. Streetcars operated on fixed tracks in the middle of the streets,

Chicago Motor Coach Company from: John T. Richie, "Chicago Motor Coach Operation," in: *Twenty-First Anniversary of the Chicago Association of Commerce, 1904-1925* (Chicago: The Association, 1926) 18; Tomaz F. Deuther, *Third Edition of First Issue of Civic Questions Pertaining Entirely to Local Transportation in the City of Chicago* (Chicago: Northwest Side Commercial Association, August 1925) 65. The streetcar lines ran along the vast majority of streets in the Loop. The Loop elevated structure encircled its peripheral streets of Lake, Wabash, Van Buren and Wells. Buses of the Chicago Motor Coach Company traveled south on Michigan Avenue to Jackson and were then routed to State, Washington, and back onto Michigan for their northward return.

stopping frequently for passengers, and their speed slowed to a crawl in congested areas like the Loop. The number of streetcar passengers rose by ten percent between 1918 and 1923, but only three percent more cars were added, resulting in overcrowded conditions for the straphanger. As transit historian Paul Barrett noted, "No significant extensions were made during this period by the surface or elevated companies, despite repeated pleas from Chicagoans and their aldermen...Poor routing and scheduling practices, rising auto traffic, and the time lost in making change when fares rose from five to seven cents, all contributed to the deterioration of transit service at the time when the auto was enjoying its postwar boom." Service improvements were stymied in large part by the regulated system of private ownership under which Chicago's surface and elevated systems operated. The City of Chicago used its regulatory power to oppose fare increases, thus making it impossible for transit to adjust fares to costs and make a reasonable return. As a result, these companies had fewer resources to devote to purchasing new equipment or the extension of lines. Motor buses, which provided an alternative transit system, were less crowded but had higher fares and were also impacted by traffic congestion, especially when crossing the Michigan Avenue Bridge.<sup>187</sup>

Downtown business leaders became alarmed that declining service on the two largest transit carriers into the Loop would further inhibit access to the central district and they were increasingly determined to control transit policy. To facilitate more efficient service and future expansion, the Chicago Association of Commerce and its allies decided that the city needed a unified public transportation system consolidating surface, elevated, and future subway lines under the ownership of a single, privately-owned company, all operating on the basis of one fare

<sup>&</sup>lt;sup>187</sup> For an in-depth discussion of the transit situation in Chicago in the early twentieth-century, see Chapter 6 in: Paul Barrett, *The Automobile and Urban Transit: The Formation of Public Policy in Chicago*,1900-1930 (Philadelphia: Temple University Press, 1983). The quote in this paragraph was taken from page 169 of this book.

with free transfers. The insistence on private, rather than municipal, ownership was a reaction in large part to the corruption of the Thompson administration and the dismal state of the city finances. Guy A. Richardson, Vice President of the Chicago Surface Lines, commented: "...the unified system, once it is complete, must be managed only by skillful executives free from the exigencies of politics and independent of the demands of political bosses. Otherwise, efficiency will be an impossibility."<sup>188</sup>

A focus of the business community's agenda to transform the city's transit policy was its desire to replace downtown streetcars with a subway system in the Loop, which would immediately expand street capacity with the removal of tracks then existing on 15 of its 19 streets. This was an element included in all four of the comprehensive city-wide transit plans produced between 1916 and 1927, the first and most comprehensive of which was developed in 1916 under the direction of William Barclay Parsons, a leading subway engineer. This was followed by a 1923 plan by R.F. Kelker, Jr., the City of Chicago's transit engineer. Henry A. Blair, then president of the Chicago Surface Lines, prepared transit plans in 1924 and 1927 that were submitted to the City Council. Blair's 1927 transit plan was notable for proposing downtown traffic separation on three levels: a four-track State Street subway at the bottom, a covered mezzanine street for pedestrians in the middle, and the surface street above to be primarily devoted to motor vehicles and devoid of streetcars. Blair noted that street capacity for automobiles could even be further expanded in the future: "Later the sidewalks on the present

<sup>&</sup>lt;sup>188</sup> Guy Richardson, "Urban Transportation: Chicago Surface Lines," in: *Twenty-First Anniversary of the Chicago Association of Commerce, 1904-1925* (Chicago: The Association, 1926) 16.

[street] level may be made much narrower to accommodate more vehicles in the roadways and so keep pace with the growth in buildings."<sup>189</sup>



Figure 51: Proposal for downtown traffic separation on three levels by Henry A. Blair, president of the Chicago Surface Lines; from: Henry A. Blair, *A Plan for a Unified Transportation System for the City of Chicago* (Chicago: January 1927).

The subway plan for the Loop was voraciously opposed by many leaders of the outlying

commercial areas, and in particular Tomaz F. Deuther, President of the Northwest Side

Commercial Association. He argued that downtown streetcars should be replaced by motor

<sup>&</sup>lt;sup>189</sup> Transit plans produced between 1916 and 1927 consisted of the following: William Barclay Parsons, *Report of the Chicago Traction and Subway Commission to the Honorable, the Mayor and City Council of the City of Chicago on a Unified System of Surface, Elevated and Subway Lines* (Chicago: Rand McNally and Co., 1916); Rudolph F. Kelker, *Report and Recommendations on a Physical Plan for a Unified Transportation System for the City of Chicago, to the Committee on Local Transportation of the City Council of the City of Chicago* (Chicago: James T. Igoe, 1923); Henry A. Blair, *Sundry Proposals and Plans for the Development of Local Transportation Facilities in the City of Chicago including Elevated Railroads, Street Railways, Passenger Subways, Motorbus Lines* (Chicago, 1924); Henry A. Blair, *A Plan for a Unified Transportation System for the City of Chicago* (Chicago: January 1927). Blair's 1927 transit plan proposed a State Street subway route that was almost exactly followed in the construction of the present-day line. The Blair plan also sought the removal of the Union Loop elevated structure due to its role in obstructing traffic, a proposal that was also unsuccessfully sought by Mayor Edward Kelly's Administration in the 1930s. See: William Bromage, "Experts Praise Plan to Remove 'L' From Loop," *Chicago Tribune* (Jan. 4, 1938).

buses, rather than subways, which was a far less costly option and would provide more flexible service. Deuther noted that subways would increase, rather than relieve, downtown traffic congestion, by directing thousands of commuters onto State Street twice daily, to and from work, where they would add to the vast army of shoppers on the already overcrowded thoroughfare. He charged that downtown interests wanted congestion, claiming that more people served to increase business in the Loop and its land values: "This congestion is the cause of why the Loop department stores do eighty to ninety percent of the retail business of the entire city and the reason why its property values have risen to stupendous figures. It is the reason why skyscrapers can be erected and be made profitable ventures. The big interests of the Loop do not wish to see this congestion eliminated."<sup>190</sup>

Many others agreed that costly subway plans for the Loop only benefitted the central district and especially the State Street retail district, while the outlying areas were neglected in terms of infrastructure improvements. This notion was voiced by George C. Sikes, an editor at the *Chicago Record*: "Apparently, the transportation companies have been and still are dominated by Loop land owning and business interests who dictate transportation policies for the benefit of the Loop, to the injury of the other areas...State Street stores want the cars to run in circles around their places of business."<sup>191</sup> In 1924, Mayor Dever voiced his preference for the motor bus, ignoring the controversial subway question, following his return from a trip to New York:

<sup>&</sup>lt;sup>190</sup> Quote taken from: Deuther, 76.

<sup>&</sup>lt;sup>191</sup> Quote taken from: Deuther, 6.

New York proves to any Chicagoan that surface car transportation is obsolete. The future of metropolitan transportation is the motor bus with its flexibility and its opportunity to give the passenger good air and pleasing sights.<sup>192</sup>

Starting in 1921, Chicago Association of Commerce leaders assembled a broad-based coalition of business and civic organizations called the All-Chicago Council that eventually undermined neighborhood resistance to a downtown subway, which was included in the traction ordinance passed by referendum in 1930. Much of this ordinance was worked out by the Citizen's Traction Settlement Committee of 1929, which was headed by James Simpson, who was simultaneously the president of Marshall Field and Company and head of the Chicago Plan Commission. The 1930 Traction Ordinance provided for the unification of surface and elevated lines under a private, unregulated company, as public ownership of a consolidated system had been rejected in a 1925 referendum and was steadfastly opposed by the business community, which had largely taken control of public policy related to transit. Moreover, the City of Chicago was essentially in receivership by 1930 and unable to take on this responsibility. The 1930 Traction Ordinance also allowed the new company to raise fares and thus make a profit. The long-anticipated unification of the transit lines did not move forward, however, due to the onset of the Depression and the accompanying bankruptcy of Samuel Insull and his Chicago Rapid Transit Company, which the solvent Chicago Surface Lines was unwilling to absorb.<sup>193</sup>

Falling land values in the Loop during the Depression delayed construction of the subway system, which was originally intended to be financed by assessments of central business district property and the Traction Fund, which comprised the city's share of streetcar receipts. The State

<sup>&</sup>lt;sup>192</sup> James O'Donnell Bennett, "Dever Sizes Up N.Y.: Chicago Plan Beats It: Says Bus Is the Future Transportation," *Chicago Tribune* (July 2, 1924).

<sup>&</sup>lt;sup>193</sup> For information on the CAC's creation of the All-Chicago Council, Simpson's involvement with the Citizens' Traction Settlement Committee, the 1925 referendum, and fate the 1930 Traction Ordinance, see Chapter 6 of Barrett and especially, pages 188-189, 204-205, and 212.

Street Subway finally began in 1938 (completed 1943), followed by the Dearborn Street Subway in 1939 (completed 1951), thanks to an influx of federal funding from the Public Works Administration, which was used in combination with the city's Traction Fund. Both were two-track lines and lacked the shop-lined mezzanine pedestrian street envisioned by Blair. The start of subway construction did not result in immediate removal of streetcars, however. This long-sought goal occurred only after the city's elevated, surface and subway lines were unified under public ownership in October 1947 with the establishment of the Chicago Transit Authority, which immediately began to replace the city's streetcars with buses, a task eventually accomplished by 1958. Until then, streetcars continued to clog the streets of the Loop. <sup>194</sup>

#### 2. <u>The Curbside Parking Ban and Push for Municipal Parking</u>

While the City Council was reviewing various proposals for downtown subways and streetcar removal during the 1920s, it was simultaneously considering whether to prohibit curbside parking, which was another major obstruction to downtown traffic. Many Aldermen, business interests, and the city's traffic engineer, argued that the streets should be dedicated to moving traffic rather than standing vehicles, and that curbside parking benefitted the few at the expense of the many. Curbs filled to capacity with parked cars left no room for motorists to temporarily load and unload their passengers, forcing them to double-park for this purpose, which often reduced traffic to a complete standstill. In the same vein, delivery trucks were forced to cruise the streets until they could either find a place to unload or found it necessary to

<sup>&</sup>lt;sup>194</sup> After the agreements contained in the 1930 Traction Ordinance collapsed with the onset of the Depression, financing for the unification of Chicago's surface and elevated lines was stymied by the city's ongoing opposition to fare increases. Such opposition finally ended with legislation to create the Chicago Transit Authority in 1947, which required it to be self-supporting and fares were immediately increased thereafter. For information on the establishment of the Chicago Transit Authority, see: Barrett, 212-213. For contemporary articles on Chicago's subways, see: Charles E. DeLeuw, "Chicago's Subway," *The American City* Vol. 58 (May 1943) 55; and "Chicago Subway," *Architectural Forum* Vol. 81 (August 1944) 83-86.

park in the second line of traffic. The combination of parked cars, double-parking, and streetcars left little room for mobility on most Loop streets, often forcing motorists to use the streetcar tracks as an additional traffic lane, which slowed the movement of mass transit as well.

Since street widening within the core of the Loop would have been extremely disruptive and cost-prohibitive, many downtown interests supported a curbside parking ban as the best means to expand street capacity for moving vehicles. The first such attempt was undertaken as early as 1920. In January of that year the *Chicago Tribune* reported that, "The ever increasing traffic congestion in the Loop district presents one of the most disagreeable problems to motor car users. Today it is difficult to find parking space under any condition in the Loop." Five months later, the City Council's Transportation Committee unanimously approved an ordinance prohibiting all daytime auto parking in the Loop, extending north to Kinzie Street. Passage of the ordinance seemed imminent until it was vetoed by Mayor Thompson in late 1920 as "too drastic for the present," in response to opposition by the State Street Merchants Association, which felt that would be harmful to their business.<sup>195</sup>

Proponents of a curbside parking ban realized that its passage would require construction of additional downtown parking facilities to accommodate the cars displaced from the streets. Many downtown business interests and aldermen argued that it was the responsibility of the city, not private enterprise, to provide for such facilities. In anticipation of the 1920 curbside parking ordinance winning full Council approval, the City Council's Transportation Committee appointed a five member commission to study the idea of building a system of municipal garages on each side of the Loop—one in Grant Park, one just north of the river, and one each on the

<sup>&</sup>lt;sup>195</sup> "Electric Firm's Service Solves Parking Puzzle," *Chicago Tribune* (Jan. 25, 1920); "Park Body Maps Auto Parking As City Plan Dies," *Chicago Tribune* (Dec. 16, 1920).

south and west sides. The idea of constructing garages on the periphery of the Loop was raised by other proponents of a curbside parking ban over the years. For example, the *Chicago Tribune* editorialized in 1925 that the city should build fifteen or twenty story garages in or near the Loop "to be conducted without profit for the general convenience."<sup>196</sup>

In their 1926 booklet titled, *Solving the Traffic Problem*, Hugh Young and Eugene Taylor also endorsed a prohibition of curbside parking in the central district. To allow for the spaces eliminated, they proposed the construction of six-story garages, each with a 2,000-car capacity, in areas where the business district was expected to shift in the future. These structures were envisioned with first floor shops to provide added revenue as well as foundations strong enough to accommodate upper office floors when needed. Their proposal was unique for arguing that such structures should be built by either a motor coach or taxicab company that could provide motorists with transportation to complete their journey into the Loop.<sup>197</sup>

More common, however, were calls for the construction of an underground garage in Grant Park to replace the existing surface lot established by the South Park Commission in the 1910s, which served as the central district's largest parking facility. Grant Park's Monroe Street parking lot, which charged a fee of 25 cents per day and was regulated by watchmen, was bounded by Michigan Avenue, the Illinois Central tracks, Randolph and Monroe streets. A secondary lot was located on unimproved land near Van Buren Street. This lot was free but unregulated and motorists parked there at their own risk during a time when auto theft and vandalism were rampant. While embracing its large accommodation to cars, many realized that parking lots were not in keeping with the formal treatment envisioned for Grant Park by the

<sup>&</sup>lt;sup>196</sup> "Commission to Study Plans for 4 Loop Garages," *Chicago Tribune* (Dec. 3, 1920); "Where to Park?" *Chicago Tribune* (June 23, 1925).

<sup>&</sup>lt;sup>197</sup> Young and Taylor, 15-18.

Burnham Plan and that ultimately such uses would eventually need to be depressed. As early as 1914, Mayor Carter Harrison advanced what may have been the earliest proposal for an underground garage in Grant Park, suggesting a two-story structure.



Figure 52: Monroe Street Lot in Grant Park, 1928. Chicago History Museum, ICHi:19437. Photographer: J.J. Miller.

The 1920s was considered an ideal time for underground garage construction in Grant Park due to Chicago Plan Commission-led efforts during this period to reclaim and improve the lakefront southward to Jackson Park for recreational use. Proposals for such a parking facility faced no organized opposition from Chicagoans since Grant Park was mostly unimproved in the early twentieth-century and its eastern boundary was lined with railroad tracks. In contrast, a contemporary proposal for an underground garage with a 30,000-car capacity in New York's long-established Central Park, which was beautifully landscaped and beloved as the city's premier recreational space, ignited a storm of protest among various constituencies. A 1921 editorial in the *New York Times* opposing the measure noted that, "To mutilate the park by using it as a vast public garage would simply pave the way for future encroachments on the park area."<sup>198</sup>

In 1923, Finnish architect and city planner Eliel Saarinen announced a proposal for a vast, three-story underground parking terminal in Grant Park to house 47,000 cars. It was an integral part of the monumental lakeshore development project that he detailed exhaustively as a promotional exercise on the pages of *The American Architect*. This proposal reflected Saarinen's belief, which was shared by many, that the construction of large parking facilities on the periphery of the Loop would reduce traffic within its core, thus helping to "solve" the traffic problem. Like many visionary conceptions for the Motor Age city, Saarinen's proposed lakefront automobile terminal was unaccompanied by a detailed plan of execution and financing. Rough calculations that provided an estimated total price tag of \$60 million virtually assured that it would not receive serious consideration by proponents of such a facility.<sup>199</sup>

<sup>&</sup>lt;sup>198</sup> For a good contemporary overview of lakefront development pursued by the Chicago Plan Commission at this time, see: James Simpson, "Chicago is Pushing Out into Lake Michigan," in: James Harlean (ed.), *American Civic Annual* (Washington, D.C.: American Civic Association, Inc., 1929) 163-168. "Under-Parking Garage Protested by Many," *New York Times* (December 23, 1921); "Would Save Parks From Garage Plan," *New York Times* (Dec. 29, 1921); "Favors Municipal Garage: Dr. Harriss Suggests That Big One Might Be Built Under Park," *New York Times* (November 12, 1922); "The Park and Parking," *New York Times* (Jan. 10, 1927).

<sup>199</sup> In 1921, Acting City Engineer P.S. Combs developed plans for an underground city garage beneath Grant Park to accommodate 1,200 cars, as well as a much smaller underground facility beneath the section of Market (now Wells) Street, between Randolph and Madison, to accommodate 300 cars. The proposal was presented in a February 1921 report to the Commission on Downtown Street Congestion and deferred indefinitely, as the Commissioner of Public Works noted that the \$2,378,166 cost would be "prohibitive under present conditions. "New Parking Law May Bring City Garage in Loop: Harrison Plan for Grant Park 'Stabie' Revived," Chicago Tribune (June 18, 1920); "Subterranean Auto Parking Winning Favor," Chicago Tribune (July 26, 1920); "Favors Tunnel Garage Built in Grant Park," Chicago Tribune (September 26, 1920); "\$2,278,166 City Garages to be Urged Today," Chicago Tribune (Feb. 2, 1921). In addition to the massive underground auto terminal, Saarinen's lakefront development project for Grant Park, developed on a north-south axis, also envisioned a below-ground railroad terminal at Randolph Street, above which he planned a large hotel skyscraper facing down a mall built over the depressed railroad tracks. A wide north-south boulevard along the present-day route of Columbus Drive was to connect the skyscraper hotel at Randolph Street (Grant Hotel) to an identical one about a mile to the south (Chicago Tower), the designs for which were based on his second place entry to the earlier Chicago Tribune competition. Eliel Saarinen, "Project for Lake Front Development of the City of Chicago," The American Architect and the Architectural Review Vol. 124 (December 5, 1923) 487-514. For a comparison between Saarinen's Chicago Lakefront and Detroit Riverfront Projects see: Manfredo Tafuri, "The Disenchanted Mountain: The Skyscraper and the City," in: Giorgio Ciucci et al. The American City: From the Civil War to the New Deal (Cambridge, Massachusetts: The MIT Press, 1979) 421-431.



Figure 53: Eliel Saarinen's proposal for an underground garage in Grant Park, 1923; from: *The American Architect and the Architectural Review* Vol. 124 (December 5, 1923).

Saarinen also either ignored, or more likely was unaware of, the fact that the South Park Commission lacked legislative authority to undertake garage construction. This ultimately stymied the decade's most promising proposal for underground garage in Grant Park, which was advanced the Chicago Association of Commerce, an organization vitally interested in all transportation issues related to the downtown, as demonstrated by its involvement in the subway issue. Its eighty-member Street Traffic Committee was headed by State Street merchant Elmer T. Stevens and organized into eleven subcommittees comprised of merchants, architects, real estate experts, aldermen, property owners and managers, and even several judges. This civic body served as a de facto branch of city government during the 1920s, as it was repeatedly asked by the City Council to undertake intensive research and advocacy pertaining to a variety of issues related to downtown parking and traffic mobility. It also showed the City's reliance on the business community to help formulate public policy during a period in which it lacked a fulltime planning staff and the quasi-official Chicago Plan Commission was strictly focused on implementation of Burnham Plan projects.<sup>200</sup>

In 1924, the Association's Street Traffic Committee worked with R.F. Kelker, the City of Chicago's traffic engineer, on a detailed construction plan for a vast, one-story underground garage that would accommodate up to 10,000 cars at an estimated cost of \$10 million, which was endorsed by 65 business and civic organizations. However, the Association was unsuccessful in its attempts to pursue legislation allowing the South Park Board to issue bonds for garage construction for reasons that could not be ascertained. Following this defeat, the South Park Commission doubled the size of its existing Grant Park lot in the fall of 1925 by expanding it to the east of the Illinois Central tracks with an additional 1,500 spaces. The new lot was depressed sixteen feet below ground to hide the parked cars from view.<sup>201</sup>

Despite the expansion of parking in Grant Park, downtown streets remained choked with ever-increasing numbers of automobiles. At the request of the City Council, in 1926 the Chicago Association of Commerce spearheaded an intensive year-long engineering study of street traffic conditions in Chicago. The *Metropolitan Street Traffic Survey* was prepared under the direction

<sup>&</sup>lt;sup>200</sup> In 1924, the City of Chicago's chief of police asked the Association's Street Traffic Committee to study a system of stop and go lights for the Loop, which lacked any such system at that time. After ten months, Committee members recommended a coordinated system that was installed by early 1926. Mayor Dever acknowledged the Association's contribution to this effort by writing a letter to its President in order to, "express to you and your organization our appreciation of the fine cooperation you have given in initiating this splendid service." "Street Traffic Tangles Being Unravelled," *Chicago Commerce* (March 13, 1926) 1.

The Grant Park underground garage proposed by the CAC was intended to stretch from Randolph Street to Roosevelt Road from north to south, and from the Illinois Central tracks to Michigan Avenue, from east to west. Kelker and the Committee's engineers designed a standard underground garage unit to accommodate 306 cars that could be multiplied ten times within this area of the park. The Chicago Motor Club agreed to underwrite a bond issue of one million dollars to build the first unit of the project. "Plan Underground Garage in Grant Park," *Chicago Commerce* (June 28, 1924) 7-8; "Organizations Boost Sunken Garage Scheme," *Chicago Tribune* (June 29, 1924); "South Park Board Would Build Sunken Garage," *Chicago Tribune* (July 22, 1924); "Seek Law for \$10,000,000 of Garage Bonds," *Chicago Tribune* (Oct. 31, 1924); Henry Paulman, "Trade Endorses Underground Garage in Grant Park," *Chicago Tribune* (Jan. 25, 1925); "Sunken Garage Doubles Space in Grant Park," *Chicago Tribune* (Sept. 20, 1925); "All Members of the Association Are Asked to Aid in Traffic Regulation," *Chicago Commerce* (July 4, 1925) 14.

of the Association's Street Traffic Committee, which secured the services of nationally known traffic expert Miller McClintock, Director of the Albert Russell Erskine Bureau for Street Traffic Research at Harvard University, to conduct the technical work. The survey's \$50,000 cost was assumed by the Association. Such surveys were undertaken by cities nationwide during the 1920s and were in keeping with the popular method of applying engineering science to a city's traffic problems. The Chicago traffic survey was intended to analyze street traffic in the city as a whole to determine the chief causes of traffic congestion, and then identify solutions.<sup>202</sup>

In terms of the central district, the survey revealed that delays caused by traffic congestion were costing Chicago millions of dollars. Miller McClintock observed, "There are few districts in the world which show a comparable density of population and street activity during normal business hours." Chicago's first-ever cordon count revealed "a degree of concentration far in excess of the estimates generally made." It was discovered that within this confined area that was slightly less than a mile square, there were 1,693,506 people and 262,354 vehicles entering or leaving during a twelve hour period from 7 a.m. to 7 p.m. on a typical weekday. Of that total number of vehicles, 69 percent were automobiles, as shown in Table XVII. The number of motor cars entering the central district daily was slightly more than 30 percent of the automobile registration of the entire city in 1926. Despite their overwhelming

<sup>&</sup>lt;sup>202</sup> Miller McClintock, *Report and Recommendations of the Metropolitan Street Traffic Survey* (Chicago, 1926). For the purposes of this study, the "Chicago Automotive Region" was considered the area lying within an approximately 40 mile radius from State and Madison streets. The study focused on the three major areas of traffic concentration: 1) the major thoroughfares that carried traffic from the suburban residential districts to the city center, 2) the outlying business districts, and 3) the central business district, defined as the area bounded by the Chicago River on the north and west, Lake Michigan, and Roosevelt Road. For an overview history of the development and methods of the traffic survey in the 1920s, see: Miller McClintock, "The Traffic Survey," in: *Annals of the American Academy of Political and Social Science* Vol. 133 (September 1927) 8-18.

numbers on downtown streets, however, automobiles carried only 19.2 percent of all people entering and leaving the Loop each day.<sup>203</sup>

# TABLE XVII COUNT OF VEHICLES ENTERING AND LEAVING THE CENTRAL BUSINESS DISTRICT OF CHICAGO, 12-HOUR PERIOD, 7 A.M. TO 7 P.M., TYPICAL WEEKDAY, MAY 1926

Mode of Transportation	Number of Vehicles	Per Cent
Streetcar	16,901	6.4
Motor Busses	3,633	1.4
Passenger Autos	180,846	69.0
Motor Trucks	49,109	18.7
Horse Drawn	11,865	4.5
Total	262,354	100.0

Data taken from: Miller McClintock. *Report and Recommendations of the Metropolitan Street Traffic Survey* (Chicago, 1926) 18.

One of the traffic survey's major findings was that from 30 to 50 percent of the capacity of badly crowded city streets was being wasted by the storage of parked cars. The situation was summed up by the city's Superintendent of Police: "Parked cars cut the street widths in two, slow up all traffic, strangle business and delay everyone, while only a few car owners are benefitted." Like most traffic engineers at the time, McClintock believed that the use of street space for moving traffic should have precedence over its use for standing vehicles. He recommended a complete prohibition of curbside parking in the central district, arguing that it would be beneficial for downtown business by encouraging automotive patronage that "to some extent has been discouraged from entering the district." Freeing the street of parked cars in order to provide space for even more cars reveals the motivation behind such core-oriented policies,

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McClintock (1926) 15-19, 26. In 1926, there were 341,468 motor vehicles registered in Chicago.

which was to encourage ever-greater numbers of people to come downtown while somehow trying to deal with the resulting congestion.<sup>204</sup>

Based on the findings of the traffic survey, Chicago's City Council approved the long debated no-parking ordinance, which went into effect on January 10, 1928. The ban prohibited all curbside parking in the Loop north to Kinzie Street on weekdays from 7 a.m. to 6:30 p.m., and on Saturdays from 7 a.m. to 3 p.m.. It was supported by the majority of downtown interests including many alderman, large merchants, business and civic leaders, as well as the surface line and motor bus companies, as it improved the speed of their services. However, in their statement to the City Council in support of the ordinance, the Chicago Building Owners and Managers Association noted that, "Downtown business interests are by no means unanimous in their attitude on this question." Opponents included a vocal group of merchants and businessmen who insisted that a parking ban would drive away customers, despite the survey's findings that only 1.57 percent of all Loop shoppers parked their cars at the curb. Chicago was the first city nationwide to successfully impose all all-day curbside parking ban, although this became an increasingly common regulatory tool to combat downtown traffic congestion starting in the 1930s.<sup>205</sup>

The 1926 traffic survey also found that Chicago's central district had 8,732 off-street parking spaces, of which 3,200 were provided by the charge space (Monroe lot) and 1,000 by the free space (Van Buren lot) in Grant Park. Its 4,532 remaining spaces were located in eight other

<sup>&</sup>lt;sup>204</sup> Quotes taken from: McClintock (1926) 154, 158.

<sup>&</sup>lt;sup>205</sup> "Ban on Parking Would Aid Loop Trade, Is Claim," *Chicago Tribune* (Sept. 28, 1926); "No Parking in Loop Today," *Chicago Tribune* (January 10, 1928). Building Managers' Association of Chicago newsletter dated January 25, 1927. McClintock (1926) 158. Curbside parking bans were not commonly used during the 1920s due to the voracious opposition they received from downtown merchants. For a discussion of the controversies surrounding curbside parking bans in other cities, see: Fogelson, 284-295.

private garages or lots inconveniently scattered around the periphery of the Loop north to Kinzie Street, to the dismay of motorists with destinations within its core. As one remarked, "The motorist is not pleased with walking from a half to a whole mile each day in order to drive to the office, in addition to paying a fee for parking his machine at that distance." In conjunction with the curbside parking ban, McClintock also identified the immediate need for garages capable of accommodating triple the number of its present 8,732 spaces.<sup>206</sup>

Overall, Chicago fell far short of other cities in terms of its provision of off-street parking by the mid-1920s. For example, Los Angeles, with a third the population of Chicago, had space for 24,000 cars in its central business district. McClintock also noted that, "Atlanta, Georgia, with a population of a 250,000 as against Chicago's 3.6 million has 12 storage garages and all are used and are profitable. Boston has 90,000 registered passenger automobiles, as against Chicago's 300,000. In this eastern city you will find 30 storage garages, as against Chicago's nine. Cleveland, with less than one million population, has 28 storage garages. Denver has 25; Pittsburgh, 17; St. Paul, 29; San Francisco, 18; Seattle, 15; Indianapolis, 20; while Los Angeles tops all American cities with 47 storage garages." The central business districts of such large and medium-sized cities rarely offered free public parking and the vast majority of these garages were privately-operated. A 1938 report on off-street parking in cities nationwide found that most municipal parking facilities were located in much smaller towns and suburbs and typically accommodated only about 300 cars.<sup>207</sup>

<sup>&</sup>lt;sup>206</sup> For a map specifying the location of these eight parking facilities, see: McClintock (1926) 161. Quote taken from: "To Relieve Traffic, Not Prevent," *Chicago Tribune* (Nov. 25, 1920).

<sup>&</sup>lt;sup>207</sup> Robert H. Nau, "No Parking—a Year and More if It," *The American City* (March 1929); "Chicago Needs More Storage Garages," *Chicago Commerce* (June 12, 1926) 19. The term "storage garage" during this time period was used to describe both garage buildings and parking lots. As a result, it is difficult to precisely ascertain the numbers of one versus the other in various cities. For contemporary data on municipally-owned and operated

As late as 1938, Grant Park remained the largest single area in the country devoted to municipal parking. The vast amount of free and low-cost parking at this location was likely the reason that Chicago was far behind other cities in the provision of private garages, which would have found it difficult to compete. The high cost of acquiring land in the Loop for garage use during the height of the real estate boom of the mid-1920s would have required operators to charge exorbitant fees in comparison to the Grant Park lots that were either free or charged a mere 25 cents a day. One writer noted in 1925 that, "The car owner would find it as cheap to use a taxicab as to park his car for a few hours in such a garage." However, downtown garage construction became more financially appealing to private operators in the late 1920s due to a combination of factors that included the curbside parking ban; pent-up demand for conveniently-located garages; ever-increasing numbers of cars traveling downtown; and the South Park.<sup>208</sup>

### C. Unplanned Solutions: The Parking Entrepreneurs

The challenge of retrofitting the Loop for the automobile also involved the creation of private garages and lots, allowing people to park close to their destinations once they arrived downtown. Chicago's fledgling private parking industry arose and became organized in the 1920s, gathering speed later in the decade as demand heightened after passage of the curbside parking ban. Lake Street began its transformation into an automobile parking district during the late 1920s high-rise garage boom that occurred in and around the Loop. Yet within just a few years, downtown Chicago was at the forefront of urban garage design, featuring the latest

parking facilities in other cities, see Table I in: Orin F. Nolting and Paul Oppermann, *The Parking Problem in Central Business Districts* (Chicago: Public Administration Service, 1938) 4.

<sup>&</sup>lt;sup>208</sup> Quote taken from: "Where to Park," *Chicago Tribune* (June 23, 1925).

experiments in ramp and vertical elevator technologies within structures that alternately featured historicist sheathing or an industrial aesthetic. The seemingly endless need for downtown parking remained unmet in the 1920s, setting the stage for considerably greater building demolition for parking lots that invaded the Loop's core during the ensuing Depression when financing for expensive high-rise garages was unavailable.

### 1. <u>Early Urban Garage Design and Construction</u>

Like filling stations and automobile showrooms, urban garages emerged in the 1910s as a new and specialized building type that accompanied the Motor Age. Architects and engineers devoted intensive study to the parking garage, with the ultimate goal of designing a structure to accommodate the maximum number of cars, thereby ensuring the greatest return on investment. Two basic garage types emerged—the ramp and the vertical elevator—each with distinctive advantages. Ramp designs were generally thought to provide quicker service, since the number of cars in motion in an elevator garage was limited to the number of elevators. Increasing the number of elevators in a garage hastened service but decreased income-producing stall space. However, ramps and driveways could also encroach upon rentable areas if not designed to the correct width. Although elevator garages had high installation and operating expenses in comparison to ramp garages, they featured low labor costs since only a couple of people were required to operate and maintain the machinery. In contrast, high-rise ramp garages required numerous attendants to park and fetch cars prior to the proliferation of self-park facilities during the Depression of the 1930s.<sup>209</sup>

<sup>&</sup>lt;sup>209</sup> The space required per elevator was usually about 10 by 20 feet. The number of elevators included within a garage depended on the amount of traffic, the height to the building, and the speed of the elevators. A rough figure was one elevator for every 100 to 150 cars. Harold F. Blanchard, "The Layout of Automotive Buildings," *Architectural Forum* Vol. 46 (March 1927) 287. The March 1927 issue of *Architectural Forum* (Volume 46; pp.

A variety of ramp designs existed, with the staggered floor system and the sloping floor design among the most popular. Selection of a particular ramp design was largely dependent on the garage location, which was the most important factor in determining a structure's future financial success. Ramp garages required more land than elevator garages, and their ideal location was considered to be on a corner site on the edge of, but within walking distance to, the business district, where streets were less congested and land prices lower. Elevator garages were much more compact and could be situated on lots as small as 24 by 24 within the core, necessitating greater height due to higher land costs. The best-known mechanical garage of the 1920s was the brick-clad, 24-story Kent Garage in New York City, in which cars were parked on two sides of the two-car elevator with the aid of an electric parking machine. Sites near a city's theater district were especially desirable as they allowed for both day and night operation.<sup>210</sup>

In his 1927 article on urban garage design for *Architectural Forum*, architect Albert Larson noted, "The whole operation and management of a public parking garage has grown from a haphazard hit-or-miss proposition to a scientific business, and proper handling, together with a well-planned building, will put such a business on a revenue-producing basis." Intensive study was applied to every aspect of garage design with the goal of maximizing profitability. For ramp structures, this included determining the most economic width of a parking space (typically 6 feet 9 inches with a width exceeding seven feet considered a luxury); the depth of a parking space (15 feet was standard); width of aisles (20 feet was considered sufficient); and the width of

<sup>209-299)</sup> contains a series of articles on all aspects of urban parking garage design and construction. Other good contemporary articles on the architecture of 1920s urban garages include: "The Ramp Garage Illustrated by Three Recent Examples of Different Types," *The American Architect and the Architectural Review* Vol. 123 (1923) 375-382; "Garages: Standards for Design and Construction," *Architectural Record* Vol. 65 (February 1929) 178-194; and Harry E. Warren, "Designing Garages for Service and Income," *American Architect* (October 1929) 34-35, 156-158.

<sup>&</sup>lt;sup>210</sup> "Kent Automatic Parking Garage, New York," *The American Architect* (June 20, 1928) 835-837.

ramps (50 feet was the standard for sloping floor designs). The upper floors of ramp garages were completely open except for the necessary columns, which typically featured three car bays in between.<sup>211</sup>

One architect writing about the design of a modern "scientific garage" noted that, "The cost per car should in no case exceed \$2,000 for building and equipment. On this figure a gross income of not less than \$1 per day per car space should provide the normal expectation to justify the investment." Earnings estimates were based on income to be derived from monthly and yearly rentals of storage spaces, fees from daily parking patrons, and a variety of services typically provided on the first and second floors of 1920s garages, such as gasoline pumps, car washing and greasing facilities, a shop for tire repair or brake adjustments, and the sale of automotive accessories. Income had to offset the rental fees that operators paid to property owners if the garage site was leased, as well as cover payments on the mortgage bonds sold to finance the structure, which in some cases cost nearly a million dollars. Such costly garages were typically equipped with ground floor spaces that included waiting rooms for patrons; bathrooms for men and women; the garage office; cashier's office/desk; and sometimes a special lounge for chauffeurs. Garages were completely enclosed at this time and maintenance costs included heat and ventilating systems.<sup>212</sup> Architect Harry Warren highlighted the factors considered necessary for a successful garage:

The motor housing building of the future should provide, in order to prove profitable to the owner and operator, exterior beauty of design, maximum tenant facilities, an attractive interior, maximum number of car spaces, proper vertical transportation, lower per car cost of construction, accessibility, strategic location,

Albert O. Larson, "An Analysis of Garage Design," *Architectural Forum* Vol. 46 (March 1927) 216. Measurements in this paragraph obtained from: "Garages: Standards for Design and Construction," 179, 182, 184.

<sup>&</sup>lt;sup>212</sup> Quote taken from: Warren, 158.

and adaptability to other forms of storage business or readily convertible to other uses  $\dots^{213}$ 

Many other architects apparently agreed with Warren's sentiment that garages should feature "exterior beauty of design" as most garages featured in architectural journals of the 1920s were sheathed in brick, detailed in terra cotta, and featured a variety of historical revival designs. Others resembled the commercial style of office building with grid like brick elevations featuring continuous piers, recessed spandrels, and double-hung windows.

In contrast, the garages designed by Detroit architect Robert Derrick in the mid-1920s embraced a distinct factory building aesthetic. They were created for Detroit Garages Inc., an organization formed by several Detroit auto manufacturers and businessmen in 1925 for the purpose of building three experimental garages in Detroit. If proven to be profitable, the intention was to use their designs as prototypes to be duplicated in other cities. The exterior of Robert Derrick's design for an eight-story ramp garage in Detroit—published in the March 1927 issue of *Architectural Forum*—resembled the most up-to-date daylight factory buildings then being designed by Albert Kahn and others for auto manufacturers, including Derrick's future boss, Henry Ford. Completely void of any ornamentation, the building had a flat roof and its smooth concrete wall planes were organized into grids in which the large bays were infilled with steel sash factory windows. Derrick referred to these garages as "merely factory buildings" to be built with "only the cheapest methods of construction....without decoration or use of ornament."

<sup>&</sup>lt;sup>213</sup> Warren, 156.

Such buildings, he asserted, would look out of place on an important downtown street and should be relegated to the fringe of downtown.<sup>214</sup>



Figure 54: One of the garages built for The Detroit Garages, Inc., Detroit, Robert O. Derrick, Architect, 1925; from *Architectural Forum* Vol. 46 (March 1927) 233. Photographer unknown.

# 2. Introduction of the Parking Garage to Downtown Chicago

The earliest multi-story garage built within Chicago's Loop was likely the five-story Hotel LaSalle Garage, designed by Holabird and Roche and completed in 1918 on a mid-block site at 217-219 W. Washington Street. Although used by the general public, it was primarily intended for patrons of the hotel, located at the northwest corner of LaSalle and Washington streets. Like many garages built to blend in with their surroundings, the reinforced-concrete garage resembled a commercial building with brick and terra cotta sheathing and continuous

<sup>&</sup>lt;sup>214</sup> Robert O. Derrick, a society architect-turned-garage designer, later designed the Henry Ford Museum in Dearborn, Michigan. Robert O. Derrick, "The City Parking Garage," *Architectural Forum* Vol. 46 (March 1927) 233-240.

vertical piers alternating with double-hung windows. *American Architect* published plans of the Hotel LaSalle Garage in 1920, which showed that it had a passenger elevator, a centrally-located semi-elliptical ramp at the rear of the structure, a ground floor automotive accessories sales area, and washing racks on each floor.<sup>215</sup>



Figure 55: Hotel LaSalle Garage at 217-219 W. Washington Street, built 1918 (demolished). Chicago History Museum. ICHi: 76580. Photographer unknown.

In 1924, a six-story concrete ramp garage was built at 175 W. Monroe Street, which replaced a nineteenth-century commercial block that housed the offices of Bradner, Smith & Co., a large paper manufacturing firm that had recently built a new warehouse in the industrial district just west of the river. The owners provided garage operator Benjamin Kissel with a 99-year lease, which he assigned to the Monroe at LaSalle Garage Corporation. Its term rental was divided into payments of \$24,000 annually for the first five years and increased at various

<sup>&</sup>lt;sup>215</sup> "Hotel LaSalle Garage," *American Architect* Vol. 118 (Aug. 25, 1920) 238-239. Also see: Robert Bruegmann, *Holabird & Roche, Holabird & Root, An Illustrated Catalog of Works: Volume II, 1911-1927* (New York and London: Garland Publishing, Inc., 1991) 101-102. This structure was demolished in 2005.

increments for the balance of the term. The garage was designed by the firm of Tait & Lord and included two stores on the first floor of the structure, which was located just one block west of the LaSalle Street financial district, adjacent to the Northern Trust Bank.<sup>216</sup>

The Monroe at LaSalle Garage was one of only eight downtown private parking facilities documented by Miller McClintock's 1926 traffic survey. Another was a ten-story concrete ramp garage completed in 1926 at the southeast corner of State and Kinzie streets to house approximately 600 cars. Designed by Detroit architect Robert O. Derrick, it featured the same factory-like aesthetic that he created the previous year for three prototype garages in that city and it was the first in Chicago to feature the patented staggered floor system. (See Figure 61.) The \$850,000 State-Kinzie structure was built by Central Chicago Garages Inc., a subsidiary of Detroit Garages, Inc., to be "the first of several elaborate downtown garages." Both of these fledgling chains were absorbed in 1926 by National Garages Inc., which was established by Detroit-based automotive interests with the intention of building garages in other cities nationwide. The new corporation, spearheaded by officials from Hudson Motors and Chrysler Motors, demonstrated the interest of automobile manufacturers in finding solutions to the urban parking problem. It was one of several national garage chains that arose in the late 1920s, although none came to dominate garage construction of Chicago where such structures were mainly erected by locally-based entrepreneurs.<sup>217</sup>

<sup>&</sup>lt;sup>216</sup> Bradner, Smith and Co. moved their offices in 1922 to the top floor of their new warehouse building at the northeast corner of Des Plaines and Van Buren streets. "Bradner Smith to Build West Side Warehouse," *Chicago Tribune* (June 25, 1922); Al Chase, "Lease Site on Monroe For 6 Story Garage," *Chicago Tribune* (Feb. 14, 1924).

<sup>&</sup>lt;sup>217</sup> Al Chase, "Ten Story Garage at State-Kinzie; First of Chain," *Chicago Tribune* (July 25, 1925); "Work Starts on First of Big Garage Chain: 10 Story Building to Care for 600 Cars," *Chicago Tribune* (November 1, 1925); "Chicago in National Garages," *The Economist* (Feb. 6, 1926) 371. National Garage Inc. also took over Pittsburgh Parking Garages, Inc. at this time. In 1925, reputed racketeer David Albin organized garage owners in Chicago and its suburbs into the Mid-West Garage Owners' Association, described as a "powerful group over which he ruled with an iron hand," through efforts that reportedly included tire cutting, windshield breaking and even bombings. The Association became defunct by 1930 and the following year Albin reemerged as head of the newly formed

Other early garages existing on the fringe of the Loop in the mid-1920s included a 250car structure within the north wing of the new Chicago and Northwestern railroad station on Canal Street, south of Randolph Street. It was managed by the Eitel brothers who operated restaurants in the station, and was intended to "enable patrons living on the south and west sides who desire to go to the Wisconsin lakes, Ravinia, or other points, to store their cars in the station and have them there on their return." In July 1926, a three-story addition was contemplated to the existing Board of Trade Garage at 428-38 Sherman Street.<sup>218</sup>

Planning for, and implementation of, the downtown curbside parking ban in 1927-28 caused a rapid spurt of high-rise garage construction. Within the expanded central district boundaries of Grand Avenue, Roosevelt Road, Lake Michigan and the Chicago River, the number of multi-story garages rose from about eight to twenty-two between 1927 and 1930. The number of parking lots grew even more rapidly: increasing from 34 to 64 in response to high demand, although most were located outside the Loop's historic boundaries at that time. Chicago had no zoning restrictions covering the use of property in the central district for garages, which could be erected in any part. Property owners typically razed existing buildings and provided long-term leases to an experienced parking garage operator who formed a corporation—often in conjunction with the architect—to raise the capital to build the structure

Cook County Garage Owners Association. Its 600 initial members sought relief from competition from the proliferation of parking lots. The extent to which Loop garage owners/operators were involved with these associations could not be ascertained from research conducted in the Chicago Tribune Historical Archive and other sources. "Organizer Taken for Ride in Vain; Refuses to Talk: Head of Garage Owners' Association is Shot," *Chicago Tribune* (June 5, 1928); "Albin Resigns Presidency of Garage Owners," *Chicago Tribune* (July 26, 1928); "The Garage Owners See a New Moses in 'Cockeye' Albin," *Chicago Tribune* (May 6, 1931).

<sup>&</sup>lt;sup>218</sup> "C. & N.W. To Open Big Garage for Road's Patrons," *Chicago Tribune* (July 9, 1925); "Plan 3 Story Addition for Loop Garage," *Chicago Tribune* (July 18, 1926).

through the sale of mortgage bonds. The annual rent negotiated in the lease was intended to cover at minimum the property taxes on the site.<sup>219</sup>

High land values in the Loop during the 1920s ensured that parking facilities within its confines would be relegated to lower-priced land located on, or near, its peripheral streets, which were darkened by the elevated tracks. These streets were also characterized by nineteenth-century low-rise loft buildings that were easier and less costly to raze and assemble into larger parcels required for large-capacity ramp garages. Garages along Wells Street were conveniently located to serve the business and financial districts, which were several blocks away from the massive open air lot in Grant Park. They included the seven-story Wells-Jackson garage, which resembled an office block with thirteen bays featuring paired double-hung windows alternating with vertical piers that terminated in terra cotta detailing.

Several high-rise, large-capacity garages in the Loop were also built along Lake Street, which offered ready access to both the theater and retail districts on Randolph and State streets as well as easy access from Wacker Drive. All were ten stories, which was considered about the maximum height for which a ramp garage could profitably operate and also the height limit that people who insisted on parking their own cars would be willing to travel, according to architect Robert Derrick, who designed the ten-story State-Kinzie Garage. The greater desirability of lower floor spaces for patrons was discussed in a 1929 *Architectural Record* article comparing two ten-story ramp garages in Chicago. "In both cases, for owner-driven cars, the rent on the tenth floor was \$11 per month, as compared with \$22 on the second floor. In one district the

<sup>&</sup>lt;sup>219</sup> Statistics on parking facilities in this article were obtained from a survey made by the City of Chicago's Bureau of Streets. "Loop Parking Ban Helps Building Owners Pay Taxes," *Chicago Tribune* (June 6, 1931). McClintock (1926) 160. "68 Car Garage to be Built at 316 South Wells," *Chicago Tribune* (Jan. 20, 1929).

upper floors rented quickly on account of the lower rent-paying ability of clients; in the other district, clients preferred lower floors at the higher rate."<sup>220</sup>

The ten-story Dearborn-Lake Garage opened in January 1929 at the northeast corner of that intersection (22-26 W. Lake Street). It was built at a cost of \$1.2 million and situated on separate parcels that were leased by a syndicate headed by automotive salesman Glenn Holmes for two 99-year terms. The L-shaped concrete ramp structure fronted 160 feet on Lake Street, 80 feet on Dearborn Street, had 710 stalls, and foundations capable of carrying an additional 15 stories of offices. Designed by architect Davis D. Meredith, it was intended to resemble an office building and featured pressed brick sheathing, vertical strips of double-hung windows, and decorative terra cotta in the spandrels and rooftop detailing.<sup>221</sup>

The ten-story North Loop Motoramp Garage was located at the northwest corner of Lake and Federal streets (70-78 W. Lake Street), a half-block west of the Dearborn-Lake Garage. It had 600 stalls and opened in October 1928 on a 100 by 150 foot parcel that was consolidated through separate 99-year leases to Chicago Motoramp Garages, Inc. The main auto entrance was on north-south Federal Street, which originally bisected the block between Clark and Dearborn streets, and sloped downward to the lower level of Wacker Drive. The reinforced concrete structure used a d'Humy staggered floor system, the patents for which were held by the Ramp Buildings Corporation, which served as a consultant for the project. A rendering of the original

<sup>&</sup>lt;sup>220</sup> Derrick, 238. Quote taken from: "Garages: Standards for Design and Construction," 179. The height of urban garages nationwide was reduced to two- to three-stories during the Depression of the 1930s, as will be discussed in Chapter 5.

<sup>&</sup>lt;sup>221</sup> Glenn E. Holmes operated the first automobile agency in the Loop, located at the northwest corner of Lake and Wabash streets, which he moved to the first floor of the Dearborn-Lake Garage upon its completion. R.C. Wieboldt Company was the general contractor for the structure. Al Chase, "Plan \$2,000,000 Garage at Lake and Dearborn," *Chicago Tribune* (Jan. 25, 1927); "New Loop Automotive Stable: 2,000 Car Garage for Lake Street," *Chicago Tribune* (Oct. 30, 1927); "Dearborn-Lake Garage," (display advertisement) *Chicago Tribune* (Jan. 4, 1928); "Office-Garage Building for Chicago Loop," *Chicago Tribune* (August 18, 1929).
design, published in the December 11, 1927 issue of the *Chicago Tribune*, showed that the North Loop Motoramp Garage was intended to resemble the Dearborn-Lake Garage and may have likewise been intended to accommodate upper floors. However, the completed building designed by George C. Nimmons & Co. resembled an unadorned factory building with grid like elevations, flat brick wall planes, and wide steel sash windows.<sup>222</sup>



Figure 56 (left): North Loop Motoramp Garage at 70-78 W. Lake Street. Figure 57 (right): Dearborn-Lake Garage at 22-26 W. Lake Street. Both demolished. From: *The American City* (March 1929). Photographer: Kaufman and Fabry.

Also in 1928, the 120 West Lake Street Garage was erected on a mid-block site that measured 80 by 150 feet, directly across Lake Street from Hotel Sherman. The parcel was leased

for a 99-year term by George Bromic, who also operated a basement garage in the nearby

Builders Building on Wacker Drive and the four-story Hotel Sherman Garage then being erected

<sup>&</sup>lt;sup>222</sup> "Plans 12 Story Loop Garage to Hold 1,000 Cars," *Chicago Tribune* (Sept. 10, 1927); Philip Hampson, "Will Erect 600 Car Garage at Lake-Federal," *Chicago Tribune* (December 11, 1927); "Chicago Motoramp Garages, Inc.: North Loop Motoramp Garage, 70-78 West Lake Street," (display advertisement), *Chicago Tribune* (Oct. 15, 1928).

on LaSalle Street, between Randolph and Lake streets, next to the hotel. The reinforced concrete structure was ten stories in height and had a 540 stall capacity. It was designed by architect Eric E. Hall of the firm Hall, Lawrence and Ratcliffe to accommodate five additional office stories. As a result, the garage resembled a commercial building with a decorative façade sheathed in red brick and detailed in stone as shown in a published rendering. Two central driveways were flanked by storefronts.<sup>223</sup>

In June 1929, the *Chicago Tribune* announced plans for the construction of the city's first freestanding elevator garages, both to be built in the south end of the Loop by rival national chain parking organizations. One of the "skyscraping motor hotels de luxe" as they were called, was to be located on north side of Quincy Street (18-30 W. Quincy), between State and Dearborn, while the other was slated for the east side of Plymouth Court, between Jackson and Van Buren. Tribune real estate reporter Al Chase noted that, "Both stress the luxurious features of the interior. The old idea that the garage must look like a factory has been discarded by these palatial motor marts. Either would do credit as a de luxe hotel for the car owners themselves." Architect A.S. Graven designed the Plymouth Court Garage, which was intended to rise 28 stories on a 70-by-93-foot site that was initially leased, and in 1931 was purchased, by Ruth Safety Garages, Inc., a chain that previously installed the elevator parking system in Chicago's Pure Oil Building. However, only the foundations were installed before work was stopped due to financial difficulties at the onset of the Depression, and its site was instead used as a parking lot.<sup>224</sup>

<sup>&</sup>lt;sup>223</sup> "Newest Loop Garage: 10 Story Garage is Planned for 112 West Lake," *Chicago Tribune* (June 17, 1928); "120 West Lake Street, Chicago," *Chicago Tribune* (July 16, 1928).

<sup>&</sup>lt;sup>224</sup> "A Pair of World's Tallest Motor Hotels for the Loop," *Chicago Tribune* (June 2, 1929); Al Chase, "Work to Start Soon on Tall Loop Garage," *Chicago Tribune* (March 14, 1931); "Site for Tall Garage to be Parking Space," *Chicago Tribune* (Jan. 28, 1932).

The Quincy Parking Garage opened in May 1930 as Chicago's tallest and largest urban garage and the only one featuring an electrically-operated elevator system. Soaring 25 stories, it had a 1,000 car capacity, featured three elevators, and was situated on a narrow, rectangular site with frontage of 145 feet on Quincy Street and a depth of 75 feet. It was owned by National Parking Garages, Inc., a New York-based chain with 54 garages from coast to coast, and constructed by the Starrett Building Company of New York. Designed by Walter Alschlager, the \$2.2 million garage was sheathed in brick and featured such amenities as shower and locker rooms, rest rooms, and telephone and writing facilities. Early display advertisements show that the high-end garage was marketed to executives of nearby South Loop office buildings rather than retail shoppers on State Street. National Parking Garages obtained additional rental income through its fifty-year lease to Illinois Maintenance Company, which operated a giant steam heating plant in the garage's subbasements, which supplied heat for numerous nearby buildings.<sup>225</sup> The workings of the Quincy Parking Garage's automatic elevator system were described upon completion:

When a car enters the garage for storage it is stopped in front of one of a series of tracks that lead into three huge elevators; over each of the three elevators is a panel with illuminated buttons indicating the position of parking space on each of the 25 floors. The elevator man presses a level and an automatic "dolly," similar to the device used to move pianos, runs out on the track under the automobile. An

<sup>&</sup>lt;sup>225</sup> National Parking Garages, Inc. also hired Walter Ahlschlager to design a 26-story elevator garage in Cincinnati, Ohio, which was part of a larger mixed-use project built by Starrett Corporation of New York that included an office building, hotel, and department store, which was completed in 1931 and exists today as the Carew Tower and Plaza Hotel. Al Chase, "A Pair of World's Tallest Motor Hotels for the Loop," *Chicago Tribune* (June 2, 1929); "Open 1,000 Car Electric Garage in Loop Monday," *Chicago Tribune* (May 18, 1930); Al Chase, "Bank Takes Over 25 Story Garage on Quincy Street," *Chicago Tribune* (November 7 1933); Al Chase, "Palmer House Leases 25 Story Quincy Street Garage from RFC," (Feb. 23, 1936). The *Chicago Tribune* included display advertisements for the Quincy Parking Garage on the following dates in 1930: August 26, August 28, September 4, and September 9. "Chicagoans to Give Ohio City a 45 Story Skyscraper," *Chicago Tribune* (August 25, 1929); James M. Gavin, "Federal Building Plan Puts Firm in Hot Spot," *Chicago Tribune* (Oct. 18, 1959).

arm on the dolly takes a firm hold of the car and it is lifted up on the elevator to the floor designated. The dolly then takes the car onto the parking floor.<sup>226</sup>

The national chain that owned the Quincy Automatic Garage built a similar version on the east side of Wabash Avenue (609 S. Wabash), just south of Harrison Street, which was completed in September 1930 at a cost of \$2.5 million. Designed by Alfred Alschuler, the 21story Harrison Automatic Garage accommodated 850 cars and had three double elevators used to transport them to a designated floor. A contemporary article noted its costly conveniences: "The garage interior, with lobby, waiting room, showers, locker rooms, check room, and other conveniences has much the appearance of a modern hotel." Alschuler also designed a ten-story spiral ramp garage at 318 S. Federal Street, located just south of the business district, which was operated by Chicago Motoramp Garages, the same chain that built the North Loop Motoramp Garage on Lake Street. <sup>227</sup>

<sup>&</sup>lt;sup>226</sup> "Open 1,000 Car Electric Garage in Loop Monday," *Chicago Tribune* (May 18, 1930).

<sup>&</sup>lt;sup>227</sup> "21 Story Auto Parking Garage is Opened Here," *Chicago Tribune* (Sept. 21, 1930); "Plan 10 Story, 600 Car Garage on Federal Street," *Chicago Tribune* (May 22, 1927).



Figure 58: Former Harrison Automatic Garage at 609 S. Wabash Avenue, built 1930. Photo by author, 2015.

The south side of Monroe Street, just east of Dearborn, featured an unusual "parking machine" built ca. 1929 by the Westinghouse Electric and Manufacturing Company. It was comprised of a series of platforms on an endless chain in the tower. The motorist drove his car onto a platform, a lever was pulled, and the car was hoisted up, leaving a vacant space for the next motorist. The machine was operated by placing a coin in a slot.<sup>228</sup>

The 1920s also saw the emergence of office buildings that incorporated interior parking for tenants, which was intended as inducement for renting in a highly competitive market. The Pure Oil Building at 35 East Wacker Drive (called the Jewelers Building while in the planning stages) was likely the nation's earliest example of an office building with internal garage upon its completion in 1926. The 23-story mechanized Wacker-Wabash Garage was incorporated within the central core of the 40-story skyscraper's main block, accommodated 600 cars, and was accessed from the lower level of Wacker Drive. Its elevator machinery was developed by

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<sup>&</sup>quot;Parking by Slot Machine," The American Architect Vol. 139 (November 19, 1929) 74.

electrical engineer C.W. Ruth and used in his chain of Ruth Safety Garages built in the late 1920s.<sup>229</sup> Carl Condit described the working of the mechanical system, which differed from that

of the Quincy Garage:

Cars were moved to their locations on a particular floor by three elevators electrically driven and controlled by a key-operated switchboard. These elevators possessed the novel feature of movable floors when the elevator car reached the designated level the floor tipped forward, allowing the automobile to roll onto a horizontal carrier which conveyed it to its parking berth. The process was reversed when the driver called for his car.<sup>230</sup>



Figure 59: Pure Oil (originally Jewelers) Building at the southwest corner of Wacker Drive and Wabash Avenue. Photo by author, 2015.

Enthusiasm for office buildings that incorporated internal garages gathered steam in the late 1920s, with two such projects built in Detroit. Both the First National Bank Annex and the

<sup>&</sup>lt;sup>229</sup> "Open Automatic Garage in Pure Oil Building," *Chicago Tribune* (August 7, 1927).

<sup>&</sup>lt;sup>230</sup> Condit (1973) 115. The Pure Oil Building's elevator garage was costly to maintain, experienced frequent mechanical failures, and became outmoded as cars changed in size. It was converted to office space in 1940.

Fisher Building of that city featured ramp garages on their 11 lower stories with 1,000-car capacities and upper floor office space. In 1929, the *Chicago Tribune* published a lengthy article by Al Chase advocating for similar projects in Chicago, which was touted as "the solution to the parking and renting puzzle." It was peppered with endorsements by a variety of the city's architects, builders, and real estate managers for the idea, all of which argued that such designs would dispose of hard to rent lower floor spaces while providing upper floor office tenants with a valuable amenity, thus making such buildings more desirable.<sup>231</sup> Urban planner and engineer Ernest P. Goodrich also believed that office buildings with parking signified the wave of the future:

Owners of office buildings in our large cities now realize that the provision of garage parking space attached to or within the building for the use of tenants and their clients is an important inducement in renting. This garage space may be provided partly underground and partly in the rear, or the entire central dark portion of the building may be used for parking purposes.<sup>232</sup>

At the end of 1927, real estate broker William Waller and Washington Porter announced plans for a gigantic office building with integral twelve-story garage to cover the north half of the block bounded by Wacker Drive, Lake, State and Dearborn streets—a site then operated as an open air parking lot by R.G. Lydy—which was ultimately unrealized. In fact, no other downtown Chicago office building of the 1920s was built with a high-rise garage situated within its core. The 41-story LaSalle-Wacker Building (1929-30), located at the southeast corner of that intersection, initially called for an adjacent thirteen-story ramp garage at the rear of its site.

<sup>&</sup>lt;sup>231</sup> "Office-Garage Building for Chicago Loop," *Chicago Tribune* (August 18, 1929); "Fisher Building Garage," *American Architect* Vol. 135 (February 1929) 265; Al Chase, "Garage for Lower Floors of Super Skyscrapers," *Chicago Tribune* (August 11, 1929).

<sup>Ernest P. Goodrich, "The Place of the Garage in City Planning,"</sup> *Architectural Record* Vol. 65 (Feb. 1929)
198.

Instead, the R.G. Lydy Company operated a two-story basement garage which opened onto Wacker Drive and included a luxurious waiting room designed by Andrew N. Rebori, an associated architect with Holabird and Root on the skyscraper. The Builders Building (1926-27) at the southwest corner of Wacker Drive and LaSalle Street, and the Carbide and Carbon (1928-29) at 230 North Michigan Avenue, also featured basement garages.<sup>233</sup>

While office building with internal garages were almost certainly subsidized by the building owner, the high-rise garages built in and around the Loop in the 1920s were clearly intended to be quite lucrative. The Ramp Buildings Corporation, owner of d'Humy patents and consultant to Chicago Motoramp Garages Inc. for the ten-story North Loop Motoramp Garage on Lake Street, estimated the structure's net annual earnings at \$133,084 after federal taxes. This income was over three times the greatest annual interest requirement on the bond issue. In addition, rent from the stores on Lake Street was estimated to earn an additional \$17,500 in annual income. The leasehold for the 120 West Lake Street Garage called for an annual rental of \$30,000 to be paid to the property owner, which was based on estimated annual net income of \$162,658 or over five times the largest yearly interest charge on its mortgage bond issue. The 99-year leases provided to most high-rise downtown garage projects of the late 1920s show that these structures were intended as long-term improvements.<sup>234</sup>

Little reliable documentation was found regarding parking fees charged at Chicago's downtown garages at this time, although they certainly exceeded the 25 cents per day fee charged at Grant Park's Monroe lot. A 1930 Chicago Motor Club survey of downtown parking

<sup>&</sup>lt;sup>233</sup> Al Chase, "Plan \$11,000,000 Skyscraper for Wacker Drive Block," *Chicago Tribune* (November 6, 1927). Bruegmann, 1991, 365, 367. "Lydy Company to Have Garage in Skyscraper," *Chicago Tribune* (Dec. 22, 1929); Al Chase, "Plan Builders' Mart at Wacker Drive-LaSalle," *Chicago Tribune* (May 29, 1926); "Green'Nd Gold Tower Newest for Boul Mich," *Chicago Tribune* (May 13, 1928). *Carbide and Carbon Building* (Chicago, ca. 1932).

<sup>&</sup>lt;sup>234</sup> "120 West Lake Street, Chicago," *Chicago Tribune* (July 16, 1928).

facilities listed average fees of 62 cents for one hour, 63 cents for two hours, 85 cents for eight hours, and \$1.32 or 24 hours, but did not specify whether those fees pertained to garages or open air lots. The profitability of costly 1920s high-rise garages suffered during the ensuing decade, which was characterized by the construction of numerous low-rise garages and well as the unplanned proliferation of parking lots within the core due to widespread building demolition. The corporations that built the Quincy and Harrison Street elevator garages both defaulted on their mortgages in the early 1930s when little demand existed for their luxurious amenities and motorists had greater choices of less costly parking facilities. Toward the end of Chicago's short-lived high-rise garage boom, Richard G. Lydy built a concrete ramp garage at 211-217 W. Lake Street in 1929 that was just two stories in height and included rooftop parking. Knowingly or not, he correctly staked his money on a low-cost, bare-bones structure that would come to characterize the Depression years of the 1930s.<sup>235</sup>

#### D. <u>Decentralization as Solution to Downtown Congestion</u>

Chicago offers an excellent case study of the measures advanced in cities nationwide to address the traffic crisis in their central business districts, which was spurred by ever-increasing numbers of automobiles. "That American urban life would confirm to the needs of automobility rather than vice versa was obvious by the early 1920s," observed historian James J. Flink. Street widenings, extensions and openings were among the most common urban interventions to accommodate the motorcar. Other pragmatic remedies to "solve" the traffic crisis included the

<sup>&</sup>lt;sup>235</sup> "Parking Places Increasing But Not Fast Enough," *Chicago Tribune* (July 27, 1930); Al Chase, "Bank Takes Over 25 Story Garage on Quincy Street," *Chicago Tribune* (Nov. 7 1933); Al Chase, "Palmer House Leases 25 Story Quincy Street Garage from RFC," *Chicago Tribune* (Feb. 23, 1936); "Close Leases in Harrison Hotel-Garage," *Chicago Tribune* (August 9, 1936); Al Chase, "Richard G. Lydy Lease Site on Lake for Garage," *Chicago Tribune* (November 24, 1928); "Lake Street Garage Sold," *Chicago Tribune* (June 3, 1945).

advancement of traffic regulations, including curbside parking bans, as well as proposals for municipal garages. The push for costly, core-oriented responses, especially those for street widenings and subways, were most prevalent in older, densely populated cities like Chicago, New York, and Philadelphia that had established transit systems and well-organized business and civic elites who championed such measures.<sup>236</sup>

However, some argued that the "more and bigger streets" theory and other measures aimed to alleviate downtown congestion failed to eliminate, and were likely to exacerbate, the problem. Widened streets and the expansion of parking facilities encouraged more people to drive downtown and the former, along with subways, typically raised land values along their paths which spurred the construction of taller skyscrapers, thereby bringing more congestion and necessitating more widenings. Hugh Ferriss noted the seeming futility of remedies underway in various cities in the 1920s: "To whatever extent we revise existing traffic regulations or widen avenues or cut through new streets, it appears that the circulation thus supplied is forever inadequate to the rising stream." Diverging viewpoints regarding solutions to the traffic crisis pitted those who favored intensive concentration against others who preferred a widespread city.<sup>237</sup>

James J. Flink. *The Car Culture*. (Cambridge, Massachusetts: The MIT Press, 1975) 164. In 1924, *Public Works* magazine sent a questionnaire to city engineers in cities of 10,000 or more about traffic problems. Of the 233 cities that responded, 73 stated that they had already widened one or more streets, 41 were currently undertaking street widening projects, and 43 had street widening projects planned. "Traffic Problems and Suggested Remedies," *Public Works* Vol. 55 (June 1924) 181. For a national perspective on the various methods of combating downtown traffic congestion, see: Fogelson, Chapter 6, "Wishful Thinking: Downtown and the Automobile Revolution." For a good discussion on the automobile's impact on city planning between 1910 and 1930 see: Blaine A. Brownell, "Urban planning, the planning profession, and the motor vehicle in early twentieth-century American," in: Gordon E. Cherry (ed.). *Shaping an Urban World*. (New York: St. Martin's Press, 1977) 59-77. For a variety of contemporary viewpoints on remedies for traffic congestion, see: "The Automobile: Its Province and Its Problems," *Annals of the American Academy of Political and Social Science* Vol. 116 (Nov. 1924).

<sup>&</sup>lt;sup>237</sup> Quote taken from: Ferriss, 66. Ferriss's term, "forever inadequate to the rising stream" was used by R. Stephen Sennott as the title of an essay that provides a good overview of Chicago's traffic crisis of the 1920s. R. Stephen Sennott, "Forever Inadequate to the Rising Stream: Dream Cities, Automobiles, and Urban Street Mobility in Central Chicago," in: John Zukowsky (ed.). *Chicago Architecture and Design: 1923-1993* (Munich: Prestel-

"Among city planners decentralization is now a magic theory for curing the more serious defects in the physical growth of our cities," observed Chicago planner Jacob L. Crane in 1927. Proposals for street widening, multi-level streets, municipal underground garages and other measures within densely built downtown districts were complex, time-consuming, and accompanied by exorbitant price tags. Wouldn't the funds be better spent on improvements in outlying areas? According to Crane, the mile-long Wacker Drive cost \$26 million, "enough to build seven hundred miles of concrete country road or two hundred miles of fully improved city street."<sup>238</sup> Horizontal growth was especially favored by leaders of fast-growing new cities, especially those in the west, like Los Angeles and Denver, according to historian Mark Foster:

Planners in some of the newer, rapidly developing cities believed that they had a special opportunity to open new trails in planning thought. At the height of the local real estate boom in 1924, Los Angeles planner Gordon Whitnall, an arch proponent of decentralization, informed the national conference of city planners that western planners had learned from the mistakes made in older eastern cities and would guide their eastern colleagues in planning the horizontal city of the future.<sup>239</sup>

Proponents of decentralization as a means to alleviate downtown congestion thought it could be stimulated and guided by "wise, far-sighted" regional planning, which slowly emerged in a few large metropolitan areas in the early 1920s, such as New York, Chicago, and Los

Verlag) 53-73. For contemporary viewpoints on regional planning by proponents of decentralization, see the following articles in: *Annals of the American Academy of Political and Social Science* Vol. 133, Planning for City Traffic (Sept. 1927): John Ihlder, "Coordination of Traffic Facilities," 1-7; Howard Strong, "Regional Planning and its Relation to the Traffic Problem," 215-221; Russell Van Nest Black, "The Spectacular in City Building," 50-56.

<sup>&</sup>lt;sup>238</sup> Jacob L. Crane, "Decentralization—Eventually but Not Now," *Annals of the American Academy of Political and Social Science* Vol. 133 (Sept. 1927) 234-240.

<sup>&</sup>lt;sup>239</sup> Mark S. Foster, *From Streetcar to Superhighway: American City Planners and Urban Transportation*, *1900-1940* (Philadelphia: Temple University Press, 1981) 71. Chapter 4 in Foster's book, titled, "The Planners and Transit" discusses the general preference of planners for shaping suburban environments as opposed to the complex task of reconstructing urban cores through projects such as street widening and subways.

Angeles, in response to the rapid growth of their metropolitan areas during the real estate boom of that decade. The enthusiasm for regional planning quickly spread to other larger urban areas. In Chicago, Graham Taylor and members of the City Club instigated the establishment of the Chicago Regional Planning Association (RPA) in 1923. Led for a quarter-century by Daniel H. Burnham Jr. as president and traffic engineer Robert Kingery as secretary, the privately-funded organization mainly focused on coordinating the development of a regional highway system over a three-state region of Illinois, Wisconsin and Indiana as well as park planning and developing standards for zoning.<sup>240</sup>

Such planning, though beneficial, lacked the comprehensive approach favored by many regional planners who sought the development of smaller, inter-related cities as opposed to unlimited vertical growth of the central city. However, the challenges of a decentralized approach to city planning were formidable because the forces that created concentration— including existing transportation, convenience, and the exploitation of land values—were so powerful, as were the wealthy and well-connected business interests who favored a centralized city. The Chicago RPA was vastly underfunded in comparison to the Chicago Plan Commission and the divergent aims of these two organizations were immediately apparent: the CPC was laser-focused on the downtown while the Chicago RPA focused on roads and zoning issues within a fourteen-county region. Attempts at a merger between the two organizations in 1935 after Albert A. Sprague Jr. was appointed president of the CPC proved unsuccessful. "Thus

<sup>&</sup>lt;sup>240</sup> For a good overview of the emergence of the regional planning movement in the U.S. during the 1920s, see: Scott, 198-237.

there has existed a dichotomy between city and metropolitan planning which is both unrealistic an unproductive," noted urban historian Robert Walker in 1950.<sup>241</sup>

#### **Conclusion**

This chapter revealed the preeminent role of the downtown business community in framing public policy related to urban mobility during the interwar period. Lack of an official planning apparatus led municipal officials to rely heavily on the Chicago Association of Commerce to research and spearhead ways to adopt the Loop to the automobile. While the wide-ranging solutions advanced by its eighty-person Street Traffic Committee ranged from a curbside parking ban to the replacement of streetcars with subways, the Chicago Plan Commission, which also represented the city's business elite, focus on street widenings and extensions recommended by Burnham Plan. Like the office tower boom of the 1920s, such efforts were ultimately intended to promote the centralization of business and increase land values in the small square mile area that paid a large proportion of the city's property taxes. In the process, Chicago received the nation's first double-decked streets lined with eye-catching skyscrapers while peripheral streets increasingly featured garages built by profit-motivated private entrepreneurs in a climate of high demand for parking. Although such interventions to accommodate the automobile may have increased traffic congestion in the short-term, together they exemplified the process of renewal through the removal of aging buildings along some of the Loop's most prominent thoroughfares.

<sup>&</sup>lt;sup>241</sup> The relationship between the Chicago Plan Commission and the Chicago Regional Planning Association is discussed in: Joseph P. Schwieterman and Alan P. Mammoser, *Beyond Burnham: An Illustrated History of Planning for the Chicago Region* (Lake Forest, Illinois: Lake Forest College Press, 2009) 24-33. Quote from: Robert A. Walker, 257.

#### V. DEPRESSION ERA BUILDING DEMOLITION AND MODERNIZATION

## **Chapter Introduction**

The provision of spacious, light-filled building sites along Wacker Drive contrasted with the considerably narrower and darker streetwalls that comprised the core of the Loop and were devoid of open space. Despite building booms of the early 1910s and the mid- to late-1920s— which saw the construction of large department stores, shop buildings, giant theaters and business hotels, high-rise garages and office towers—at the onset of the Great Depression, the Loop's historic core retained the appearance of a Victorian era downtown. As of 1933, 398 or 66 percent of its total 607 buildings were built prior to 1900. Over the ensuing decade, a quarter of the Loop's nineteenth-century building stock was eradicated, not for larger buildings known as taxpayers. Nineteenth-century loft buildings and office blocks located on the low-cost fringe of the Loop were the most vulnerable to demolition. Simultaneous "restyling" campaigns were typically undertaken on newer, more costly, and/or well-located buildings in order to provide them with a competitive edge.<sup>242</sup>

This chapter will use Chicago as a case study to challenge the narrative of stagnation commonly used to describe commercial districts during the Depression. Although skyscraper construction was at a standstill, the Loop's urban landscape was transformed through the dual activities of building demolition and modernization. I will show that a key driver of Depressionera urban demolition was the ongoing demand for conveniently located parking, in contrast to contemporary accounts that placed the blame for this widespread phenomenon squarely on high

<sup>&</sup>lt;sup>242</sup> Hoyt (1933) 335.

property taxes. Less prevalent, but more lucrative, was demolition for taxpayer buildings, sonamed as they were intended to generate enough income to cover the taxes on a property until the return of prosperity. Both parking lots and taxpayer buildings were intended as short term uses as it was assumed that their sites would eventually be redeveloped with high intensity buildings. Downtown building modernization was also profit driven, as owners aimed attract/retain tenants and customers—and therefore increase income—with a progressive, streamlined appearance as well as the provision of better technologies, such as new lighting, elevator, or air conditioning systems.

In addition to examining the profit-motivated drivers of downtown demolition and modernization, this chapter examines what such acts revealed about larger economic trends in Chicago. In fact, the vast majority of buildings razed in and around the Loop during 1930s were nineteenth-century loft warehouse and light industrial buildings, the same type of building stock razed in large numbers for street widenings during the 1920s. Their Depression-era replacement by parking lots and taxpayer buildings—which housed retail uses—was merely an acceleration of the downtown's transformation from a manufacturing to a service economy that began decades earlier. Collectively, widespread acts of demolition and modernization also represented a desire among downtown interests to cleanse the urban landscape of old, "blighted" buildings or at least remove vestiges of their outdated appearance—in order to better compete with fastgrowing outlying urban and suburban commercial districts and to provide a clean slate for redevelopment. Such actions were seen as beneficial to updating the obsolete urban landscape and were increasingly justified by language denigrating the buildings that were replaced or restyled.

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#### A. <u>Downtown's Privately Funded Urban Renewal</u>

The scores of buildings razed in the Loop during the 1930s were quite diverse in terms of their type, age, and location, but one common element was shared by all: they didn't pay. Demolition occurred when a building was operating at a deficit and its owners—who during the Depression were increasingly comprised of banks or receivers—believed that they could make a profit by replacing it with a new short-term use, such as a parking facility or a taxpayer building. The opportunity to derive rental income from a vacant lot was unprecedented in the Loop prior to 1923, the year in which the first parking lot appeared on its fringe. Such spaces provided an economic incentive for property owners to demolish their money-losing buildings, as opposed to periods of depression that pre-dated the Motor Age, in which no such opportunities existed. Their reasoning wasn't entirely misplaced: an ever-increasing demand existed for downtown parking during a period in which financing for high-rise garages disappeared, and taxpayer buildings were typically 100 percent rented upon completion. In the process, dozens of "ugly," "obsolete," and unprofitable older buildings in and around the Loop were cleared for anticipated future redevelopment. The replacement of such "blight" with parking lots, however, collectively served to depress land values, providing added urgency to reinvent the downtown in the post-World War II era.

## 1. <u>Parking Lots Invade Downtown</u>

The growth of Chicago's Loop through its first century of existence, like that of most central business districts, was characterized by a continuous series of ever-larger buildings on sites that could accommodate different or more intensive uses. Writing in 1933 in reference to the Loop, Homer Hoyt noted, "There are probably few spots in the downtown district which

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have not been occupied by at least three, if not four, sets of buildings." This capitalist cycle of development, identified by contemporary economist Joseph Schumpeter as a process of "creative destruction," accelerated in Chicago during the speculative real estate boom of the 1920s, when substantial office buildings, many of them less than thirty years old and averaging ten stories in height, were replaced with considerably taller skyscrapers that often exceeded thirty-five stories and represented the "highest and best use" of their expensive downtown parcels. Along LaSalle Street alone, the Chamber of Commerce, Tacoma, Women's Temple, Home Insurance, and original Board of Trade were among the notable buildings vanquished for taller buildings during this decade, as skyrocketing land values rendered them economically obsolete.<sup>243</sup>

During the economic downturns that alternated with Chicago's previous real estate booms, property owners usually chose to retain, rather than demolish, downtown buildings operating at a deficit. Any real estate taxes saved on a building razed during the nationwide depression of the mid-1890s would likely have been negated by the cost of demolition and a complete lack of income stream to be derived from a vacant parcel. Owners instead tried to attract tenants through methods that included slashing rents, remodeling, or adaptive re-use. For example, when the James H. Walker Dry Goods Company went into receivership in 1893, its six-story wholesale and retail house at the southwest corner of Wabash and Adams streets was converted into retail showrooms and offices for the Lyon and Healy Company. In a similar vein, when the 1873 Tremont Hotel at Lake and Dearborn streets could no longer compete with newer and better located hotels in 1901 it was converted into classrooms and offices for Northwestern University, rather than demolished.<sup>244</sup>

<sup>&</sup>lt;sup>243</sup> Quote taken from: Hoyt (1933) 335. See Chapter 7 in: Joseph A. Schumpeter, "The Process of Creative Destruction," in: *Capitalism, Socialism and Democracy* (New York Harper and Row, 1976 reprint of 1942 edition).

<sup>&</sup>lt;sup>244</sup> "J.W. Walker Co. Fails," *Chicago Tribune* (August 5, 1893).

The building demolition that took place on a vast scale in Chicago and other cities nationwide during the Depression of the 1930s was different from that of previous periods. In this decade, central business districts *decreased* in density for the first time as scores of buildings were razed for parking lots, and to a lesser extent, low-rise garages and taxpayer buildings. In the Loop, at least 113 buildings, or nearly a sixth of its total building stock, were leveled for such uses in the 1930s. Formerly confined to the periphery of the Loop, parking facilities quickly began to invade the high-rent district within its core as did taxpayers. They replaced loft warehouse and light industrial buildings as well as walk-up commercial blocks, elevator buildings, hotels and theaters, which together typified the fabric of the Loop's nineteenth-century urban landscape.<sup>245</sup>

The prospect of obtaining an annual income, rather than loss, incentivized many property owners of money-losing buildings to replace them with parking facilities for which there was great demand in virtually all cities. The number of cars entering the Loop on a daily basis increased from 92,425 to 120,452 between 1926 and 1935 and then rose to 150,676 by 1940. In contrast to high-rise garages of the 1920s, which typically occupied land on 99-year leases and were intended as long-term improvements, parking lot leases were usually for only five to ten years and contained cancellation clauses should the owner decide to erect a new building on the site when conditions improved. Writing in 1933, Homer Hoyt noted that most of the parcels

<sup>&</sup>lt;sup>245</sup> I ascertained the numbers of buildings demolished in the Loop from 1930 to 1942, as well as the number of parking facilities and taxpayer buildings that replaced them, by reviewing City of Chicago building permits for all streets within the area bounded by Michigan Avenue, Lake, Wells, and Jackson streets; the 1926 and 1950 Sanborn Fire Insurance Maps for the Loop; contemporary newspaper articles; and Frank Randall's *History of the Development of Building Construction in Chicago* (Urbana: University of Illinois Press, 1999). At least a dozen additional buildings within the Loop were partially razed when their upper floors were removed, leaving the lower two floors to be remodeled into a taxpayer building. According to Homer Hoyt, the Loop had a total of 607 buildings in 1933. Hoyt (1933) 335.

occupied by parking facilities in the Loop were "awaiting conversion to a higher and better use."<sup>246</sup>

One of the earliest and largest parking lot operators in Chicago's central district was Richard G. Lydy. In the mid-1920s he opened what was reportedly the Loop's first parking lot, located at the southwest corner of Franklin and Madison streets, where the Shedd Estate wrecked an "old timer." This lot earned \$15,000 in its first year, encouraging the young entrepreneur to amass a chain of parking lots in the central district, many of which were concentrated on Lake Street and Wacker Drive. The establishment of parking lots on the latter thoroughfare was especially attractive as it required no building demolition and provided property owners with some income prior to anticipated skyscraper redevelopment. In 1932, the *Chicago Tribune*'s real estate editor noted that, "Wacker Drive is the outstanding thoroughfare in the open air parking business." Upon completion of the prestigious LaSalle-Wacker Building in 1929, Lydy operated its basement garage and leased half of its 29<sup>th</sup> floor for the executive offices of his rapidly flourishing business which grew by 1936 to 26 lots and several garages, most of which were in the Loop. These included a lot at 111 N. Dearborn, which was used as a valet station where motorists could leave their cars to be parked at other Lydy lots. In general, the majority of lots that proliferated in downtown in Chicago starting in the 1930s were operated by chains, of which the R.G Lydy Company was among the largest, rather than individual operators.<sup>247</sup>

Parking Plan for the Central Area of Chicago (Chicago: Chicago Association of Commerce and Industry, 1949) 9. Quote taken from Hoyt (1933) 335.

<sup>&</sup>lt;sup>247</sup> Profits from the R.G. Lydy Company allowed its founder, Richard G. Lydy (1895-1976), to become quite wealthy through real estate investments within a decade of opening his first downtown parking lot in the mid-1920s. Prior to that time, he reportedly worked as a \$50-a-week auto parts salesman. During the depth of the Depression in 1936, Lydy purchased one of Lake Geneva's showplaces, "Aloha Lodge," as a summer residence. His city residence at the time was at 3240 Lake Shore Drive, but by 1949 he was living in a French-inspired mansion at 1340 North State Parkway in Chicago's Gold Coast community that became known as the Playboy mansion after he sold it to Hugh Hefner in 1959. In 1953, Lydy purchased for \$85,000 cash a 25-acre country estate at 810 N. Ridge Road in Lake Forest, formerly owned by a member of the Swift family, later moving to a larger Lake Forest estate at 55



Figure 60: Lydy parking lot on the west side of Clark Street, 1938. Chicago History Museum: ICHi-76579. Photographer: Chicago Transit Authority.

The demolition of older, unprofitable buildings for private parking lots and low-rise garages in cities from coast-to-coast picked up considerable steam during the Depression as the availability of financing for high-rise garage construction was sharply curtailed. Los Angeles had the largest number of off-street parking facilities of any city, with over 600 lots and garages accommodating about 56,500 cars. The demolition of buildings for parking lots in Detroit was truly astounding: between 1930 and 1936 alone, a total of 230 buildings representing a total assessed valuation of \$2,710,705 were razed. Milwaukee in 1927 could park 3,080 cars in open air lots; by 1935 the capacity tripled to 9,009 through building demolition. Thirty-four parking lots were established in 1937 in the central business district of Boston. In Cincinnati there was a 90 percent increase in off-street parking space from 1933 to 1936. Off-street parking facilities in

N. Mayflower Road. "Lydy Company to Have Garage in Skyscraper," *Chicago Tribune* (Dec. 22, 1929); "Taxpayers," *Architectural Forum* Vol. 18 (July 1933) 86; Al Chase, "High Taxes Send Loop Landmarks to the Wreckers," *Chicago Tribune* (March 16, 1932); "Lydy Leases Loop Land for Loading Unit," *Chicago Tribune* (March 13, 1936); "Tracy Drake's Aloha Lodge Sold to Lydy," *Chicago Tribune* (Aug. 9, 1936); "Lydy Buys Former Swift Home in Lake Forest," *Chicago Tribune* (June 12, 1953); "City Parking Chain Founder Lydy Dies," *Chicago Tribune* (April 23, 1976).

the Dallas business district doubled between 1935 and 1938. About one-half of the parking lots in Sacramento were established in 1937. In 1940, real estate appraiser George Becker commented that, "The growth of automobile parking enterprises in the central business districts of our large cities in the past twelve years has been far greater than that of any other business."<sup>248</sup>

I ABLE X VIII
PRIVATELY OPERATED PARKING FACILITIES IN
CENTRAL BUSINESS DISTRICTS, 1938

City	Population	Park	ting Lots	Range of	Charges	Parking
	1930	No.	Car	One hour	3 hours	Garages
			Capacity	Or less	(cents)	
				(cents)		
Baltimore	804,874	99		15	25	7
Boston	781,188	179	7,500	25	25	
Cleveland	900,429	50	7,200	10-35	10-35	25
Dallas	260,475	26	2,750	15	15-25	42
Detroit	1,568,662	280	22,766	10-25	10-35	25
Los Angeles	1,238,048	432	56,442	5-50		170
Louisville, Ky	307,745	53	4,331	5-25	25	25
New York City	6,930,446	51	10,970	15-35	25-75	117

Data taken from: Orin F. Nolting and Paul Oppermann. *The Parking Problem in Central Business Districts* (Chicago: Public Administration Service, 1938) 10.

Parking surveys undertaken in 1931 and 1939 within Chicago's larger central business district—bounded Lake Michigan, Grand Avenue, Des Plaines Street and Roosevelt Road—show that the total number of parking lots rose from 64 to 83 during this time period and that there were 28 garages within this district in 1939. According to these surveys, the total number of cars accommodated in both lots and garages rose from 20,181 to approximately 27,000 in 1939. However, a review of City of Chicago permits for buildings razed and their replacement uses within the Loop indicate that the number of parking facilities was much higher, with at least

<sup>&</sup>lt;sup>248</sup> Walter H. Blucher, "The Economics of the Parking Lot," *Journal of the American Institute of Planners* Vol. 2 (1936) 118-119; Orin F. Nolting and Paul Oppermann, *The Parking Problem in Central Business Districts* (Chicago: Public Administration Service, 1938) 2, 8; Quote taken from: George Becker, "Parking Lots and Garages in Central Business Districts," *Appraisal Journal* Vol. 8 (Jan. 1940) 62. For a good discussion of downtown demolition for parking in the 1930s, see: Jakle and Sculle, 61-72.

51 new parking facilities, mainly lots, created between 1930 and 1942. A *Chicago Tribune* article reported that 107 parking lots were created in Chicago's Loop by 1936 through building demolition. Considerably more lots were located outside the immediate confines of the Loop. Whatever the exact count, it is clear that a large proportion of the downtown's traditional urban fabric—both within the Loop and in the larger central business district extending from Grand Avenue to Roosevelt Road—was eliminated for parking during the Depression.<sup>249</sup>

Contemporary real estate interests, writers, and property owners generally placed the blame for building deficits—and therefore demolition—squarely on high real estate taxes and on general "obsolescence," rarely mentioning the loss of income that occurred during the nationwide Depression. This viewpoint was voraciously promoted in dozens of articles written by *Chicago Tribune* real estate editor Al Chase on downtown demolition, of which the headline, "Chicago's Skyline 'Pushed Down' By High Tax Burden," was typical. Such articles reflected the opinion of the Tribune's editorial board, which favored lower taxes at both the federal and local levels and was highly critical of massive government spending related to New Deal public works programs. The "shacks which the auto parking companies put to shelter their employees" were labeled "monuments to the Roosevelt New Deal Depression." An editorial titled "The Wreckers," from 1936 stated, "The complete explanation of excessive destruction of buildings in Chicago is found in high taxes."<sup>250</sup>

<sup>&</sup>lt;sup>249</sup> The parking surveys were undertaken by the Bureau of Streets in the Traffic Engineering Division of the Department of Public Works. "Loop Parking Ban Helps Building Owners Pay Taxes," *Chicago Tribune* (June 6, 1931); George Becker, 64, 66; Al Chase, "Chicago's Far-Flung Wrecking Movement Shatters All Records," *Chicago Tribune* (Jan. 26, 1936).

<sup>&</sup>lt;sup>250</sup> Al Chase, "City's Skyline Pushed Down By High Taxes," *Chicago Tribune* (June 6, 1939). For two typical editorials reflecting the Tribune's opposition to higher taxes at any level, see: "The Wreckers," *Chicago Tribune* (Jan. 30, 1936) and "Little Monuments to The Roosevelt Depression," *Chicago Tribune* (Feb. 24, 1940). An earlier *Chicago Tribune* editorial on downtown demolition, also titled "The Wreckers," stated: "The only means of putting an end to this destructive process is to reduce taxes; and the only way to reduce taxes is to reduce the costs of the governments supported by taxation." "The Wreckers," *Chicago Tribune* (June 2, 1933).



Figure 61: Graphic showing prevalent opinion among downtown building owners and managers that high real estate was the primary cause of building demolition. *Skyscraper Management* Vol. 21 (May, 1936) 9.

Sharing the *Chicago Tribune*'s antipathy to what they considered to be excessive taxation at any level was the National Association of Building Owners and Managers (NABOM). Its local associations in cities nationwide were united in their calls for reduced real estate taxes, which they felt should be achieved by lowering assessments for downtown properties, rather than reducing tax rates, as the latter would have also benefitted outlying city and suburban commercial districts. This was the position taken by Graham Aldis, president of the Chicago Building Owners and Managers Association, as evidenced by his 1932 article in *Skyscraper Management*, NABOM's monthly magazine, titled, "Down With Assessed Valuations!" Efforts by Loop property owners to lower their assessments in the 1930s received strong push back from the Chicago Board of Education and City of Chicago officials, whose budgets were in dire straits and dependent on real estate taxes paid by downtown buildings. However, the reduction of assessments on a property was not necessarily accompanied by lower taxes in Chicago since the tax rate that steadily rose during the 1930s to keep up with expenditures, as shown in Table

XIX.<sup>251</sup>

# TABLE XIXCOOK COUNTY TAX RATES FOR THE PERIOD 1920 to 1936

1920	1922	1924	1926	1928	1930	1932	1934	1936	1938	1940
5.39	7.74	8.40	9.29	5.15	6.74	7.73	7.12	9.52	9.12	9.52

Data taken from Aldis & Company ledger book detailing taxes, assessments, income and expenses for its collection of buildings in Chicago's Loop, ca. 1900-1960. Found in: Aldis & Company Records (manuscript), ca. 1879-1960. Chicago History Museum.

Research undertaken for this dissertation found no documentation showing that Loop properties collectively experienced an increase in real estate taxes during the Depression. Even if this were the case, it would not necessarily provide an excuse for owners to demolish their buildings. A review of expense figures on a sample of eight Aldis & Company-managed buildings in the Loop shows that the tax on the building itself was a tiny portion of the property's total real estate tax, most of which was comprised of a tax on the land. Without an income stream from a temporary replacement use, such as a parking facility or taxpayer building, demolition made no economic sense as any small amount saved on the building tax would be negated by the cost of demolition.

Although the extent to which high real estate taxes may or may not have been raised on Loop buildings is unknown, loss of income was indisputably a key factor in spurring the deficits that led to building demolition, combined with the anticipation of breaking even, or even obtaining a profit, from a new short-term use on a parcel. Plummeting income was due to a

<sup>&</sup>lt;sup>251</sup> "Taxes, Taxes, Taxes!" *Skyscraper Management* Vol. 16 (June 1932) 7-9; "Association Takes Stand on Tax Legislation," *Skyscraper Management* Vol. 17 (July 1932) 27, 19-31; Graham Aldis, "Down with Assessed Valuations!" *Skyscraper Management* Vol. 17 (September 1932) 12, 29; "Real Estate Interests Discuss Tax Situation," *The Economist* (July 25, 1931) 14.

variety of reasons, including each building's individual economic condition and its design, location, and most significantly, competition from newer rivals. George C. Olcott, publisher of Chicago's *Land Values Blue Book* discussed the downtown area in a 1937 speech, noting that, "The difficulty in renting upper floors of old buildings has resulted in a continuance of their demolition, as evidenced by the growing number of parking lots." Floors above ground floor retail spaces were typically occupied by office uses and featured excessive vacancies during the 1930s due in large part to the overbuilding of the 1920s.<sup>252</sup>

In 1932, the vice president of the R.G. Lydy Company claimed that, "So far no parking property has proved a complete payer of taxes," but that such uses were "a help." Such statements by parking lot operators could be seen as attempts to discourage others from entering the business. However, the fact that similar statements were published in a variety of articles in the popular press and in professional journals lends credence to the popular claim that parking lots were "tax helpers" rather than "tax payers." A 1931 *Chicago Tribune* article noted that, "The amount received in rent from the parking lot proprietor does not cover the owner's entire tax bill, but it reduces considerably the amount of his yearly expenditures." A real estate appraiser writing in 1940 on the growth of parking facilities nationwide asserted that, "rentals paid for the real estate so used [for parking] in most instances are barely sufficient to pay real estate taxes."<sup>253</sup>

<sup>&</sup>lt;sup>252</sup> "Realty Market is Improving, Olcott Reports," *Chicago Tribune* (April 18, 1937).

<sup>&</sup>lt;sup>253</sup> No documentation was found regarding rates charged and/or income/expense figures for parking lots and garages in the Loop during the Depression. Some parking facilities in the Loop and other cities supplemented their income by contracting with hotels, theaters, or department stores to provide parking services for their customers. These took a variety forms including complimentary or low-cost parking in a nearby lot or garage upon proof of purchase, bus service between the store and a parking area, or valet service in which the customer's car would be taken to an off-street facility. "Loop Parking Ban Helps Building Owners Pay Taxes," *Chicago Tribune* (June 6, 1931); Al Chase, "High Taxes Send Loop Landmarks to the Wreckers," *Chicago Tribune* (March 16, 1932); Becker, 62, 64; Hal Foust, "Parking Places Increasing but Not Fast Enough," *Chicago Tribune* (July 27, 1930); Blucher,113.. A variety of Loop retail stores provided valet service to its customers, including the Marshall Field

Eugene Taylor, manager of the Chicago Plan Commission, claimed that parking lots were not the answer to the demand for downtown parking facilities as they were temporary and "bound to disappear as fast as property owners find a more profitable use for their land." He also claimed that "such lots are not truly profitable, even though the operators may make money." According to Taylor:

Economists have known for years that on a normal sized lot automobile parking lot cannot be profitable to both the operator and property owner unless at least three full floors are devoted to parking. The gradual realization of this fundamental truth by operators had led some of them to build a platform above the ground level of the lot and to excavate a basement below it. This gives three levels, but it immediately puts the three-level lot in exactly the same classification as a garage, insofar as the efficient and profitable use of floor space is concerned.<sup>254</sup>

Interestingly, the proliferation of parking lots that may not have provided a profitable return on the real estate they occupied also introduced a cyclical pattern. Competition from the expansion of downtown parking lots likely incentivized their operators to reduce fees to attract customers. Lower parking fees and greater numbers of conveniently located parking lots in turn encouraged more people to drive downtown, thereby spurring a greater need for parking and incentive for building demolition.

department store, which contracted with the Central Chicago Garages Inc. which operated a strong of lots; the Revell furniture store at Wabash and Lake, which contracted with the nearby North Loop Motoramp Garage; and the Republic Building, one of many high-rise "shops buildings" along State Street. "Marshall Field & Company," (display ad for valet service), *Chicago Tribune* (July 7, 1926); "Revell's announce a New Location Sale," *Chicago Tribune* (Jan. 6, 1929); H.A. Winters, "Servicing a Shops Building," *Skyscraper Management* Vol. 22 (April 1937) 6-7, 24.

Letter from Eugene Taylor to Mr. Peck, dated Mary 17, 1941. Source: Real Estate Papers of the Estate of Marshall Field at the Chicago History Museum. Box 3, Folder titled, "Parking 1941."

While building demolition for parking lots was perceived as beneficial to individual property owners, such widespread actions served to reduce the city's coffers by eliminating taxable buildings. In an apparent move to discourage this practice, as well as the need for revenue to restore Depression pay cuts to city employees, in 1937 the Chicago City Council quadrupled the fee per car space in parking lots from \$1 to \$4. This was in addition to the annual license fee of \$100 required for parking lots. Parking lot operators fought the increase, but the Illinois Supreme Court upheld the City Council in February 1938. Richard G. Lydy, one of the objectors to the new license fee, saw all of his downtown parking lots closed by police on the morning of March 9, 1938, forcing him to appear at the city collector's office that afternoon to pay \$7,909 in outstanding license fees, after which they were immediately reopened. In contrast, fees for downtown parking garages remained at \$1 per car space with an annual license fee of \$40.<sup>255</sup>

The discrepancy in fees charged for parking garages versus parking lots indicates the preference of city officials for the former over the latter, as they were considered long-term improvements and could accommodate more cars on less space. Chicago was one of the few cities to exercise such rigorous control over parking lots through the requirement of both annual license fees and per car fees. This was in contrast to other cities that encouraged the expansion of parking lots by not requiring any fees at all. Chicago's move to quadruple the fees charged per car space in parking lots presumably decreased profits for their operators, making it difficult for them to pay the leases negotiated with property owners when fees were much lower. It is

<sup>&</sup>lt;sup>255</sup> "18 Lydy Parking Lots in Loop Are Closed by Police," *Chicago Tribune* (March 9, 1938); "R.G. Lydy Pays \$7,909 License Fee; Open Lots," *Chicago Tribune* (March 10, 1938); Nolting and Oppermann, 12-14.

likely that such lots were subsequently forced to either renegotiate their leases or raise their fees in response.<sup>256</sup>

The vast number of downtown parking lots created during the 1930s through building demolition were joined by smaller numbers of low-rise garages, the designs of which reflected prevailing economic conditions. In general, Depression-era garages in Chicago and cities elsewhere were ramp designs of one to three stories in height with capacities of 100 to 300 cars, and often included rooftop parking. The use of reinforced concrete construction was common, as was the increasing use of self-park service in order to decrease labor costs. Such structures could be built for approximately \$150,000 to \$200,000 and additional income was often derived from retail shops, which increasingly replaced automotive services at the ground floor level. Garages of the 1930s were usually sleek and modernistic with smooth, unadorned wall planes, continuous horizontal bands of windows, and flat roofs. The need for economy during the Depression spurred the open deck design as pioneered by the 1933 Cage Garage in Boston, which involved the reduction or complete removal of walls, thereby eliminating the need for heat and ventilating systems. However, it does not appear that open deck garages were built within the Loop itself during the 1930s and 1940s, although various versions of this type were erected on the fringe of downtown in the 1950s.<sup>257</sup>

A survey undertaken in 1937 showed that only 39 of 147 cities licensed downtown parking lots and garages. Of these, only Wichita, Kansas charged a higher license fee for parking lots than garages. Nolting and Oppermann, 12.

<sup>&</sup>lt;sup>257</sup> The PSF Parking Garage in Philadelphia (Howe and Lescaze, Architects; 1941) and Commerce Trust Garage in Kansas City (Keene and Simpson, Architects, 1941) were examples in other cities of the new, modernistic appearance of urban parking garages of the 1930s and 1940s. Plans and photographs of both structures can be found in: "Parking Garages," *Architectural Record* Vol. 90 (July 1941) 94. "Downtown Garage," *Architectural Record* Vol. 90 (July 1941) 67. The Cage Garage in Boston (1933) is pictured in: "Garages Grow Up," *Architectural Forum* Vol. 98 (February 1953) 122. Early examples of open deck garages include the Kaufmann Department Store Garage in Pittsburgh (William Hoover, Architect; 1936) and the Shopper's Parking Deck in Detroit (Smith, Hinchman & Grylls, Inc., Architect; 1941), both two stories plus roof deck. "Parking Deck," *Architectural Record* Vol. 90 (July 1941) 68.

One of the best examples of Depression-era garage design in the Loop was Alfred S. Alschuler's two-story ramp garage with rooftop parking at the southwest corner of Wabash Avenue and Adams Street, which replaced a former eight-story warehouse-turned-retail building. The two-story structure was built in 1937 and accommodated 175 cars. It was sheathed in smooth limestone, had second story walls of glass block, rounded corners, and storefronts comprised of black granite, glass and stainless steel. Such buildings with ground floor retail were often referred to as "taxpayers," despite the fact that the majority of their floor plans were given over to parking.<sup>258</sup>





Figure 62: First floor plan of two-story garage at the southwest corner of Wabash Avenue and Adams Street designed by Alfred S. Alschuler. *Architectural Forum* Vol. 67 (September 1937) 232. Figure 63: Photo of the 1937 Alschuler garage at Wabash/Adams taken in 1958. Chicago History Museum: ICHi-27873. Photographer: Stella Jenks.

<sup>&</sup>lt;sup>258</sup> Al Chase, "Wabash Ave. Landmark to be Wrecked," *Chicago Tribune* (Dec. 16, 1936). For renderings of Alschuler's Wabash-Adams garage, see: "The Chicago Taxpayer," Vol. 67, *Architectural Forum* (September 1937) 232; and "Unique Taxpayer Will Replace Loop Landmark," *Chicago Tribune* (January 10, 1937). The Alschuler garage at Wabash-Adams was later provided with two additional stories and was replaced by the current ten-story open deck garage at an unknown date.

Later in the decade there were some exceptions to the prevalence of low-rise garages in the Loop. In 1938, the six-story Italianate style DeJonghe Hotel at 12-14 E. Monroe Street built in 1876 as the Chicago Club and converted to a hotel in 1898—was replaced by a ten-story elevator garage that was designed to match the appearance of the adjacent Carson, Pirie, Scott department store with a grid-like elevation and terra cotta sheathing.<sup>259</sup>



Figure 64: Former ten-story garage (now offices) built adjacent to Carson, Pirie Scott Department store (now Sullivan Center) on Monroe Street. Photo by author, 2015.

# 2. <u>Taxpayer Buildings and the Fall of Dearborn Street</u>

Aside from parking lots and low-slung garages, the other symbol of 1930s-era urban demolition were so-called taxpayer buildings, which were "as much a legacy of the depression as the "Hoovervilles," bread lines, soup kitchens, and dance marathons," observes historian Robert Fogelson. These one- or two-story, multi-tenant buildings were built upon expensive downtown

<sup>&</sup>lt;sup>259</sup> Al Chase, "The Story Garage Building Will Replace One of Loop's Best Known Landmarks: Old De Jonghe Café Will Make Way for Motors, *Chicago Tribune* (Nov. 13, 1938).

land in cities nationwide and their prime purpose was to pay taxes—at least until an improved economy warranted construction of a larger building. Taxpayers were the urban equivalent of the strip mall, featuring a series of small side-by-side retail shops, each with a separate street entrance, that were typically occupied by chain stores, cafeterias, and other types of eateries. Space was also occasionally used for the type of low-cost entertainment that prospered during the Depression, such as newsreel theaters and bowling alleys. The second floor, when it existed, was often rented by a single tenant as office space. Property owners often negotiated percentage leases with retail tenants that included a guaranteed fixed rent plus an agreed-upon percentage of sales, guaranteeing that rental income would increase as the economy improved. Taxpayer buildings were typically fully rented upon completion due to the modern amenities they offered, including large expanses of plate glass display windows, the new technology of air conditioning, and open floor plans that could be designed to suit tenants' needs.<sup>260</sup>

Unlike parking facilities, which were generally concentrated along the periphery of downtown, taxpayers replaced more prominent buildings within its core since a high degree of pedestrian traffic was needed ensure the profitability of their retail operations. Taxpayers could be erected quickly and were relatively inexpensive to build. Costs for two-story taxpayer buildings in the Loop ranged from \$88,000 in 1933 when costs of labor and materials were at their lowest, to \$400,000 for one built in 1939 when costs were rising as the economy began to rebound. Although such buildings did not drastically reduce real estate taxes on a parcel, the operating costs of taxpayers were lower than those of the multi-storied buildings they replaced.

<sup>&</sup>lt;sup>260</sup> Quote taken from: Fogelson, 218. No references pertaining to taxpayers buildings in Chicago's Loop were found in the popular press prior to the 1930s although some were evidently built. For example, in 1927 Hotel Sherman built a two-story building at the northeast corner of Randolph and LaSalle streets, adjoining the hotel, and extended a ten-year lease to the North German Lloyd Steamship Lines, after which it was intended that the site would be redeveloped with a skyscraper addition to the hotel. "Plan Two Story Building Next to Hotel Sherman," *Chicago Tribune* (Oct. 16, 1927).

Supplemental income was sometimes obtained through the use of rooftop parking, featured on the one-story Dearborn-Jackson taxpayer that replaced the Great Northern Hotel.<sup>261</sup>

At least sixteen taxpayer buildings were erected in the Loop between 1930 and 1947. Many more were created through an unprecedented phenomenon that became commonplace in the Loop during this era: lopping off the upper floors of high-rise office buildings and remodeling the remaining first, and sometimes the second floor, into a taxpayer with modern retail space. Many owners reasoned that it made no sense to pay for heat, elevator service, and repairs on upper floors that were largely vacant when fully rented ground floor retail space was typically sufficient to cover the real estate taxes on a building. Such was the fate of the lavishly ornamental fourteen-story Medinah office building at the northeast corner of Jackson and Wells (1892, Beers, Clay & Dutton). As of 1928 the building had 22 vacant offices, a number that surely grew with competition from new skyscrapers on adjacent LaSalle Street. In 1934 the upper twelve floors of the building were sliced off and the two remaining floors were remodeled into a makeshift taxpayer by Graham, Anderson, Probst & White. Such actions revealed desperation on the part of owners to cut expenses and improve earnings.<sup>262</sup>

Most of the larger taxpayer buildings in the Loop were designed by prominent firms, providing idle architects with opportunities to render sleek, modernistic designs that were published in the popular press. For example, Shaw, Naess and Murphy's preliminary designs for

The two-story Dearborn-Washington taxpayer building was built in 1933 at a cost of \$88,388. "An Important corner in Chicago's Loop gets an \$88,000 taxpayer which is paying taxes," *Architectural Forum* Vol. 60 (February 1934) 168. The two-story State-Randolph taxpayer that replaced the Masonic temple was built in 1939 at a cost of \$400,000. "Loop Taxpayer Ready Nov. 1 70 Pct. Rented," *Chicago Tribune* (Feb. 12, 1939).

<sup>&</sup>lt;sup>262</sup> The number of taxpayers in the Loop was ascertained by a review of building permits from the 1930s in the Loop, the 1950 Sanborn Fire Insurance Map for the Loop, contemporary newspaper articles, and Frank Randall's *History of the Development of Building Construction in Chicago* (Urbana: University of Illinois Press, 1999). It does not include the many taxpayer buildings that were created when upper floors of buildings were razed and the lower two floors remodeled. "14 Story Skyscraper Shrinks into 2 Story 'Taxpayer'," *Chicago Tribune* (Feb. 18, 1934).

taxpayer buildings to replace both the Great Northern Hotel (Jackson-Dearborn) and the Masonic Temple (State-Randolph) featured walls of stainless steel with continuous horizontal strips of windows. Executed designs for these one- and two-story flat-roofed structures and other taxpayers in the Loop were considerably more mundane, likely due to cost constraints. They were generally sheathed in either brick, smooth limestone, or concrete slabs and lacked any type of modernistic detailing. The exception was Holabird & Root's 111 S. Dearborn Building at the southeast corner of Dearborn and Monroe streets. Its street elevations were entirely sheathed in glass and stainless steel except for the entrance to the building and the store bulkheads, for which black artificial stone was used. Also unusual was the setback of about four feet of the entire second floor, which was leased by the Amalgamated Bank.<sup>263</sup>



Figure 65: 111 S. Dearborn Building (Amalgamated Bank Building) 1958. Chicago History Museum: HB-16161. Photographer: Hedrich Blessing.

<sup>&</sup>lt;sup>263</sup> For renderings and descriptions of the State-Randolph taxpayer that replaced the Masonic Temple, see: Al Chase, "One Time World's Tallest Office Building—Masonic Temple—May be Razed," *Chicago Tribune* (December 25, 1928) and "Redesign Loop's Newest Taxpayer," *Chicago Tribune* (May 21, 1939). For renderings and descriptions of the original and executed designs of the Dearborn-Jackson taxpayer that replaced the Great Northern Hotel, see: "Marshall Field Estate Will Demolish Great Northern Hotel," *Chicago Tribune* (Jan. 14, 1940) and "Loop's New Black and White Taxpayer," *Chicago Tribune* (September 22, 1940). For renderings and description of the Dearborn-Monroe taxpayer by Holabird and Root, see: W.M. Joseph, "An Interesting Taxpayer," *Skyscraper Management* Vol. 19 (October 1934) 4, 27; "Five Chicago Taxpayer," 231-232.



Figures 66 and 67: Amalgamated Trust and Savings Bank in the 111 S. Dearborn Building, 1935. Chicago History Museum: HB02670c (left) and HB02670e (right). Photographer for both images: Hedrich Blessing.

Tenants often spent substantial additional sums retrofitting their spaces with the latest technologies, amenities, and materials. The Walgreen drugstore that occupied the corner space and basement of the State-Randolph taxpayer that replaced the Masonic Temple spent \$200,000 to make it into "the largest and finest store in the entire chain," including the installation of escalators leading from the subway level directly into the store. The newly-formed Dearborn Recreation Inc. spent \$80,000 to retrofit the entire basement of the Dearborn-Jackson taxpayer that replaced the Great Northern Hotel into a 24-lane bowling alley while the Field Estate, which owned the parcel, spent an additional \$40,000 to air condition and soundproof the space. The taxpayer itself was built at a cost of \$250,000.<sup>264</sup> Prior to occupying the second floor of the Dearborn-Washington taxpayer building that replaced the 1873 Portland Block, the real estate firm Frederick H. Bartlett & Co. spent an estimated \$50,000 on the interior of its new quarters,

<sup>&</sup>lt;sup>264</sup> The State-Randolph taxpayer that replaced the Masonic Temple also featured a 600-seat newsreel theater. "Loop Taxpayer Ready Nov. 1 70 Pct. Rented," *Chicago Tribune* (Feb. 12, 1939); "Field Estate Closes Big Lease in New Loop Taxpayer," *Chicago Tribune* (September 22, 1940).

which was designed by Lewis B. Walton of the noted architectural firm of Benjamin H. Marshall, and was described in the *Chicago Tribune*:

The interior is in black, silver and red, with the imposing main stairway from Washington Street of imported Italian marbles in black and yellow. The silver tones are obtained by the free use of chromium. Mr. Bartlett's private offices are paneled in quarter sawn oak with a large fireplace.<sup>265</sup>

The number of taxpayer buildings in Chicago's Loop was negligible in comparison to New York, which boasted dozens of such buildings in Lower and Midtown Manhattan. One firm alone built 25 to 30 taxpayers buildings, many of which replaced aging mansions on Park and Madison avenues. The taxpayers strung out along these high-class thoroughfares were much swankier than those in Chicago, as exemplified by a one-story structure that was sheathed entirely in bronze and marble. Such upscale taxpayer buildings often housed specialty shops as opposed to chain stores that were common elsewhere. Other taxpayer buildings in New York, Los Angeles, and Miami were considerably more modernistic, with second floors sheathed entirely in glass block or colored Vitrolite glass panels. One taxpayer in Los Angeles featured wide porcelain enamel banding with colors separated by chromium strips. During the 1930s, *Architectural Forum* published a series of articles featuring taxpayer buildings in varying cities, all of which were reportedly quite profitable.<sup>266</sup>

Of the at least sixteen new taxpayer buildings in the Loop, eight were concentrated along a short, four-block stretch of Dearborn Street, between Jackson and Washington. They replaced

<sup>&</sup>lt;sup>265</sup> "Bartlett Firm Moves to New Loop Quarters," *Chicago Tribune* (Nov. 5, 1933).

<sup>&</sup>lt;sup>266</sup> For photos and descriptions of a variety of taxpayer buildings in different cities, see the following list of articles: "A Panel of Taxpayers," *Architectural Forum* Vol. 66 (February 1937) 158-161; "A Quintet of Taxpayers," *Architectural Forum* Vol. 67 (July 1937) 67-69; "Taxpayers from Los Angeles," *Architectural Forum* Vol. 68 (March 1938) 263-265; "A Miami Quasi-Taxpayer," *Architectural Forum* Vol. 69 (August 1938) 168-169.

seven office buildings and two hotels and completely changed the character of this historic business thoroughfare. Unlike neighboring Clark and LaSalle Streets, which experienced redevelopment with modern skyscrapers ranging from seventeen to forty stories in height during the booms of the early 1910s and the mid- to late-1920s, Dearborn Street largely featured office blocks from the 1870s and 1880s that averaged eight stories in height, as shown in Table XX. Such buildings were unlikely to survive a subsequent building boom and as a result, owners were unwilling to pay the approximately \$100,000 required to replace their floating raft foundations with caissons as required for Dearborn subway construction. In fact, five of the nine buildings replaced on this stretch of Dearborn Street were razed in 1940, the year subway construction began, which owners cited as the key factor in their decision to demolish. Dearborn Street's central location in the heart of the Loop was especially attractive for the construction of taxpayers, as a high concentration of pedestrian traffic was beneficial for their retail operations.<sup>267</sup>

<sup>&</sup>lt;sup>267</sup> "Five Chicago Landmarks Make Way for Taxpayers," 13. Contemporary news articles on buildings demolished on Dearborn Street in 1940 suggest that the cost of underpinning their foundations due to subway construction was borne solely by the property owners. This was the case for buildings along the State Street subway route as well. Damage claims against the city resulting from subway construction totaled \$1.5 million by November 1940, according to one account, which noted that, "In addition to buildings involved in these suits, owners of other buildings along the subway route have spent more than a million dollars, mostly in the Loop, for safeguarding their buildings against cave-ins from subway tunneling. Five additional owners of Loop buildings have torn down their structures to avoid the expense of underpinning and the risk of cave-ins." "Capitol Building Asks \$850,000 in Subway Damage," *Chicago Tribune* (Nov. 15, 1940).
#### TABLE XX

# OFFICE BUILDINGS/HOTELS RAZED FOR TAXPAYER BUILDINGS ON DEARBORN STREET, BETWEEN WASHINGTON AND JACKSON, 1930 to 1940<sup>268</sup>

Name/location	Architect	Date	No. Stories	Year Razed	Landowner	Replacement Building/ Architect
Portland Block Southeast corner Dearborn/Washington	William Le Baron Jenney	1872	6	1933	Anna Sears	Two-story taxpayer built 1933 and designed by Floyd Dougherty; cost: \$88,388
Real Estate Exchange Building (original Kendall Building) Southwest corner Dearborn/Washington	John Mills Van Osdel	1873	8	1940	New England Trust Co. of Boston	Two-story taxpayer built 1940 and designed by Floyd Dougherty
Union Bank Building (originally Illinois Bank Building) 19-29 N. Dearborn	Burnham & Root	1886	8	1934	Anna Sears	One-story taxpayer designed built 1934
Grant Hotel (originally Inter- Ocean Building) Northwest corner Dearborn/Madison	Frederick Baumann	1872	7	1940	John R. Thompson Estate	Two-story taxpayer built 1940 and designed by Loewenberg & Loewenberg
Guardian Bank (originally Commercial National Bank) Southeast corner of Dearborn/Monroe	Jaffrey & Scott	1884	7	1934	Brooks Estate	111 N. Dearborn Building, a two-story taxpayer built 1934 and designed by Holabird & Root; estimated cost: \$300,000
Adams Express 101-119 S. Dearborn	George Edbrooke	1884	11	1934	Brooks Estate	111 N. Dearborn Building, a two-story taxpayer built 1934 and designed by Holabird & Root; estimated cost: \$300,000
Bedford (originally Owings) Building Southeast corner Dearborn/Adams	Cobb & Frost	1888	12	1940	Cyrus Hall McCormick Estate	One-story taxpayer
Temple Court 211-221 Dearborn	Unknown	1886	8	1940	Cyrus Hall McCormick Estate	One-story taxpayer

<sup>&</sup>lt;sup>268</sup> Information in this table was obtained from City of Chicago building permits and the news articles that follow. "Heavy Demand for Space in Loop Building Not Yet Built," *Chicago Tribune* (July 9, 1933); "An Important Corner in Chicago's Loop gets an \$88,000 taxpayer which is paying taxes," 168; "Loop Landmark Faces Wreckers," *Chicago Tribune* (March 31, 1940); "New Dearborn Street Taxpayer," *Chicago Tribune* (April 14, 1940); "Work is Started on New \$80,000 Loop Taxpayer," *Chicago Tribune* (July 14, 1940); "The Chicago Taxpayer," 232; "Old Grant Hotel to be Replaced by New Building," *Chicago Tribune* (April, 7, 1940); Al Chase, "New Loop Moving Picture Theater to be Built in Madison-Dearborn Taxpayer," *Chicago Tribune* (Aug. 18, 1940); "Old Time Loop Structures to be Replaced by "Taxpayer," *Chicago Tribune* (April 22, 1934); Al Chase, "Two More Loop Landmarks Will Be Razed to Solve Subway Problem: Temple Court and Bedford Face Wreckers," *Chicago Tribune* (Jan. 21, 1940); "Last Checkout Today at Great Northern Hotel," *Chicago Tribune* (Feb. 1, 1940); "Field Estate Closes Big Lease in New Loop Taxpayer," *Chicago Tribune* (Sept. 22, 1940).

Great Northern Hotel	Burnham &	1892	16	1940	Field Estate	One-story taxpayer with
Northeast corner	Root					rooftop parking built 1940
Dearborn/Jackson						and designed by Shaw,
						Naess & Murphy;
						estimated cost: \$250,000

The earliest taxpayer building erected on Dearborn Street during the Depression was the two-story Dearborn-Washington Building that replaced the seven-story Portland Block in 1933 (1873, William Le Baron Jenney). For the year ended April 30, 1928, the Portland Block earned \$121,199 and its operating expenses, including real estate taxes, amounted to \$71,594, leaving a net income of \$49,605. For several years up to 1929 the Portland Block was 90 to 95 per cent rented, mainly by law and real estate firms. Five years later, in the depth of the Depression, the Portland Block's financial situation had greatly changed. In the year ending April 30, 1933, its gross earnings had dropped 50 percent to \$60,290. Although operating expenses had also dropped by \$11,856, the property's real estate taxes had increased by \$5,356 between 1928 and 1931. Together, the operating expenses and taxes exceeded the building's income, leaving a deficit of nearly \$5,000. The Portland Block's owner, Anna L. Sears, the widow of Richard W. Sears, one of the founders of Sears Roebuck & Co., decided to demolish the building. The work was done by Globe Wrecking Company at a cost of \$10,000 and completed in July 1933.<sup>269</sup>

The limestone-clad Dearborn-Washington Building was completed on the site of the Portland Block by October 1933 at a cost of \$88,388 and designed by architect Floyd Dougherty. The real estate firm of Frederick H. Bartlett occupied the entire second floor of the new building, which was 100 percent occupied by March 1934. At that time, the annual base rentals for both

All figures on the Portland Block were obtained from: "An Important Corner in Chicago's Loop gets an \$88,000 taxpayer which is paying taxes," 168. The Portland Block's operating expenses fell from \$34,711 to \$22,855 between 1928 and 1933 while its real estate taxes rose from \$36,883 to \$42,239 during the same period. "Now is Time to Wreck Antiques, Says Realtor," *Chicago Tribune* (Oct. 8, 1933).

the store and office spaces totaled \$67,000 annually, exceeding the income of the Portland Block prior to its demolition by about \$6,000. All store leases provided for a minimum agreed monthly rental plus percentage on excess sales. Operating expenses for the new building were 75 percent less than those of the Portland Block, according to real estate agent Leo Varty. Together, the building expenses and taxes on the Dearborn-Washington Building totaled \$45,000, resulting in a net profit of \$22,000, as opposed to a deficit, just a year after completion.<sup>270</sup>

Anna Sears also owned the nine-story Illinois Bank Building at 21-29 N. Dearborn Street, which adjoined the Dearborn-Washington taxpayer to the south. This building was also losing money, so in 1934 she replaced it with a small one-story taxpayer with six-storefronts. Together, the cost of demolition and construction of the new building totaled \$50,000. Although real estate taxes on the new building increased from \$43,500 to \$62,371, its rental income rose from \$33,000 to \$111,378 by 1937, resulting in a net profit of \$26,000.<sup>271</sup>

The Shepherd Trustees of Boston owned eight nineteenth-century office blocks in the Loop, two of which were operating at a deficit in the early 1930s: the seven-story Guardian Bank (formerly Mohawk) Building on the southeast corner of Dearborn and Monroe (1884, Jaffray & Scott) and the eleven-story Adams Express Building, which adjoined it to the south on Dearborn (1884, George W. Edbrooke). The owners cited high taxes and low income as the reasons why the buildings were wrecked in 1934. However, the Aldis & Co. ledger book from the 1930s reveals that overall real estate taxes for both buildings were drastically *reduced* in the years leading up to their demolition. Guardian Bank's taxes were lowered from \$53,276 to \$33,600 from 1930 to 1933, while taxes for the Adams Express Building were lowered from

<sup>&</sup>lt;sup>270</sup> Al Chase, "Motor Company Leases Large Space in Loop, *Chicago Tribune* (March 23, 1934); "Now is Time to Wreck Antiques, Says Realtor," *Chicago Tribune* (Oct. 8, 1933).

<sup>&</sup>lt;sup>271</sup> "The Chicago Taxpayer," 232.

\$38,732 to \$17,600 during the same period. The income for both buildings was quite low,

however, and unable to cover their total operating expenses. Income and expense figures for

these buildings in 1933, the year before they were demolished, are shown in Table XXI.<sup>272</sup>

# TABLE XXI INCOME AND EXPENSE FIGURES FOR TWO OFFICE BUILDINGS BUILT IN THE 1880S ON DEARBORN STREET, 1933

1933	Operating	Real Estate	Real Estate Insurance		Total	Net Income
	Income	Taxes		Operating	Operating	(deficit)
				Expenses	Expenses	
Guardian	\$45,183	\$33,600	\$3,594	\$32,593	\$ 69,787	-\$24,603
Bank						
Adams	\$27,514	\$17,600	\$ 906	\$18,815	\$ 37,321	- \$9,807
Express						
Total	\$72,697	\$51,200	\$4,500	\$51,408	\$107,108	-\$34,410

Source: Aldis & Company ledger book detailing taxes, assessments, income and expenses for its collection of buildings in Chicago's Loop, ca. 1900-1960. Collection: Aldis & Company Records (manuscript), ca. 1879-1960. Chicago History Museum.

Demolition of the Guardian Bank and Adams Express buildings began in April 1934 and cost \$18,500. The two-story taxpayer that replaced both office buildings was completed in January 1935 at a cost of \$368,917. Called the 111 N. Dearborn Building, it was designed by Holabird and Root and featured a combination of small retail shops and eateries on the first floor. Amalgamated Trust and Savings Bank occupied the entire second floor, which was entirely comprised of glass. Three of the building's store spaces were leased prior to its completion by the Thom McAn shoe store, the Melville Shoe Corporation, and the Bedford Shirt company.

<sup>&</sup>lt;sup>272</sup> "Old Time Loop Structures to be Replaced by Taxpayer," *Chicago Tribune* (April 22, 1934). All figures in this paragraph were taken from the Aldis & Company ledger book detailing taxes, assessments, income and expenses for its collection of buildings in Chicago's Loop, ca. 1900-1960. Collection: Aldis & Company Records (manuscript), ca. 1879-1960. Chicago History Museum.

Other retail uses during the 1930s included a jewelry shop, pub, steakhouse and another shoe store. Income and expense figures for the new taxpayer in 1935 are listed below.<sup>273</sup>

### TABLE XXII INCOME AND EXPENSE FIGURES FOR TAXPAYER BUILDING AT 111 S. DEARBORN STREET, 1936

1935	Operating Income	Real Estate Taxes	Insurance	Other Operating Expenses	Total Operating Expenses	Net Income (deficit)
111 S.	\$124,440	\$59,052	\$383	\$37,571	\$97,006	\$27,433
Dearborn						
(Taxpayer)						

Source: Aldis & Company ledger book detailing taxes, assessments, income and expenses for its collection of buildings in Chicago's Loop, ca. 1900-1960. Collection: Aldis & Company Records (manuscript), ca. 1879-1960. Chicago History Museum.

A comparison between the income and expense numbers for the Guardian Bank and Adams Express Buildings versus the taxpayer building that replaced them again demonstrates that demolition could make good economic sense. By wrecking both buildings, the Shepherd Trustees saved nearly \$20,000 on total operating expenses and made a net income of \$9,645. The slash in total operating expenses came through the drastic reduction in maintenance expenses for a two-story building versus two high-rise office buildings, rather than a reduction of real estate taxes. In fact, real estate taxes for the single taxpayer at 111 S. Dearborn were \$4,933 *more* than the total real estate taxes for the Guardian Bank and Adams Express buildings combined. Net income for the 111 S. Dearborn building continually rose during the ensuing decades, tripling within six years to \$28,986 in 1940 and increasing to \$72,994 in 1950.<sup>274</sup>

<sup>&</sup>lt;sup>273</sup> Income and expense figures as well as demolition and construction costs in this paragraph were taken from the Aldis & Company ledger book, ca. 1900-1960. Collection: Aldis & Company Records (manuscript), ca. 1879-1960. Chicago History Museum. Information on retail leases was taken from: "Lease Three Stores in New 111 South Dearborn Building," *Chicago Tribune* (Jan. 27, 1935).

Aldis & Company ledger book detailing taxes, assessments, income and expenses for its collection of buildings in Chicago's Loop, ca. 1900-1960.

Among the buildings razed on Dearborn Street in 1940 were the seven-story Grant Hotel, built in 1872 to house the Inter-Ocean newspaper, and Burnham and Root's sixteen-story Great Northern Hotel, which was considered one of the showplaces in the Loop upon its 1892 completion. By the 1930s, however, the Great Northern no longer paid, as owner Marshall Field III complained in a 1934 letter written in 1934 to his trustee George Richardson:

I frankly fail to see why we should spend any more money on the Great Northern Hotel. It seems to me very foolish to go on running this hotel when even during a year when the Fair is in operation it fails to make any money, in fact loses some. I am absolutely against spending any more money and I question whether it would not be preferable to tear the building down rather than let it go on as a drag. It seems to me that a low taxpayer could be put up in its place.<sup>275</sup>



Figure 68: Jackson-Dearborn Building (foreground), 1949. Chicago History Museum: HB-12201-C. Photographer: Hedrich Blessing.

<sup>&</sup>lt;sup>275</sup> Letter from Marshall Field III to George Richardson dated July 5, 1934. In: Marshall Field Family Papers on file at the Chicago History Museum.

The taxpayer buildings situated on prime downtown parcels, such as the core of Dearborn Street, became increasingly profitable over time as their parcels awaited redevelopment. The Great Northern Hotel was replaced with the new Jackson-Dearborn Building, a one-story taxpayer with a basement bowling and rooftop parking that earned a net income in 1945 of \$32,964 as opposed to an annual loss. The Grant Hotel was replaced by a two-story Dearborn-Madison Building designed by Loewenberg and Loewenberg that contained a 325-seat movie theater, which by 1963 was generating a net annual income of \$96,439.<sup>276</sup>

#### 3. <u>The Removal of Downtown "Blight"</u>

Although Depression-era demolition impacted virtually all types of buildings, the vast majority of those wrecked in the Loop consisted of unprofitable loft warehouse and light manufacturing buildings as well as business blocks dating from the 1870s and 1880s. Large concentrations of such buildings were strung out along its low-valued peripheral streets that were darkened by the elevated line. Especially hard hit was Lake Street to the north, the Loop's oldest business thoroughfare, where at least nineteen buildings were replaced by a string of parking lots that joined earlier high-rise garages to serve the adjacent Randolph Street theater district. At least eleven buildings were wrecked along Wabash Avenue to the east, most of which were originally built to accommodate the city's wholesale district prior to its removal to the Loop's western periphery by 1910. Although many were converted to retail/office uses starting as early

Figures on the Dearborn-Jackson taxpayer obtained from: "Income/Expenses sheet on the Jackson-Dearborn Building for the twelve months ending November 30, 1945." In: Marshall Field Family Papers on file at the Chicago History Museum. The Grant Hotel was built in 1890 as the home for the Inter Ocean newspaper and converted to a hotel in 1907. "Old Grant Hotel to be Replaced by New Building," *Chicago Tribune* (April 7, 1940). Figures on the Dearborn-Madison taxpayer obtained from: "Arthur Rubloff & Company, Northwest corner Madison and Dearborn Streets, 1963." In: Lake Michigan Mortgage Company records (manuscript), 1937-1967. Chicago History Museum.

as the 1890s, such buildings were considered antiquated by the 1930s and especially vulnerable to demolition as tenants had a plethora of low-cost, modern retail and office space from which to choose in what was a renters market. Wabash Avenue was an especially attractive location for parking as it paralleled the adjacent State Street retail thoroughfare where the high cost of land, even during the Depression, discouraged building demolition for parking lots. The continuity of it retail streetscape was continued through the construction of one- to two-story garages with ground floor shops.<sup>277</sup>

The Loop's early twentieth-century wholesale district was situated along its western periphery, between Wells Street and the South Branch of the Chicago River, which also became pockmarked with parking lots in the 1930s. Excessive vacancies during the Depression resulted in part from tenants going out of business or moving to other, less congested districts, as well as changes in retailing that lessened the need for large, wholesale buildings. By the 1920s, many chain retailers had begun to purchase their merchandise directly from the manufacturers and do their warehousing at outlying points along railroad lines, from which store deliveries were made by motor trucks. In order to compete with this form of merchandising, independent retailers found it necessary to organize buying pools so that they too could purchase directly from the manufacturers and handle their warehousing and store delivery needs in the same manner as the chain store systems. Thus, the middle man became of minor importance and the great areas of floor space formerly required for large stocks in wholesale buildings were vacated.<sup>278</sup>

<sup>&</sup>lt;sup>277</sup> The 1872 Atlas Block, a massive quarter-block brick loft building located at the northwest corner of Wabash and Randolph streets, was renovated in 1897 to accommodate retail/office space and razed in 1940 for a two-story garage with basement and rooftop parking. A construction notice for the Atlas Building was found in: "Weekly Review of Building Operations," *Chicago Tribune* (July 21, 1872); "Buys Atlas Block," *Chicago Tribune* (Feb. 2, 1897); "Among Architects and Builders," *Chicago Tribune* (March 28, 1897); "Randolph and Wabash Landmark to Be Replaced with Taxpayer," *Chicago Tribune* (Feb. 4, 1940).

For contemporary articles on the challenges faced by Chicago's Wholesale District and promotional efforts undertaken by the Chicago Wholesale Market Council, see: Frank M. Whiston, "Decentralization in Chicago:

The 1930 completion of the Merchandise Mart on the north side of the Chicago River's main stem also helped spur growing vacancy rates in the city's wholesale district. The fourmillion-square-foot eighteen-story Mart was commissioned by Marshall Field and Company as a gargantuan wholesale store and warehouse for its downtown retail operation. It was also intended to bring under one roof a large share of the wholesalers of merchandise in Chicago who required a comparatively small amount of space for sample display purposes and small stocks for quick delivery of rush orders into the Loop. One contemporary economist noted: "In this one building the floor space is equal to 37 percent of the floor space in the 149 buildings in the twenty blocks in the wholesale district." Its construction also emptied the original warehouse designed for the Field firm by H.H. Richardson in 1885, which occupied an entire city block bounded by Wells, Adams, Quincy and Franklin streets. Demolished in 1930, its site was leased by the R.G. Lydy Company and became the single largest parking lot in the downtown. Additional warehouse and light industrial buildings razed for parking in this district included at least eight on Wells and six on Franklin. These numbers would likely have been higher if not for a concerted effort among property owners to modernize buildings and market the district by establishing the Chicago Wholesale Market Council in 1934. 279

At least twelve nineteenth-century office blocks were razed on Randolph Street, which rivaled Dearborn Street in this regard, although they were mainly replaced by parking lots and

Problem Aggravated by Improvements and Changes in Merchandising Trends," *Skyscraper Management* Vol. 21 (April 1936) 3-4, 29-30; and John E. Burton, "Changing Land and Building Values in the Chicago Wholesale District," *Skyscraper Management* Vol. 18 (January 1933) 10-13; Al Chase, "Wholesale Area Improves Many of Its Buildings," *Chicago Tribune* (May 12, 1934).

<sup>&</sup>lt;sup>279</sup> Quote in this paragraph taken from: Burton, 12. "Plan to Raze Old Field Building, City Landmark," *Chicago Tribune* (March 30, 1930). According to one account, the 1930 taxes on the "virtually useless" Marshall Field warehouse were \$33,400 on the building and \$77,495 on its full-block site. The site's rental as a parking lot was by 1934 approximately equal to the tax bill on the property, although this was not true for the first two years of operation. Joseph Ator, "Tax Destruction Sweeps Chicago," *Chicago Tribune* (August 12, 1934).

low-rise garages rather than taxpayer buildings, which served the theater, retail and office district at the north end of the Loop. Office blocks of the 1870s and 1880s were especially hard hit by loss of income—and thus made more vulnerable to demolition—during what had become a renters' market due to the glut of office space created during the 1920s boom. Property owners commonly resorted to lowering rents and granting other concessions in order to retain tenants, further driving down income across the board. One of the more distinctive office blocks razed in the Loop was the six-story Romanesque Revival style Herald Building at 163 W. Washington Street. Designed by Burnham and Root in 1891 for one of Chicago's leading daily newspapers, it was later converted to speculative office space. Its front gable was ornamented by an eleven foot tall solid bronze statue of a medieval herald by Danish sculptor Johannes Gelert, which was placed on the upper deck of a two-story parking garage that replaced it in 1936. The garage manager had plans to wire the herald's trumpet for sound through their public address system, and have him saying: "Calling all cars!"<sup>280</sup>

Downtown demolition also impacted other building types that were scattered throughout the Loop. The banking industry was devastated during the 1930s and several office buildings with interior banking halls fell victim to the wreckers, as did the three-story Chicago National Bank Building at 121-127 W. Monroe Street, just east of LaSalle. Designed by Jenney and Mundie with a stately Corinthian temple front and completed in 1900 as only the second freestanding bank building in the Loop, it was replaced by a parking lot. In 1936, the lights were dimmed for the 1898 Beaux Arts style Illinois Theater, located at 65 E. Jackson, when it was razed for a one-story ramp garage with basement and roof parking. Such small, elegant theater

Al Chase, "Herald Building will be Razed for Parking Lot Due to High Taxes," *Chicago Tribune* (March 14, 1936); "Old Statue Gets a Voice and Job at Parking Lot," *Chicago Tribune* (June 28, 1926). For an image of Gelert's herald statue see: James Riedy, *Chicago Sculpture* (Urbana: University of Illinois Press, 1981) 77.

buildings suffered from changing tastes in recreation, especially the emergence of downtown movie palaces and, after the repeal of Prohibition in 1933, the proliferation of hotel nightclubs.<sup>281</sup>

The glut of modern hotel space created in the 1920s also signaled the demise of many nineteenth-century hotels still in operation, such as the DeJonghe, Grant, and Great Northern. Two of the largest downtown business hotels were the Palmer House and the Stevens, both of which were completed in 1927 and designed by Holabird and Roche. The Palmer House was located in the heart of the State Street retail district while the Stevens was located on Michigan Avenue, between 7<sup>th</sup> and 8<sup>th</sup> streets, along the path of the expected southward expansion of the business district. Together, they added 5,268 rooms to a market that included the new 45-story Morrison Hotel Annex on Clark Street, also by Holabird and Roche, and the Bismark Hotel, conveniently located on west Randolph Street to serve both the theater and financial districts. The Loop's older hotels were unable to compete with their provision of rooms with private baths, updated technologies, as well as other amenities, such as large banquet halls and nightclubs.<sup>282</sup>

The tallest and most magnificent skyscraper razed in the Loop during the 1930s was Burnham and Root's Masonic Temple (renamed the Capitol Building in 1922), a nineteen-story multi-use skyscraper at the northeast corner of State and Randolph Streets that featured a vertical shopping mall, office space, and upper floor halls and lodge rooms. In 1922, the Chicago Order of Masons sold the building at a loss to a group of investors headed by architect Walter Ahlschlager, who in turn remodeled the interior of the building. The new owners defaulted on their \$4.5 million mortgage in 1932 and filed for bankruptcy in 1937. Although modernization

<sup>&</sup>lt;sup>281</sup> "Loop Landmark Goes," *Chicago Tribune* (March 19, 1938). For images of the Chicago National Bank, see: "The Chicago National Bank," *The Architectural Review* Vol. 12 (March 1905) 90-91; Al Chase, "Illinois Theater Site Leased for \$21,000 per Year," *Chicago Tribune* (Jan. 15, 1936).

<sup>&</sup>lt;sup>282</sup> "Two Great Hotels Soon to be Finished," *Chicago Commerce* (November 13, 1926) 9-10.

was initially considered by its new ownership, their newly-appointed real estate broker Arthur Rubloff dismissed the building as a "pile of Romanesque architecture" and provided numbers demonstrating that more than 220,000 square feet was unrentable and it could never get out of debt. In 1939, the Masonic Temple was replaced by a two-story taxpayer building, a type that was producing profits elsewhere in the Loop.<sup>283</sup>

The Masonic Temple was one of the few buildings razed along the State Street retail thoroughfare during the Depression. Michigan Avenue and LaSalle Street also experienced little demolition during the 1930s. All three of these major thoroughfares featured the highest land values in the Loop as well as newer stock of typically large, costly buildings, such as massive department stores, bank headquarters, and speculative skyscrapers that represented great investment and were more likely to be modernized, rather than razed. The estimated \$60,000 cost of wrecking a steel-framed skyscraper the size of the Masonic Temple Building also likely discouraged the wrecking of similarly large buildings.<sup>284</sup>

Many downtown real estate interests, property owners, and planners considered the demolition of older buildings for parking lots to be beneficial for a variety of reasons. Aside from the creating much-needed off-street automobile storage, they argued that such actions removed office space from already glutted markets, provided light and air to existing buildings, and cleared space for new development. Well-known city planner Jacob L. Crane believed that

Al Chase, "Masonic Temple to be Renamed Capitol Building," *Chicago Tribune* (June 8, 1922); Al Chase, "Capitol Building Defaults Its July Interest," *Chicago Tribune* (July 23, 1932); "Court Approves Capitol Building Reorganization," *Chicago Tribune* (Feb. 11, 1937); "Arthur Rubloff & Co. Made Capitol Building Agents," *Chicago Tribune* (Feb. 6, 1938); Al Chase, "One Time World's Tallest Office Building – Masonic Temple – May Be Razed," *Chicago Tribune* (Dec. 25, 1938); "Worn Out Buildings," *Chicago Tribune* (May 7, 1939). Rubloff quote from page 64 of: Ross Miller, *Here's The Deal: The Buying and Selling of a Great American City* (New York: Alfred A. Knopf, 1996). See pages 63-66 of this book and their accompanying footnotes for more information on the decision to replace the Masonic Temple Building with what Rubloff called a "supertaxpayer."

<sup>&</sup>lt;sup>284</sup> "Redesign Loop's Newest Taxpayer," *Chicago Tribune* (May 21, 1939).

urban demolition should be carried out on an even larger and more comprehensive scale in cities nationwide. He advocated in 1931 for the wrecking of entire blocks in the Loop and close-in districts, thus "giving the district more breathing space and the office building situation decided impetus." The notion of parking lots and low-rise taxpayer buildings as "breathing spots" that could be landscaped and serve as amenities for the downtown and its office workers was cited by many, including prominent Chicago realtor Leo Varty. In 1934, he outlined a proposal for the creation of landscaped parks on the rooftops of sprawling one-story retail arcade buildings that he proposed for three half- and full-block sites in the Loop. The newfound desire for open space in industrial cities like Chicago reflected the growing acceptance of contemporary ideas for skyscrapers surrounding by parks and plazas by theorists such as Le Corbusier, which was a radical break from traditional urban streets darkened by walls of continuous buildings.<sup>285</sup>

The widespread embrace of downtown demolition during the interwar era was part of a collective desire among downtown interests to remake what one 1938 report referred to as the "obsolete physical structure of our cities" in order to raise property values and counter decentralization. Thus, such demolition was increasingly accompanied by negative language denigrating its older, unprofitable buildings in order to justify their removal. For example, Leo G. Varty stated in 1933 that, "Now is an ideal time to remove the ugly, obsolete buildings that may be found all over the downtown district and especially north of Madison street." Low-rise

<sup>&</sup>lt;sup>285</sup> Alan F. Schnell, Executive Secretary of the Building Owners and Managers Association in Buffalo, New York, was among the many proponents of downtown demolition, stating that: "The destruction of obsolete buildings has already opened new vistas and brought greater amounts of light and air to the remaining buildings. If their former sites when made into parking lots were fenced in, shrubs or trees planted along their boundaries, and attractive ticket offices and waiting rooms erected on the, these parking areas would then became picturesque breathing spots, architectural embellishments for existing buildings." Alan F. Schnell, "Downtown Developments in the '40s," *Skyscraper Management* (June 1940) 15. Quote by Jacob Crane in: "Open Air Parking in Loop is Boost to Real Estate Values," *Chicago Tribune* (July 5, 1931). Idea for installing parks on the roofs of taxpayer buildings is described and illustrated in: Al Chase, "Realtor Suggests Three Upper Level Parks for Downtown District," *Chicago Tribune* (December 2, 1923).

brick-clad office blocks and loft buildings from the 1870s and 1880s symbolized Chicago's early growth as an industrial town. Such buildings were incompatible with the city's transition to a service economy and its leadership role on the world stage of finance and big business following World War One as exemplified by eclectic array of setback skyscrapers that lined LaSalle Street, Michigan Avenue, and Wacker Drive. The ongoing dispersal of industry and wholesale uses to districts outside the Loop set the stage for the development of their sites with office, retail, and cultural buildings to serve its growing population of white collar office workers.<sup>286</sup>

As the Depression deepened, some saw flaws in the logic that clearing away buildings in the central business district was ultimately to beneficial downtown and would help to counter decentralization, arguing that parking lots typically depressed land values of nearby buildings. George C. Olcott, publisher of the *Land Values Blue Book*, noted in 1937 that land values in Chicago's downtown district were 50 percent lower than they were in 1929. Moreover, the viewpoint that parking lots were temporary uses for sites awaiting redevelopment increasingly came into question in the mid- to late-1930s when most central business districts remained in decline. Walter H. Blucher, Executive Director of the American Society of Planning Officials, commented in 1936: "Property owners are content to leave their land vacant, getting some income, if not enough to pay the taxes, while they await the day when through some heaven-sent action they can improve their property to the point where it will show a return on the fictitious value. That day, however, may never come in view of all of the present tendencies of city growth."<sup>287</sup>

<sup>&</sup>lt;sup>286</sup> First quote taken from: Nolting and Oppermann, 26; Second quote taken from: "Now is Time to Wreck Antiques, Says Realtor," *Chicago Tribune* (October 8, 1933).

<sup>&</sup>lt;sup>287</sup> "Realty Market is Improving, Olcott Reports," *Chicago Tribune* (April 18, 1937). Quote taken from: Blucher, 114.

Downtown business interests in Chicago and other older industrial cities also felt that extensive urban demolition was necessary in the wide belt surrounding their central business districts that were considered blighted and a threat to their future vitality. These areas typically featured mixed-use districts of vacant or deteriorating manufacturing and warehouse buildings interspersed with mansions-turned-boarding houses as well as crowded, working class neighborhoods labeled as slums. In Chicago, such districts had been in transition since the 1890s as light manufacturing concerns moved into former upscale residential neighborhoods while low-income communities remained, although their population declined.

Low-income communities featuring post-Fire building stock and located within a fivemile belt of the Loop experienced extensive urban demolition during the 1930s. In June 1934, the Illinois Housing Board and the newly established Metropolitan Housing Council instigated an emergency campaign for the elimination of substandard dwellings identified through a survey conducted by the Civil Works Administration, a federal jobs-creation agency established by the New Deal. By the time this demonstration program ended on April 1, 1935, a total of 1,639 mainly residential buildings were razed, most of which were located on the Near South, Near West, and Near North Sides of the city. The labor was supplied and paid for by the Illinois Emergency Relief Commission and contractors who supplied the tools were given the salvaged materials. Many of the lots cleared were intended for playgrounds or charity gardens to be operated by social agencies. The property owners involved in this voluntary program and others that chose to demolish their homes at their own cost presumably did so because their buildings were abandoned, greatly deteriorated, and/or they were unable to pay the real estate taxes.<sup>288</sup>

<sup>&</sup>lt;sup>288</sup> The Civic Works Administration survey investigated more than 5,000 structures deemed as "dilapidated" in the area bounded by Belmont, 63<sup>rd</sup> Street, Kedzie avenue and Lake Michigan. It recommended that 1,500 should be torn down immediately and that an additional 2,000 should be either undergo either major repairs of demolition. News articles suggest that most of the buildings razed were located within five miles of the Loop and nearly all were

Many felt that blighted areas around central business districts should be replaced with

sprawling, high-rise apartment tower developments geared to middle-class residents who would

provide an in-town customer base for Loop retail establishments. Such a solution was urged in a

1932 report produced by the Committee on Blighted Area Housing of the Architects Club of

Chicago.<sup>289</sup> One writer described the destruction that surrounded the Loop in the mid-1930s:

Chicago avenue just east of the north branch of the river, and the industrialwholesale district south of it, show dozens of vacant areas in which the rubble of wrecked buildings is usually discernible. The same condition applies on the near west side. There are several blocks just east of Ashland avenue near Fulton street where the area of recently destroyed buildings surpasses that of those left standing. Along Washington and Jackson boulevards, despite the heavy flow of traffic to and from the Loop, billboards screen a dozen locations where owners found it profitable to pull down buildings. Continuing the swing back toward the lake, inspection shows that the wreckers likewise have been active in what was once Chicago's gold coast—along Michigan, Prairie, and Calumet avenues from 18<sup>th</sup> street for half a mile south.<sup>290</sup>

residential. The demolition associated with this ten-month campaign was distinct from the subsequent residential demolition program funded by the Works Progress Administration that was associated with the creation of Chicago's first public housing projects: the Jane Addams Houses, Julia C Lathrop Homes, and Trumbull Park Homes, on the West, North, and Far South sides of the city, respectively. Al Chase, "Says Now's Time to Rejuvenate Blights Areas," *Chicago Tribune* (April 17, 1932); Al Chase, "Kelly begins slum clearing work today," *Chicago Tribune* (June 1, 1934); Al Chase, "First pickax swung in slum cleanup drive," *Chicago Tribune* (August 2, 1934); Al Chase, "State's razing of buildings to end on April 1," *Chicago Tribune* (Jan. 25, 1935); Alfred K Stern, "Progress in demolition," *Chicago Tribune* (February 17, 1935); Al Chase, Illinois Board Finishes Razing Old Buildings," *Chicago Tribune* (March 29, 1935); "More Than 4 Miles of Unfit Homes Razed by State Board," *Chicago Tribune* (April 7, 1935); "Chicago Metropolitan Housing Council and Housing Authority," *Illinois Society of Architects Monthly Bulletin* (April-May 1934) 1.

<sup>&</sup>lt;sup>289</sup> Among the prominent industrial complexes lost during this period was the long-abandoned Conrad Seipp Brewery, located on a four-acre parcel at 27<sup>th</sup> Street and the Illinois Central tracks, which went bankrupt following Prohibition. Al Chase, "Says Now's Time to Rejuvenate Blighted Areas," *Chicago Tribune* (April 17, 1932). Execution of large-scale high-rise apartment developments for the middle-class in Chicago's close-in areas awaited the post-World War II period and accompanying urban renewal funds available through Title I of the 1949 and 1955 Federal Housing Acts. They included such massive private housing developments as Sandburg Village on the Near North Side and the Lake Meadows and Prairie Shores on the Near South Side.

<sup>&</sup>lt;sup>290</sup> Joseph Ator, "Tax Destruction Sweeps Chicago," *Chicago Tribune* (August 12, 1934).

### B. <u>Modernizing an Obsolete Downtown</u>

At the other end of the spectrum from building demolition was modernization, which was driven by the same profit-motivated goals and was embraced by downtown interests as a means of raising overall property values, albeit by improving buildings that were typically newer and better-located than those typically razed. Downtown building modernization of the 1930s was different in many ways from similar work undertaken in previous periods, especially the context in which it was undertaken. As new construction ground to a halt during nearly a quarter century of depression and war, modernization was embraced by a variety of constituencies as a panacea to stimulate the economy, while making buildings more competitive. The installation of slick, shiny materials, mirrored surfaces, and innovative lighting signified a building and its tenants as modern and progressive, and collectively renewed the urban landscape with a more up-to-date appearance. Such reinvestment in desirable buildings was also intended to show confidence in the future of downtown, especially during a period that saw skyrocketing vacancy rates, widespread demolition, and continued decentralization as outlying commercial areas seemingly prospered at its expense.<sup>291</sup>

#### 1. <u>The Changing Nature of Downtown Modernization</u>

In the late 1930s, Aldis & Company—a prominent real estate management firm in the Loop—hired a publicity man to market the modernization program underway in seven of its buildings. One result was a 40-page insert titled, Custom Built Modernization Program," that

<sup>&</sup>lt;sup>291</sup> Modernization remained a vital part of the building industry well into the post-World War II era, amounting to a whopping \$12 billion in 1954, double the prewar rate and one third as much as the \$35 billion spent on new construction. One writer predicted at the time that, "within the next few years the modernization market will grow to be half as big as the new construction market." "Modernization's Mounting Market," *Architectural Forum* Vol. 100 (May 1954) 119.

was placed in the March 26, 1938 issue of *The Economist*, Chicago's leading business weekly. A cover article highlighting the apparent uniqueness of the campaign claimed that, "office building modernization had been attempted only rarely in the past; consequently, there were few case histories to draw upon to prove the value of such a program." This was a remarkable statement, considering that downtown modernization—encompassing stylistic changes, new technologies, or both—was as much a part of American urban development as the continual cycle of demolition and new construction.<sup>292</sup>

Typically referred to in previous periods as renovation, remodeling, or rejuvenation, the intent of such work in any era, including the 1930s, was to increase net income. This was achieved in a variety of ways. Stylistic changes to storefronts or interior public spaces were intended to attract new tenants and/or customers/patrons by making the building appear progressive and up-to-date. In 1885 the venerable McVicker's Theater on Madison Street, between State and Dearborn, was transformed by Adler and Sullivan with two additional stories and a complete restyling of its lobby and auditorium, which were enhanced by the replacement of gas lighting fixtures with 1,200 "Edison" bulbs, while new seats provided greater comfort. The loss of the 1886 Rookery Building's long-time anchor tenant, the Northern Trust Bank, in 1905 spurred it owners to hire Frank Lloyd Wright to restyle its ground floor, which involved sheathing its elaborate iron columns with white marble, installing new geometrically-designed chandeliers, and replacing elaborate iron stair balustrades with more streamlined versions.<sup>293</sup>

A boost in rental income could also be generated by redesigning interiors to accommodate more rentable space or adapting buildings for new uses, often necessitated by

<sup>&</sup>lt;sup>292</sup> "Custom-Built Modernization Program," *The Economist* (March 26, 1938) 459.

<sup>&</sup>lt;sup>293</sup> "McVicker's Theatre," *Chicago Tribune* (July 2, 1885).

shifts within the business district. For example, in 1897 the twenty-five-year-old Atlas Block, a five-story loft building erected as a warehouse for a wholesale grocery concern, was remodeled into "desirable quarters for the retail trade." The \$50,000 project transformed the quarter-block building at the northwest corner of Wabash and Randolph Street through the provision of storefronts with plate glass windows and ornamental iron work, conversion of old-style freight elevators to electric passenger elevators, and the installation of steam heat.<sup>294</sup>

Stylistic updating was often combined with the introduction of more efficient heating, plumbing, and electric equipment that helped to decrease operating and maintenance costs while offering tenants greater comfort and better services. The sixteen-story Unity Building at 127 N. Dearborn Street received a thorough overhauling in 1920 following its purchase by the American Bond and Mortgage Company as their new headquarters building, which reportedly "increased the rent roll from \$60,000 to \$250,000." The \$400,000 project included the renovation of the entrance and lobby, installation of indirect lighting fixtures throughout the building as well as high-speed electric elevators, and upgrading the heating and power plant.<sup>295</sup>

Such downtown building modernization projects were typically pursued during periods of prosperity when owners had funds to spend on often costly work to give their buildings a competitive edge. During the 1930s, however, commercial remodeling was undertaken in the context of a severe nationwide depression that impacted all sectors of the economy. "Between 1929 and 1933, over 85,000 businesses failed, unemployment rose from just over three percent to nearly twenty-five percent, and more than 5,500 banks closed their doors. The Gross National

<sup>&</sup>lt;sup>294</sup> Information on the Atlas Building renovation found in: "Among Architects and Builders," *Chicago Tribune* (March 28, 1897).

<sup>&</sup>lt;sup>295</sup> "Unity Building Changes Hands for \$400,000," *Chicago Tribune* (December 7, 1919); "American Bond and Mortgage Company Buys the Mortgage Banking Business of C.C. Mitchell & Co.," *The Economist* (November 26, 1920).

Product fell by half within five years." Chicago was devastated by the Great Depression. A real estate reassessment in 1929 reduced the city's property valuations by over \$400 million and failure to generate revenue meant that it was unable to pay many of its employees, including teachers. Citywide unemployment increased to forty percent, a shantytown sprang up on Randolph Street on the edge of the Loop, and local welfare agencies were unable to cope with the widespread demands for shelter and food.<sup>296</sup>

The building trade and its related professions—architects, plumbers, electricians, and carpenters—were especially hard-hit by unemployment as new construction virtually ground to a halt. "In 1934 Labor Secretary Frances Perkins estimated the number of the industry's unemployed to be approximately two million people, some 80 percent of all workers attached to the building industry, or nearly 30 percent of all unemployed Americans." In 1934, the federal government launched a New Deal program aimed to promote commercial modernization as a means to create jobs and stimulate the economy. The "Modernize Main Street" initiative was operated by the Federal Housing Administration under Title I of the 1934 National Housing Act, which was amended in 1935 to insure loans up to \$50,000 extended by private lenders for such work. The program was embraced by manufacturers of building materials who aggressively sought to generate new markets for their products as well as professional architectural organizations, such as the AIA, which encouraged its members to take on such work as a means of survival. In 1934, *Architectural Record* partnered with Libby-Owens-Ford Glass to sponsor a "Modernize Main Street" competition aimed to spur the remodeling fervor.<sup>297</sup>

<sup>&</sup>lt;sup>296</sup> Quote taken from: Buder, 258; Roger Biles, "Edward J. Kelly: New Deal Machine Builder," in: Paul M. Green and Melvin G. Holli (eds.), *The Mayors: The Chicago Political Tradition* (Carbondale: Southern Illinois University Press, 1987) 112.

<sup>&</sup>lt;sup>297</sup> Quote taken from: Gabrielle Esperdy, "The Odd-Jog Alleyway of Building: Modernization, Marketing, and Architectural Practice in the 1930s," *Journal of Architectural Education* Vol. 58 (May 2005) 26. The emergence of modernization as an important part of architectural practice in the United States in the 1930s is the focus of the

The vast extent of modernization work undertaken in the 1930s was thoroughly documented through scores of articles published in architectural journals where one writer noted its economic promise:

Modernization...an activity which has buoyed past hopes of building and now opens a three billion dollar opportunity for immediate work....Important governmental agencies and business organizations have regarded modernization as a door that will eventually swing wide open to building recovery. Such an attitude implies a tremendous market for goods and services.<sup>298</sup>

The catchy phrase "modernize for profit" coined by the Modernize Main Street program took on special resonance for owners of downtown office buildings in Chicago and cities elsewhere who were desperate to increase income and vied with neighboring buildings for tenants. Between 1929 and 1933, office vacancy rates nationwide increased from 11.8 percent to 25.4 due in large part due to the glut of office space created during the 1920s boom, while rental income shrank from \$807 million to \$590 million. Completion of the Field Building in 1934 added one million square feet of office space to Chicago's already saturated market. In that year, the city's downtown office vacancy rate soared to 29.6 percent, far above the ten percent considered normal. The Monadnock Building's vacancy rate rose to 45 percent in 1938 prior to the start of its modernization campaign.<sup>299</sup>

following book, which includes detailed discussion of the "Modernize Main Street" program: Gabrielle Esperdy, *Modernizing Main Street: Architecture and Consumer Culture in the New Deal* (Chicago: University of Chicago Press, 2008). Also see the federal government's marketing brochure for the "Modernize Main Street" program: *Modernize for Profit: A Manual for Merchants, Manufacturers and All Owners of Business Property* (Washington, D.C.: Federal Housing Administration, 1935); "Modernize Main Street," *Architectural Forum* Vol. 63 (July 1935) 51-62.

<sup>&</sup>lt;sup>298</sup> "An Open Door To Building," *American Architect* Vol. 147 (September 1935) 11.

A variation of the oft-repeated term "modernize for profit" that was coined by the FHA on its marketing brochure for the "Modernize Main Street" program was the title of a 1935 book titled, *Modernizing Buildings for Profit* by Kenneth Kingsley Stowell (New York: Prentice-Hall, 1935), a former editor of *The Architectural Forum*. Figure on nationwide vacancy rates taken from: Earle Shultz, "The Present Status of the Office Building Industry,"

TABLE XXIII OFFICE BUILDING PERCENTAGEEE VACANCIES IN VARIOUS CITIES, 1929 TO 1938

City	1929	1930	1931	1932	1933	1934	1935	1936	1937	1938
New York	5	9	17	20	24	25	25	22	19	18
Chicago	17	18	19	23	28	30	29	26	23	21
Philadelphia	18	19	25	30	32	33	31	28	26	24
Detroit	26	24	28	34	39	38	36	31	27	25
Los	12	11	15	24	30	31	29	25	21	19
Angeles										
Seattle	16	18	19	27	34	32	31	27	26	25
Atlanta	7	11	19	27	29	29	26	22	17	16
Houston				28	12	10	18	13	10	8
Denver	11	15	15	18	25	24	19	15	12	15

Data taken from: Skyscraper Management (June 1938) 7.

High vacancy rates, and therefore income loss, also resulted from tenant bankruptcies. Especially problematic was the loss of ground floor retail tenants, since store rentals were considerably higher than those of upper floor office space and typically paid for a building's real estate taxes and operating expenses. By 1933, store rents in Chicago were reduced 40 to 90 percent, depending on their location within the city. During the Depression, many chain store operations that often occupied ground floor retail space in office buildings voluntarily declared bankruptcy and then re-negotiated with landlords for a reduction in rent. This practice—started by the United Cigar Stores and followed by Owl Drug Company, Liggett, and many others became the source of much litigation.<sup>300</sup>

Due to drastic shrinkage in operating net income, hundreds of office buildings nationwide were unable to pay their tax bills and were forced to default on their bonds. A 1933 survey of 929 buildings in 16 cities showed that 226 or 24.3 percent were in default. A survey undertaken

*Skyscraper Mana*gement (Feb. 1934) 5. Figure on the Monadnock Building's vacancy rate taken from: "Chicago Remodels a Landmark," *Architectural Forum* Vol. 68 (October 1938) 307.

<sup>&</sup>lt;sup>300</sup> Hoyt (1933) 272; Shultz and Simmons, 212; "Voluntary Bankruptcy Threatens To Destroy Real Estate Values," *Skyscraper Management* (October 1932) 6-8.

in Chicago in the same year revealed that of the 39 office buildings in default, 19 had not only defaulted on bonds, but also on ground rents, so that the properties had been repossessed by the fee owners. Shrinking income created a desperation among building managers for tenants who were often lured to the newest skyscrapers, such as Chicago's massive Field Building, which attracted many tenants from the decade-old Continental Illinois Building a half-block to the south on LaSalle Street. <sup>301</sup> Earle Shultz, manager of the Marquette Building in Chicago, painted a vivid description of the hyper-competitive office market:

Owners of office buildings are like ship wrecked sailors whose supply of food is constantly decreasing and who are consequently desperately fighting each other for a few of the remaining crumbs. Tenants...are constantly solicited to move into other buildings for the sole purpose of effecting a reduction in rent. So intense has this price competition grown that not only can tenants name their own price, but landlords will pay their moving expenses, make elaborate and expensive alterations, provide them with carpets and office furniture, and in addition, give them long periods of free occupancy. Naturally, under present conditions, no landlord is going to permit his tenants to leave his building if he can possibly prevent it, and to hold them he makes even greater concessions than those offered by his competitors.<sup>302</sup>

Retail buildings and entertainment venues in central business districts like Chicago were also greatly impacted by the Depression, as consumer spending spiraled downward. Several prominent individuals associated with the local retail industry estimated that the loss in sales transacted between 1926 and 1938 in the Loop's retail district—which encompassed State Street, Wabash Avenue, and their cross streets—ranged from 10 to 13 percent. A contributing factor to declining retail sales was accelerating competition from outlying districts, many of which did not appear to suffer to as great an extent as downtown. A case in point was the commercial district

<sup>&</sup>lt;sup>301</sup> Shultz (1934) 6; "Field Building Tenants Enlarge Their Quarters," *Chicago Tribune* (Aug. 6, 1933); "Brown, Harriman to Move To New Field Building," *Chicago Tribune* (Oct. 21, 1934).

<sup>&</sup>lt;sup>302</sup> Shultz (1934) 6.

at Halsted and 63<sup>rd</sup> streets in the city's Englewood community, which became a major center of trade in the 1920s for a surrounding population of more than 100,000 middle class families. During the depth of the Depression in August 1934, the Englewood Business Men's Association reported that, "every Englewood store building is rented. Merchants are squeezing stores into every small space." Three months later, Sears Roebuck and Company completed a modernistic five-story Sears, Roebuck & Co. department store at a cost of \$1.5 million that was expanded six years later with an additional story. Also in August 1934, merchants in a number of South Side communities forecast an overall gain in business of 20 percent by year's end due to the occupancy of 1,200 long vacant buildings, claims that were reportedly substantiated by well-known real estate firms dealing in South Side business properties. Such outlying districts offered a wide variety of shops that were comparable to downtown as well as easier access for motorists and convenient parking.<sup>303</sup>

Despite the decline in business, the Loop retail district remained an important regional retail hub, with State Street anchored by seven large department stores that were complemented by high-rise shop buildings and smaller specialty stores, most of which were built prior to World War I. The thoroughfare saw little new retail construction during the 1920s real estate boom and only one new building during the Depression, which was commissioned by the Benson & Rixon men's apparel store. Designed by Alfred Alschuler, this six-story Moderne style building at the southwest corner of State and Quincy streets, erected at a cost of \$300,000, featured rounded corners and streamlined bands of terra cotta alternating with horizontal bands of glass block.

<sup>&</sup>lt;sup>303</sup> George Becker, 63; "Englewood a Merchandising Center," *The Economist* (September 22, 1928) 689; "Englewood Will Be Site of New Wieboldt Store, *Chicago Tribune* (October 3, 1928); "South Side Trade is Looking Up," *Chicago Tribune* (August 19, 1934); "63<sup>rd</sup> and Halsted Gains Another Claim to Fame," *Chicago Tribune* (November 18, 1934); "Sears, Roebuck & Co. Will Add Floor to Store in Englewood," *Chicago Tribune* (Feb. 4, 1940).

Large, plate glass display windows were complemented by streamlined tube lettering in neon, which provided colorful, glowing light and came to typify the look of modern signage starting in the late 1920s.<sup>304</sup>

By far the most prevalent activity on State Street and in retail districts of all sizes nationwide was modernization, which ranged from the creation of attention-getting storefronts to the re-sheathing entire of facades as well as interior improvements. In fact, the National Retail Dry Goods Association estimated in July 1935 that more than 25,000 retail stores throughout the United States would spend 144 million dollars for modernization by year's end, based on a survey of nearly 400 stores whose annual sales volumes ranged from less than \$50,000 to more than 15 million.<sup>305</sup>

Retail building modernization was undertaken to entice customers and increase sales. Changes commonly featured the installation of recessed entrances that protected shoppers from the weather and eliminated old-fashioned awnings, while providing additional space for curvilinear display windows. Such entrances were installed during remodelings for the Wise Shoe Store at 31 S. State Street and the Kitty Kelly Shoe Store at 112 S. State Street. The architectural glass industry introduced new types of structural glass that included glass blocks, reinforced plate glass windows and pigmented structural glass marketed under such names as Carrarra Glass and Vitrolite. Porcelain enamel—consisting of metal sheets to which several coats of a glass-like compound were fused—was entirely a development of the 1930s, expanded

<sup>&</sup>lt;sup>304</sup> The seven department stores on State Street were all constructed by World War I and consisted of Marshall Field and Company; Mandel Brothers; Carson, Pirie, Scott & Company; the Boston Store; the Fair Store; Rothschild and Company; and the Second Leiter Store. "Start Work This Week on State Street's First major Building Project in Decade," *Chicago Tribune* (March 28, 1937). Several photos of the Benson Rixon building upon completion are on file at the Chicago History Museum, in both their Hedrich Blessing and Alfred Alschuler photo collections.

<sup>&</sup>lt;sup>305</sup> Statistic on modernization taken from: "25,000 Retail Stores to Spend \$144,000,000 For Modernization," *Chicago Tribune* (July 9, 1935).

from practically nothing in 1930 to sales that exceeded a million dollars in 1936. Applied as veneers to storefronts and sometimes to entire facades, such materials instantly created a streamlined, modern appearance with sleek, shiny, and often colorful surfaces that were often complemented by silvery accents in chromium, aluminum or stainless steel. The upper floors of the five-story Kitty Kelly Building were used for storage, which allowed them to be entirely resheathed in structural glass and glass block, creating an eye-catching billboard for the establishment.<sup>306</sup>



Figure 69: Kitty Kelly Building. Chicago History Museum: HB-04373B. Photographer: Hedrich Blessing. Figure 70: Wise Shoe Building, ca. 1936. Chicago History Museum: HB-03896. Photographer: Hedrich Blessing.

<sup>&</sup>lt;sup>306</sup> For a good illustrated article on porcelain enamel, see: "Architectural Porcelain Enamel," *Architectural Forum* (May 1937) 457-459. The suitability of porcelain enamel as an interior finishing was evidenced by the installation of approximately 13,000 square feet of the material in the research and testing laboratories of the Chicago Vitreous Enamel Product Company in Cicero, Illinois, built in 1936 as one of about a dozen manufacturers of this product nationwide. "Use of Porcelain Enamel in Interiors," *Skyscraper Management* Vol. 25 (April 1940) 8-9. For a concise history of the historical use of aluminum in office buildings, see the following article written by a representative of the Aluminum Company of America in Pittsburgh: R.T. Griebling, "Aluminum Celebrates Its 50<sup>th</sup> Anniversary," *Skyscraper Management* Vol. 21 (February 1936) 10-11. "New York Firm to Duplicate Gotham Store on State Street," *Chicago Tribune* (April 30, 1933); "Chain Shoe Shop Will Open On Orpheum Site," *Chicago Tribune* (September 5, 1937). Gail Esperdy's book, *Modernize Main Street* focuses on retail storefront modernization of the 1930s and especially the varied building materials used to create the streamlined look.

Some of the most dramatic downtown interior modernization projects involved the transformation of hotel restaurants and cafes into swanky nightclubs and cocktail lounges following the repeal of Prohibition in 1933. A special section in the September 1937 issue of *Architectural Forum* showcased examples of such projects in cities that included Chicago, New York, Ohio, Massachusetts, and Pittsburgh. Some common elements included the use of curving, serpentine lines for ceiling lighting troughs and bars, the latter of which were finished in materials that included stainless steel, mirrors, and Fabrikoid—an imitation leather manufactured by DuPont—while Formica was a popular material for their tops. The designs of such up-to-date drinking establishments, which often featured walls with murals painted in bright color combinations, were worlds away from the old-time saloon, a change that was influenced by the introduction of women:

As time went on, one thing became more and more obvious: the bar had clearly gone the way of the barber shop as a male retreat. Women-in-bars meant a number of changes. Gone was the traditional sawdust on the floor; in came the gaudily colored bar stool...And still more important, in came the woman's touch in decoration, opening the door for modern materials to replace the somber mahogany and net-covered mirrors of the pre-Prohibition saloon.<sup>307</sup>

Holabird and Root cornered the market for such work in downtown Chicago during the 1930s, with projects in hotels that included the Hotel Morrison, Palmer House and Hotel Sherman. Especially notable was the firm's extensive remodeling of the Glass Hat Room in the Congress Hotel: "The result is a brilliantly colorful interior executed in crimson and fuchsia, with murals in shades of blue, dubonnet, and magenta. Aside from the murals, the room obtains its decorative effect entirely from the interesting forms of the stage and lighting troughs, sharply

<sup>&</sup>lt;sup>307</sup> "Planning Techniques for New and Remodeled Buildings: No. 7. Hotel and Restaurant Bars," *Architectural Forum* Vol. 67 (September 1937) 428.

defined by flat masses of color. A revolving stage is used, permitting the rapid alternation of two orchestras."<sup>308</sup>



Figure 71: Glass Hat Room in the Congress Hotel, Chicago, 1936. Chicago History Museum: HB-03644A. Photographer: Hedrich Blessing.

In the absence of new building construction during the Depression of the 1930s, modernization was advanced by some planners and downtown interests as a strategy to combat decentralization. For example, number one of a five-step program recommended by Miller McClintock in 1940 to make the Loop more competitive was to "remove obsolete structures and rehabilitate existing buildings." Many considered modernization to be the more preferable of the two options, however, since the growing numbers of parking lots provided the appearance of decline and disinvestment and were thought to have an overall negative impact on downtown

The Glass Hat Room is illustrated in: "Holabird & Root, Architects," *Architectural Forum* Vol. 66 (June 1937) 534-535. The Chicago History Museum's Hedrich Blessing photo collection included images of this space, which date to 1935, as well as photos of the Hotel Morrison Bar (1935) and the Hotel Sherman Cocktail Lounge (1938). The Hotel Morrison Bar is illustrated in: "Planning Techniques for New and Remodeled Buildings: No. 7. Hotel and Restaurant Bars," 433. Also see: "Le Petit Café and Cocktail Lounge, Chicago," *American Architect* Vol. 148 (January 1936) 43-44.

property values. In contrast, modernized buildings enhanced the value of property in the central business district while providing a sense of optimism about its prospects for the future. Loop property manager Graham Aldis noted that modernization projects, such as the one that his company undertook at the Monadnock Building, provided solutions that he hoped would be adopted by other property owners, "that is, rebuilding within the existing walls rather than adding to the demolition of millions of dollars worth of Loop skyscrapers." As one writer noted, "Modernization of buildings means progress, not decay."<sup>309</sup>

The idea that modernization was synonymous with progress permeated writings on this topic during the 1930s. "Modernization has taken the country by storm. It is not a passing fad. It is the keynote of a progressive era. People have learned to look for modernization in everything. Labels, steamships, bottles, boxes, homes, trains, clothes and airplanes. Everything reflects the influence of "modern" design." Suddenly, even buildings erected during the 1920s found themselves in need of a stylistic change in order to maintain a progressive appearance. Discussing the ever-quickening pace of stylistic obsolescence, one writer observed that, "Buildings that were modern and up-to-the-minute eight to ten years ago are fast becoming outmoded." This phenomenon also revealed that notions regarding planned obsolescence commonly associated with manufactured goods had permeated the building industry. The onset of the Depression and the need for modernization to spur the economy provided justification for discarding the old in favor of the new as buildings became just another consumer commodity. Such attitudes were expressed by architect Henry Holsman: "If the builders could demolish

<sup>&</sup>lt;sup>309</sup> The other steps outlined by McClintock consisted of the following: "renovate and rehabilitate blighted areas surround the central business district; improve mass transportation; control existing parking lots and create new parking areas; and build arterial highways. "Advises Traffic Improvements into Loop Area: Cites City's Trend to Decentralization," *Chicago Tribune* (October 11, 1940). Graham Aldis quote taken from: Al Chase, "Monadnock Building to Be Restyled in City's Biggest Modernization," *Chicago Tribune* (January 16, 1938). Last quote in this paragraph taken from: "A Theory of Modernization," *Architectural Forum* (May 1954) 120.

obsolete buildings as industrialists scrap obsolete machines and methods, or as the provident discard obsolete clothes, unemployment could diminish and national wealth increase to the multiple benefits of all citizens."<sup>310</sup>

Modernization was undertaken on retail buildings of all types along State Street, while office building modernization in the Loop and in cities nationwide typically involved those considered "Class A" types that were less than thirty years of age, well-located and well-managed. In the Loop, most such buildings were concentrated on LaSalle Street and to a lesser extent, on Michigan Avenue. Buildings of all ages along the former thoroughfare were remodeled in some way, even those dating from the 1920s. Such work was also notable for revealing the types of buildings that were valued and those considered expendable. By largely neglecting loft-type buildings, the selective process of modernization reinforced the "weeding out" of older stock associated more with warehouse and light manufacturing use as the Loop continued its transition from a manufacturing to a service economy.

#### 3. <u>Will It Pay? Office Building Modernization</u>

Although the flashy re-sheathing of storefronts or entire facades of retail buildings with sleek, colorful materials has garnered much attention in recent scholarship, Depression-era

The first two quotes in this paragraph were taken from: F.R. Kohnstamm, "New Lease on Light in Building Modernization," *Skyscraper Management* Vol. 20 (October 1935) 12. Quote by Henry Holsman taken from: Al Chase, "Says Now's Time to Rejuvenate Blighted Areas," *Chicago Tribune* (April 17, 1932). For contemporary discussions pertaining to the "life-span" of office buildings, see: Earle Shultz, *The Effect of Obsolescence on the Useful and profitable Life of Office Buildings* (Chicago: National Association of Building Owners and Managers, 1922); "Obsolescence of Buildings," *Engineering News-Record* (December 26, 1929) 992-993. The idea of "life-spans" for a variety of commodities is discussed in: Bernard London, *Ending the Depression Through Planned Obsolescence* (New York, 1932). For a good discussion of the relationship of industrial design to planned obsolescence see Chapter 4 in: Jeffrey L. Meikle, *Twentieth Century Limited: Industrial Design in America, 1925-1939* (Philadelphia: Temple University Press, 2001). For an overview of the early twentieth-century origins of the discourse of obsolescence, see: Daniel M. Abramson, "Obsolescence: Notes Towards History, in: *Praxis* (Issue 5, 2003) 106-112.

modernization was even more prevalent in office buildings, which comprised the majority of the fabric of central business districts in medium- to large-sized cities. Dearborn Street saw the modernization of two especially prominent office buildings—the Monadnock and Marquette— while much of its remaining streetscape was razed for taxpayer buildings in the 1930s. The decision of whether to modernize, demolish, or simply slash rents for an office building was a complex one and resulted from the consideration of a variety of factors, including the need for its building type; present and future competition; the financial structure of the building, with its profit-and-loss history; and the plan, design and physical condition of the property and its equipment.<sup>311</sup>

Once the decision was made to modernize, the type of work undertaken was unique to every building and its financial situation. During the early years of the Depression when financing was extremely restricted, improvements to office buildings were mainly limited to aesthetic changes to storefronts and public spaces, such as lobbies, elevator cabs, corridors, and bathrooms. A streamlined look was the typical motif and contemporary tastes for "simplicity" the guiding principle. According to one observer, "Buildings must keep abreast of the times. Business demands modern quarters. Old tenants are being held and new tenants are being attracted more and more by the modernized buildings that offer the definite and tangible advantages of modern style." As conditions began to improve later in the decade, property

<sup>&</sup>lt;sup>311</sup> In her book, Downtown America, Alison Isenberg discussed the emergence of real estate consulting firms during the Depression to provide data to owners grappling with decision of whether or not to modernize The two earliest firms were Real Estate Analysts of St. Louis, and Downs, Mohl, and Co. (later Real Estate Research Corp.) of Chicago, founded in 1932 and 1927 respectively. Both published confidential newsletters to provide professional advice on national trends affecting real estate in order to encourage responsible investing. Their clients were mainly large institutions such as banks, mortgage and insurance companies, which were inundated with foreclosed properties and needed quick, expert help on what to do with them. See: Isenberg,152.

owners invested in more costly alterations, particularly the installation of air conditioning as well as new lighting and elevator systems. <sup>312</sup>

Modernization was universally promoted as a means of providing a competitive edge to office buildings, better positioning them to attract/retain tenants and therefore increase rental income. Charles Palmer, President of NABOM, bluntly stated the economic imperative of such work: "The theme song in stabilizing rentals through checking obsolescence in business properties is: "Will it Pay?" This profit-motivated theme was highlighted in the marketing manual produced for the federal government's "Modernize Main Street" program offering loans up to \$50,000 for such work: "Every businessman knows the value of modernization....Income property management knows that the potential earning capacity of a building can be maintained only if the building is kept modern and in line with tenants' demands and desires." One contemporary writer in *Skyscraper Management* noted the advantages of modernizing during a period when the cost of materials and equipment "were lower than they'd been in years" and asked, "If rehabilitation would add 10 percent to the rent roll, how long would it take to write off the cost?"<sup>313</sup>

An executive with the Westinghouse electric company noted, "Owners of older office buildings, found in every typical American city, are learning that a modernized old building can undersell competing newer buildings on desirable space."<sup>314</sup> Graham Aldis highlighted the

<sup>&</sup>lt;sup>312</sup> Quote from: Kohnstamm,12.

<sup>&</sup>lt;sup>313</sup> First quote taken from: Charles F. Palmer, "How Can We Finance Maintenance and Improvement of Business Property?" *Skyscraper Management* Vol. 18 (May 1933) 10. Second quote taken from: Federal Housing Administration, *Modernize for Profit: A Manual for Merchants, Manufacturers and All Owners of Business Property* (Washington, D.C. 1935) 3-4. Quotes in last sentence taken from: "Buy Now and Bank the Difference," *Skyscraper Management* Vol. 17 (September 1932).

<sup>&</sup>lt;sup>314</sup> Frederick Putnam Platt, "What Modernizing 400 Buildings Has Taught Us," *American Architect* Vol. 141 (January 1932) 46.

competitive advantages of older buildings with newly modernized interiors over skyscrapers built during the 1920s boom:

The newest office building in the Loop today was planned at least ten years ago and is consequently ten years behind the latest trends in office requirements in its conception and use of materials. On the other hand, for example, the twelfth floor of the Monadnock Building has a type of flooring that was not in existence six months ago, as well as types of furnishings unknown as recently as three years ago.<sup>315</sup>

Office building modernization was an activity embraced by the National Association of Building Owners and Managers (NABOM) as a means to increase the value of existing property in central business districts. It was the key topic of discussion at their annual conventions and in *Skyscraper Management*, the organization's monthly journal, which showcased modernization projects in cities as diverse as San Francisco, Fort Worth, Duluth, Portland, Los Angeles, Detroit, Dallas, Indianapolis, Cincinnati, Omaha, Des Moines, Kansas City, and St. Paul. Such case studies were typically accompanied by "before" and "after" photos showing often dramatic changes in a building's public spaces as well as testimonials from owners and managers about how the work resulted in immediate benefits, such as increased occupancy and thus rental income as well as cost savings through more efficient technologies.

In 1939, San Francisco's sixteen-story Claus Spreckels Building was considered "completely outmoded" and only fifty percent occupied, spurring its owners to completely overhaul the 1896 building's appearance and technologies. Most dramatic was the exterior reconstruction that transformed its style from Beaux Arts to Art Deco. The provision of its "ultra modern" appearance involved the replacement of all exterior ornamentation and original

Al Chase, "Monadnock Building to Be Restyled in City's Biggest Modernization," *Chicago Tribune* (Jan. 16, 1938).

sandstone cladding with smooth limestone, the provision of shallow setbacks, and most notably, the replacement of its magnificent yet "non-productive" dome and four corner cupolas with six floors of new office space that culminated in a flat roof. The end result increased the occupancy rate to 85 percent and attracted more desirable tenants, according to its vice president.<sup>316</sup>



Figures 72 and 73: Claus Spreckels Building, San Francisco, before (left) and after (right) modernization; from *Skyscraper Management* Vol. 24 (February 1939) 8-9.

The only office building in the Loop to experience a similarly dramatic "facelift" was the twelve-story Equitable Building at 29 S. LaSalle Street, which received an austere Bedford limestone façade in 1940 that was in stark contrast to its former glazed brick walls with tripartite design and classical detailing in terra cotta. The work was undertaken as part of a one million dollar modernization program by Holabird and Root to transform the building into the new

<sup>&</sup>lt;sup>316</sup> Gerald R. White, "Our Modernization Doubled the Income," *Skyscraper Management* Vol. 24 (February 1939) 8-9.

headquarters of the Equitable Life Insurance Company, which had purchased it the previous year.<sup>317</sup>



Figures 74 and 75: Equitable Building at 29 S. LaSalle Street, before and after its 1940 re-sheathing. Photo on left from Chicago History Museum: ICHi-19102. Photographer: Barnes-Crosby. Photo on right by author, 2015.

The re-sheathing of skyscrapers was unusual, however. Exterior modernization of office buildings was more typically confined to the base of such buildings since improvements near the eye level attracted more attention than changes elsewhere, as noted by one architect in the early 1930s: "Often it is only necessary to simplify the exterior of the first two stories, removing oldfashioned materials. Pedestrians seldom look above the second story." The entrances and storefronts of office buildings, especially those concentrated along established business corridors

<sup>&</sup>lt;sup>317</sup> The Equitable Building was erected in 1902 as the National Life Building and was designed by Jenney and Mundie. "Announce Million Dollar Remodeling Job for Loop Building," *Chicago Tribune* (Nov. 5, 1939); "Million Dollar Reconstruction Job Proceeds," *Chicago Tribune* (March 2, 1940).

and financial districts, often achieved sleek, modernistic effects through a veneer of more traditional materials, such as polished marble or granite, while structural glass typically featured more subdued colors. The two street frontages of the No. 1 LaSalle Street Building were modernized a few short years after the building's 1929 completion through the installation of black Vitrolite above a continuous band of large display windows edged in shiny chromium that showcased the merchandise of its expansive new Florsheim shoe store.<sup>318</sup>

Liberal outlays for the provision of streamlined, modern storefronts—which in older buildings often involved reducing large masonry piers, enlarging display windows and pushing them outward to the building line—was justified by the fact that store rents were from two-anda-half to four times higher per square than office space in the same building. A survey undertaken by NABOM in the early 1930s revealed that in buildings of eight stories, store rents produced 35 percent of the income; twelve stories, 24 percent; and fifteen stories, 18 percent.<sup>319</sup>

Modernization often involved the conversion of ground floor space to new uses, especially along Wall Street and LaSalle Street where the urge to "go retail" began in the late 1920s and accelerated in the 1930s due to vacancies in offices formerly occupied by banks and brokerage houses following the stock market crash. One contemporary writer observed in 1937 that, "Today the financial thoroughfare has the Neon signs, the attractive window displays and all other accoutrements to be found on a city's liveliest shopping street." Since the onset of the Depression there was "a definite bid from owners and managers of LaSalle Street properties for retail tenants." Much of the new retail use consisted of chain stores which continued to prosper, even during the Depression. The American National Bank, which owned both the Foreman and

<sup>&</sup>lt;sup>318</sup> Quote taken from: Platt, 70.

<sup>&</sup>lt;sup>319</sup> Platt, 70.
the State Bank Buildings on LaSalle Street, commissioned Graham, Anderson, Probst and White in 1937 to remodel the entire first floor of the latter into stores and shops. The firm also converted a portion of banking quarters in the Foreman Building into a Ligget's drug store, which involved the replacement of large blocks of granite with glass. The space formerly occupied by the bond department of the Continental and Commercial Bank at the northwest corner of LaSalle and Quincy streets was converted to a tearoom while ground floor dining rooms of the Hotel LaSalle were transformed into shops.<sup>320</sup>

Newly streamlined lobbies offered another means for tenants to advertise the progressive nature of their business. Many property owners shared the sentiment that "we must remove every evidence of age on the inside of the building," and sought to replace the profuse and classically-inspired ornamentation typical of older office buildings with sleek new materials and finishes. Mosaic tile flooring was often covered with terrazzo or marble flooring, elaborate chandeliers were removed, and lobbies were brightened with indirect lighting systems and new fixtures. In the modernization of the 1907 Lowry Building in St. Paul, which was considered "thoroughly antiquated" by 1937, marble walls and murals were replaced by wood paneling. Decorative metal grille work covering elevator fronts was considered old fashioned by the 1930s and stamped a building as "belonging to a bygone era," while the installation of modern elevator doors in bronze or aluminum marked it as one that was "thoroughly up to date in its appointments." The interiors of elevator cabs of the old "birdcage type" were typically re-lined with metal or veneered wood. Both the 30 N. LaSalle (formerly the Chicago Stock Exchange)

<sup>&</sup>lt;sup>320</sup> Quotes in this paragraph taken from: H.A. Winters, "Retailers Invade Financial Streets," *Skyscraper Management* Vol. 22 (January 1937) 7-8.

and Rookery Buildings on LaSalle Street received sleek new elevator doors during their modernization campaigns.<sup>321</sup>

The upper corridors of older office buildings prior to modernization were likely to feature, "heavy cornices, unsightly transoms, corridor sash and heavy trim, heavy doors and unwieldy outworn hardware, and old, unattractive floors badly cracked." Such "relics of a past age must be torn out and replaced by new materials of simple design," asserted one architect. This sentiment was shared by the building manager of the YMCA Building at 19 S. LaSalle Street, who noted that the building's "excessive use of oak trim around the doors, transoms, and borrowed lights gave the corridors the appearance that is most aptly described in the phrase "too much ginger-bread." The corridor walls of that building were stripped of such trim and the windows flanking each door transom were replaced by plaster walls. Colored Goodyear rubber tile was a popular new flooring material on upper floor corridors due to its durability, and linoleum tile flooring was also laid in many offices. The installation of air conditioning ducts and new lighting conduits required the lowering of formerly high ceilings in corridors and the placement of acoustical ceilings or weatherboard coated with plaster to accommodate them. The modernization of public bathrooms was also considered an essential means to increase tenant satisfaction. Such spaces were enlivened through the use of structural glass, porcelain enamel, or glass block, while innovative design features that included suspended glass toilet stiles and partitions as well as wall mounted lavatories and bowls allowed for greater sanitation.322

Gerald R. White, 9; "Simplification Answers Lowry Building's Problem," *Skyscraper Management* Vol. 22 (May 1937) 12; Platt, 49; "Plan \$100,000 Modernization; 30 N. LaSalle," *Chicago Tribune* (December 3, 1933).

Platt, 70. For a full description of the YMCA Building's 1934 modernization, see: H.A. Stotz, "A
Remodeling Project That Was Progressive and Painless," *Skyscraper Management* Vol. 19 (December 1934) 10-11,
The following article provides a good description of the 1938 bathroom modernization undertaken in Chicago's

While aesthetics and novelty were certainly appreciated by tenants, what really factored in their decision to stay or move from a building were new technologies intended to raise a building's standard of service and thus increase the comfort and productivity of its inhabitants. Numerous buildings were re-wired to accommodate the increased loads of new telephone and teletype systems. The combination of air conditioning and better illumination also allowed for the creation of new, income-producing space in areas that were formerly unusable, such as basements.

Many asserted that high-speed elevator service in the newest buildings, more than any other factor, made it imperative for older buildings to modernize. "A building may affront a man's taste in architecture, but if the elevator service wastes his valuable time he will begin to look around for more desirable quarters." Hydraulic elevators—introduced to office buildings by the Otis Company in the mid-nineteenth-century—were supplanted nearly everywhere in the 1930s by new electric signal control elevators which controlled elevator acceleration and deceleration as the car approached the landing. Otis installed its first signal control system in the new Standard Oil Building in New York City in 1924. The new automated technology eliminated the need for elevator operators no longer able to control speeds that increased from 400 feet per minute to over 700 feet per minute. Such updated systems also "introduced, without doubt, an atmosphere of up-to-dateness. The service is faster, smoother, quieter and decidedly more frequent." <sup>323</sup>

Harvester Building, which was typical of such work at the time: "Rejuvenating an Old Building," *Skyscraper Management* Vol. 23 (September 1938) 5.

<sup>&</sup>lt;sup>323</sup> First quote taken from: Platt, 46. Second quote taken from: M.W. McIntyre, "Old Elevators Date a Building," *Skyscraper Management* (August 1938) 10. For a succinct history of the Otis Company's elevator technology, see: Otis Company, *About Elevators*, ca. 1990. This 14-page book was found online: http://www.otisworldwide.com/pdf/aboutelevators.pdf and was retrieved in July 2015.

Air conditioning—first perfected to meet the demands of manufacturing industries—was introduced to office buildings in the mid-1930s, albeit slowly, due to the high cost of installation. In fact, by July 1938 there were only 25 fully air conditioned office buildings in the United States, according to a survey conducted by NABOM. In 1937, the 22-story Second National Bank Building, built in 1912, became Houston's first air conditioned building at a then-considerable sum of \$250,000. Due to the high expense, owners often phased in the introduction of air conditioning to office buildings a few floors at a time, rather retrofitting the entire building at once. For example, modernization of the Harvester Building on Michigan Avenue added air conditioning to the executive offices only. The selling points used in promoting the benefits of air conditioned offices to prospective clients, as well as their accompanying systems of humidity and temperature control, included noise abatement, increased production, more agreeable working conditions, lower personnel turnover, and fewer illness absentees. The closing of all windows also led to a lessoning of dirt and dust in a building, thereby reducing cleaning and redecorating costs for building owners.<sup>324</sup>

Improved illumination was also considered an essential feature of office building modernization and was demanded by tenants who had become "light conscious" due to marketing efforts by the electrical industry and manufacturers of light fixtures. The new

Ray K. Jacobson, "Air Conditioning Without Prohibitive Cost," *Skyscraper Management* (Sept. 1938) 6; John I. Hill, "Houston's First Air Conditioned Building," *Skyscraper Management* Vol. 22 (October 1937); "Rejuvenating An Old Building," 5. For a history of air conditioning in the U.S., see: Marsha E. Ackermann, *Cool Comfort: America's Romance with Air-Conditioning* (Washington, D.C.: Smithsonian Institution Press, 2002). There were four types of air conditioning systems available for office buildings in the 1930s: 1) The <u>central system</u> in which the refrigeration and air conditioning apparatus was located in the engine room of the building and the treated air was carried by means of ducts to the various areas of the building to be cooled; 2) The <u>unit system</u> where the air conditioning unit was placed directly in the room and fed from chilled water from the central refrigeration plant; 3) the group system, which embodied a large air conditioning unit placed on each floor or for each group of offices or rooms to be cooled. The cooled air was carried by ducts to the diffusing point; and 4) the independentlyoperated, self-contained <u>portable unit</u> which could be placed in an individual office. This information was taken from: William B. Henderson, "Air Conditioning Pays Profits," *Skyscraper Management* (July 1935) 10.

technology of indirect and semi-indirect lighting—featuring open dish ceiling fixtures as opposed to the older globe types—provided higher intensity illumination with more uniform distribution while eliminating glare. The result was greater efficiency for workers as "faster and more accurate work can be done with better lights." There was a lack of agreement by lighting experts on how many foot-candles should be provided for general office illumination in the 1930s, although one 1938 report noted that between 10 to 12 foot-candles "may be considered as ample at this time."<sup>325</sup>

The provision of modern illumination provided distinct advertising advantages. "The building manager who has just installed proper illumination can make a big point of it that will convincingly impress the prospective tenant. In this way, the manager of an older building can, through modern illumination, enjoy a definite advantage over managers of buildings of newer design." <sup>326</sup> High intensity illumination was the centerpiece of the Marquette Building's modernization campaign of the early 1930s. Its benefits were showcased in a demonstration office that was set up on a lower floor of the building for marketing purposes, described by its manager Earl Shultz:

In the reception are three devices to demonstrate the value of the better lighting. These devices are, first, a sight-light booth, where the prospect can adjust the quantity of the light to suite his personal requirements. Second, a speed-of-vision machine, which demonstrates how much better one can see under high intensity lighting; and third, an apparatus to show the comparative light absorption of different wall colors. In addition, there are a number of charts around the walls illustrating the increase in employee efficiency produced by the better lighting.<sup>327</sup>

<sup>&</sup>lt;sup>325</sup> A discussion of tenants becoming "light conscious" is contained in: Alfred Pomm, "Modern Trend in Office Lighting," *Skyscraper Management* Vol. 24 (October 1939) 6-7. First quote taken from: H.F. Richardson, "Good Illumination is Essential for Office Areas," *Skyscraper Management* Vol. 22 (March 1937) 10. Second quote on foot-candles taken from: "Illumination in Office Buildings," *Skyscraper Management* Vol. 23 (January 1938) 3.

<sup>&</sup>lt;sup>326</sup> Quote taken from: Kohnstamm, 13.

<sup>&</sup>lt;sup>327</sup> Earle Shultz, "An Experiment in Office Renting," *Skyscraper Management* Vol. 24 (January 1939) 11.

In addition to high intensity lighting, the "Office of the Future," as the demonstration office was called, featured innovative decorative schemes that also attracted public attention. Walls were painted in pastel colors in bands or stripes of various shades. According to Shultz, "The new style was so enthusiastically accepted by our tenants that we have gradually added more color and sometimes use two colors on a wall, such as a dark sage green for the lower band, with the middle band light yellow, with the top band still practically white."<sup>328</sup>

During the late 1930s, Aldis & Company spearheaded an ambitious modernization campaign on a number of large buildings that they managed in Chicago's central business district, which included the Monadnock, Rookery, and Monroe. Company president Graham Aldis asserted that the program was intended to demonstrate "the practicality of remodeling structurally sound skyscrapers instead of demolishing them." Aldis clearly equated such work, which he touted as "progressive styling," with that of Depression-era industrial designers, such as Henry Dreyfuss and Raymond Loewy, who were hired to create enticing new product designs in an effort to stimulate consumer demand. According to Aldis, "Industry has recognized the need of redesigning and restyling its packages and projects. We are applying this principle to the product of the building manager, which is the office suite."<sup>329</sup>

Marketing was an important part of the company's program, as noted in a 1938 article in *Skyscraper Management*: "Aldis & Company did not know that they were "progressively styling" anything until they engaged a publicity man and that immortal phrase was born of his brain and resulted, one quiet Sunday, in a seven-column head on the real estate page of one of the Sunday papers." The biggest boost they received in touting their modernization campaign

<sup>&</sup>lt;sup>328</sup> Shultz, 1939, 11.

<sup>&</sup>lt;sup>329</sup> "Monadnock Building to be Restyled in City's Biggest Modernization," *Chicago Tribune* (Jan. 16, 1938).

was a 39-page insert in Chicago's leading business weekly, *The Economist*. Marketing dollars were spent prudently, however. Aldis noted that they conducted little publicity on the renovations to the Rookery building due to its prominent location in the heart of the city's financial district. However, the Monadnock Building's location at the south end of the Loop, combined with the need to appeal to the small tenant, for which the space was best adopted, led Aldis to state that, "we plugged our publicity on that building as hard as we could." Out of the total \$125,000 budget for modernization, \$5,000 was allocated for advertising and promotion.<sup>330</sup>

Aldis & Company's work on the lobby of the 1912 Monroe Building at 104 S. Michigan Avenue—which featured a groin vaulted ceiling and "unusually expensive Rookwood tile wainscoting and trim"—was in keeping with its goal of retaining architectural features that made each building unique. As a result, the work in this case was more "restoration" rather than "modernization" as described by Graham Aldis:

Here the problem was not to change or revamp but to conserve the richness and individuality through the elimination of outmoded detail and discordant notes. For example, the worn-out lobby floor was replaced in the same Rookwood material, with only minor changes in design....The elevator door grilles in the lobby, originally executed in bronze and steel, were still so excellently a part of the lobby design that instead of replacing them, the enclosure of the elevator shaft was accomplished at this point merely by backing up the grilles with steel plates inconspicuously enameled in an appropriate dark shade.<sup>331</sup>

Likewise, the Rookery Building on LaSalle Street featured "sound original construction, excellent location, a good occupancy record and a still good looking exterior," elements that "saved it from the guillotine." In terms of its interior, much of which was the result of a 1950

<sup>&</sup>lt;sup>330</sup> Graham Aldis. "Progressive Styling of Older Buildings," *Skyscraper Management* Vol. 23 (July 1938) 10-11; "Chicago Remodels a Landmark," 310.

<sup>&</sup>lt;sup>331</sup> "The Monroe," *The Economist* (March 26, 1938) 469.

remodeling by Frank Lloyd Wright, Aldis noted that "we had a fine white marble finish, chased in low relief in gold, somewhat ornamental in pattern, perhaps old-fashioned but not excessively so." No changes were made to the exterior of the Rookery Building and alternations to the first floor public spaces were mainly limited to the replacement of its original mosaic tile flooring with marble and the installation of metal elevator doors to complement its new electric elevators.<sup>332</sup>



Figure 76: Elevator doors and light fixtures installed in the Rookery Building during its 1930s modernization. Photo by author, 2015

Aldis & Company's most ambitious modernization program focused on the sixteen-story Monadnock Building, a block-long edifice on Dearborn Street that accommodated a daily population of 3,000 people. The severe appearance of its brick elevations that was so shocking upon the building's completion in 1893 was considered an advantage in 1938 when one writer noted that due to its "modern" treatment" the building "today has a more presentable exterior

<sup>&</sup>lt;sup>332</sup> George V. Dahl, "Famous Old Rookery Saved from "Guillotine" by Interior Modernizing Program," *The Economist* (March 26, 1938) 479; Graham Aldis. "Progressive Styling of Older Buildings," *Skyscraper Management* Vol. 23 (July 1938) 11.

appearance than many a more recent Loop office building." Graham Aldis was aware of the building's international reputation, noting that it was "recognized not only in the United States but in the circles of New Architecture abroad as a landmark in architectural design," and called it a "masterpiece of the late John W. Root." Additional advantages that reportedly contributed to the decision to modernize, rather than demolish, the building were its well-lit offices "with gracious windows in every bay," and high ceilings. Unmentioned, but likely a significant additional factor, was the cost of demolishing such a massive structure, half of which was built with load-bearing walls that were six feet thick at the base.<sup>333</sup>





Figure 77: Monadnock Building. Photo by author, 2015. Figure 78: Monadnock Building's modernized entrance on Jackson Boulevard, ca. 1940. Skidmore, Owings, and Merrill Archive. Photographer unknown.

<sup>&</sup>lt;sup>333</sup> "Chicago Remodels a Landmark," 307; Graham Aldis, "The Monadnock," *The Economist* (March 26, 1938) 462.

The newly created partnership of Louis Skidmore and Nathaniel Owings was retained as designing architects for the Monadnock Building project. Owings observed that, "Externally the building is one of the important architectural monuments of Chicago and as such has a definite value from a rental point of view." Its widely admired appearance precluded changes to the exterior, with the exception of a new Jackson Street entrance that was retrofitted in-between its massive granite blocks and intended to advertise to the work being done within. Alternating bands of glass and red bronze curved back from the building line to the edge of the revolving door, which was topped by a rounded panel of red bronze. The new entrance was illuminated from behind, creating an effect of two pillars of light. It opened onto its block-long ground floor corridor, where remodeling included the installation of a new terrazzo floor with black trim as well as new lighting fixtures, directory board, solid elevator doors and new cabs. The ornamental iron staircases leading from the first to second floor were encased in marble as were those on some of the upper floors.<sup>334</sup>

<sup>&</sup>lt;sup>334</sup> Nathanial A. Owings, "Monadnock Proves Practicality of Restyling Skyscrapers," *The Economist* (March 26, 1938) 463; Graham Aldis, "The Monadnock," *The Economist* (March 26, 1938) 468.



Figures 79 and 80: Monadnock Building ground floor staircase before (left) and after (right) the building's 1938 modernization. Photos courtesy of Skidmore, Owings, and Merrill archive. Photographer unknown.

The third step of the Monadnock Building's modernization program, which was conducted in phases, centered on its twelfth floor, which featured a restyled corridor and a series of six Skidmore and Owings-designed model office suites. Corridor changes included the installation of rubber tile flooring featuring bold, geometric designs and the removal of its "borrowed light" windows and decorative wood moldings, in order to provide smooth wall surfaces. However, it was the model office suites that comprised the real heart of the marketing campaign for the building's renovation. They were meant to stimulate rentals by showing present and prospective tenants the possibilities inherent in individualizing their office space, based on the theory that, "a man spends three-fourths of his waking hours in his office and for this reason his office is entitled, aesthetically speaking, to as much consideration as his living room."<sup>335</sup>

<sup>&</sup>lt;sup>335</sup> For information on, and photos of, the Monadnock Building's twelfth floor modernization, see: "Progressive Styling in an Older Building," *Skyscraper Management* Vol. 23 (February 1938) 8-9; "Chicago

Office suite modernization consisted of knocking down partition walls in order to create "larger, better planned offices with sheer plaster walls" in which wood trim was either eliminated or bleached. Wash basins were enclosed, radiators covered with glass block, and built-in cabinets, bookcases, closets, and new indirect lighting fixtures were installed. Varied decorative ideas involving the use of color were introduced in the carpeting, draperies, and painted walls of the model office suites. In some offices, wood Venetian blinds were used and walls were covered with wall paper of modern Swedish design to demonstrate that this material "can be used in a way that will not detract from the masculinity and businesslike character of the office. Furniture of mainly bleached walnut and oak was specially designed from the standpoint of efficient layout and provision of a "sense of 'today'…which means a sense of modernity." Aldis remarked in 1938 that since modernization of the building began the previous year, "not a single tenant has been lost to competitors."<sup>336</sup>

Remodels a Landmark," Architectural Forum 68 (October 1938) 307-309; Graham Aldis, "The Monadnock," The Economist (March 26, 1938) 462, 468; Nathanial A. Owings, "Monadnock Proves Practicality of Restyling Skyscrapers," The Economist (March 26, 1938) 463-464, 480.

<sup>&</sup>lt;sup>336</sup> "Progressive Styling in an Older Building," 468.



Figures 81 and 82: Monadnock Building model office and 12<sup>th</sup> floor corridor after their 1938 modernization. Skidmore, Owings and Merrill archive. Both photographs by Chicago Architectural Photography Company.

# C. Progress versus Preservation

In 1938, Graham Aldis spoke admiringly about the Marquette Building's modernization program, which preserved historical scenes executed in mosaic by the Tiffany Glass Company in the lobby as well as the bronze relief sculptures above its elevators cabs by Edward Kemeys. Also retained were bronze relief sculptures by Herman MacNeil above the main portal. In contrast, he was critical of the modernization of an unnamed office building in the Loop that removed a "very handsome, grained mosaic ceiling, very rich in effect and of distinct architectural merit. It was old in style but I believe it could have been emphasized and developed through proper treatment and lighting." Instead the management "ripped out that very unusual, handsome ceiling entirely and installed an ordinary ornamental plaster affair such as you can see anywhere." Such comments demonstrate that not all agreed that modernization necessarily entailed the complete eradication of historic elements, especially those that made a building unique. This viewpoint was seemingly shared by trustees of the YMCA Building at 19 S. LaSalle Street, which restored the terra cotta sheathing and ornamentation of its lower four floors during its 1934 "modernization" project.<sup>337</sup>



Figure 83: Marquette Building lobby which retained its Tiffany mosaics and bronze relief sculptures above the elevator cabs during its mid-1930s modernization. Figure 84: Exterior of YMCA Building at 19 S. LaSalle Street, the overall design of which was preserved during its 1934 modernization. Both photos by author, 2015.

In general, however, the widespread demolition and modernization of all types of buildings in the Loop during the interwar era generally elicited few words of lament among architects or in the popular press, unless they were considered cultural treasures or designed by such widely admired architects as Henry Hobson Richardson or John Wellborn Root. For example, in 1922, architect Robert McLean lamented the impending demolition of the Woman's Temple as an "archaeological disaster," noting the same arguments being used at that time to save the Fine Arts Building from Chicago's 1893 World's Fair should be applied to "this example of Chicago's architectural art renaissance." And as the wrecking crews finally

<sup>&</sup>lt;sup>337</sup> Graham Aldis. "Progressive Styling of Older Buildings," *Skyscraper Management* (July 1938) 10-11; Stotz, 10-11, 26.

descended upon the building in 1926, an anonymous writer stated, "In the passing of the temple, Chicago loses one of the last works of John W. Root, and one of the finest examples of his architecture in the city." Another writer observed that "the destruction of the building removes from the downtown district a beautiful structure, a notable architectural landmark, one of the few remaining monuments to the genius of John W. Root..."<sup>338</sup>

The demolition of two H.H. Richardson-designed stone-fronted buildings in Chicago the Franklin MacVeagh House on Lake Shore Drive and the gargantuan Marshall Field Warehouse in the wholesale district—prompted efforts to preserve their fragments. The massive round-arched granite portal of the MacVeagh house was donated to the Armour Institute after it was razed for an apartment building in 1922, thanks to the efforts of architectural historian Thomas Tallmadge at the behest of the Illinois chapter of the American Institute of Architects. Tallmadge also managed to save some of the carved capitals from the Marshall Field Warehouse after it was razed for a parking lot, prompting him to launch an ultimately unrealized effort to establish a Chicago museum of architectural fragments which was to be located in the Richardson-designed Glessner house at Prairie and 18<sup>th</sup> streets and modeled after that of the Ecole des Beaux Arts. While discussing the significance of the Richardsonian Romanesque Revival to Chicago's architectural legacy, he noted, "I believe that Henry Richardson is still regarded as the greatest architect that America ever produced," adding that "Chicago produced in John Wellborn Root, Richardson's greatest disciple."<sup>339</sup>

Robert Craik McLean, "The Passing of the Woman's Temple," *Western Architect* Vol. 31 (January 1922) 13; "Lofty Temple to Temperance Falls in Debris," *Chicago Tribune* (August 12, 1926); "Beauty and Sentiment Not Enough," *Chicago Daily News* (October 5, 1926).

<sup>&</sup>lt;sup>339</sup> "MacVeagh House Portal Saved to Chicago Public," *Chicago Tribune* (April 30, 1922); Philip Hampson, "New Museum to Tell Story of City's Past," *Chicago Tribune* (June 22, 1930); "Recalling Other Days," *Chicago Tribune* (June 22, 1930).

The 1938 establishment of the Society for the Preservation of Works of Architecture in Chicago under the auspices of the Chicago Woman's Club indicates that a constituency of prominent individuals was concerned about the loss of significant buildings. Eugene Taylor, Chairman of the Chicago Plan Commission, was elected president of the organization, whose mission was to identify "what and where are things to be preserved, to stand guard to prevent their destruction, and to enlist the cooperation of other organizations." Other directors included Mrs. Warren Rufus Smith of the Chicago Woman's Club; Caroline McIlvaine, long-time librarian of the Chicago Historical Society; architect John Holabird; Carl Roden, librarian of the Chicago Public Library and Charles F. Kelley, dean of the Art Institute. Presumably they were concerned with historically, as well as architecturally significant buildings that were fast disappearing in and around the Loop, such as a frame cottage at 127 Morgan Street where Abraham Lincoln reportedly stayed while trying cases in the city as counsel for the Illinois Central Railroad. No further information was found on this organization beyond articles pertaining to its establishment and the extent of its subsequent activities is unknown.<sup>340</sup>

The only full-fledged downtown preservation battle of the interwar era involved the Auditorium Building, which was designed by Adler and Sullivan and completed in 1889 at the northwest corner of Michigan Avenue and Congress Street. A lavishly ornamented and acoustically-perfect 4,300-seat theater—which served as the long-time home for Chicago's opera, symphony, and hosted other cultural events—was the centerpiece of the multiuse building, which included a 400-room hotel and rental offices. The building was reportedly never

<sup>&</sup>lt;sup>340</sup> "Society Plans to Preserve Old Landmarks," *Chicago Tribune* (April 24, 1938); "Art Guardians," *Chicago Tribune* (May 26, 1938); "Society Promoting Protection of Art Treasures Meets," *Chicago Tribune* (June 5, 1938); Reference to the Lincoln cottage found in: Joseph Ator, "Tax Destruction Sweeps Chicago," *Chicago Tribune* (August 12, 1934).

a money-maker, however, and fell into the doldrums after the Civic Opera Company moved into its new skyscraper on Wacker Drive in 1929. An announcement by the ownership in May 1941 that the Auditorium Building would be closed and likely demolished due to its inability to pay over one million dollars in back taxes led to the immediate formation of a committee dedicated to identifying a program leading to its "reestablishment as a cultural and civic center." The preservation campaign was led by some of the city's foremost downtown civic and business leaders and was fully supported by Mayor Edward Kelly, the City Council, and Cook County Assessor John S. Clark, who proposed a retroactive tax reduction. Although the building was closed that year, it was saved from the wrecking ball until its 1946 purchase by Roosevelt College, which eventually put the theater back into service.<sup>341</sup>

The campaign to save the Auditorium Building, which was considered a civic and cultural treasure, was unique. No similar outcries were generated by the demolition of other luxuriously appointed banks, office buildings, or theaters in the Loop during the interwar period when the forces of modernizing "obsolete" downtowns held sway. A review of newsletters of the Illinois Chapter of the AIA shows that building demolition was reported with little commentary. When the federal Historic American Buildings Survey (HABS) was established in 1934 as a New Deal program to provide architects with work, the advisory committee for the Northern Illinois Division, which included Chicago, mainly selected Greek Revival architecture in and around Galena to be drawn and photographed. This was despite the fact that the criteria

<sup>&</sup>lt;sup>341</sup> "Auditorium Will Ring Down Final Curtain June 30," *Chicago Tribune* (May 30, 1941); "100 Asked to Aid Movement to Save Auditorium," *Chicago Tribune* (June 10, 1941); "Assessor Offers Tax Cut Plan To Save Auditorium," *Chicago Tribune* (June 11, 1941); "Grant Reprieve For One Month to Auditorium," *Chicago Tribune* (June 14, 1941); "82 Leaders Will Assist Drive To Save Auditorium," *Chicago Tribune* (June 16, 1941); "Mayor Pledges City Aid to Save The Auditorium," *Chicago Tribune* (June 25, 1941); "The Auditorium Closes Tonight; Mourners Act," *Chicago Tribune* (July 31, 1941); "Group Backs Preservation of Auditorium," *Chicago Tribune* (Jan. 10, 1946); "Auditorium is Bought by College," *Chicago Tribune* (Aug. 6, 1946).

for inclusion established by the Department of the Interior could easily have pertained to those that were rapidly disappearing the Loop. They were to possess: 1) architectural importance (as typical of a general class or as a unique or exceptional example of a distinct type; 2) historical importance; and 3) the danger of its destruction, either through neglect or dilapidation or encroachment of modern developments.<sup>342</sup>

The buildings selected by the HABS program of the mid-1930s reflected prevalent attitudes among contemporary historians regarding the building types/styles/periods considered significant at that time, which did not include commercial buildings of the recent past. Widespread appreciation for the Chicago skyscraper awaited the pioneering books of Sigfried Giedion and Carl W. Condit of the 1940s and 1950s. In the meantime, the demolition and modernization that renewed the Loop's urban landscape with parking facilities and pasted sleek veneers onto its buildings were important to its ongoing transition into a modern, efficient business district ready to participate in the post-World War II boom.<sup>343</sup>

### **Conclusion**

This chapter revealed that the narrative of stagnation commonly used to describe commercial districts of the 1930s is deceiving and that the story of the Depression-era urban landscape is considerably more complex. The dual acts of building demolition and modernization had a transformative effect on the Loop and central business districts nationwide,

<sup>&</sup>lt;sup>342</sup> The criteria for buildings eligible for inclusion in the HABS survey were outlined in a letter from Thomas C. Vint, Chief Architect, United States Department of the Interior, to architectural historian Earl H. Reed, who oversaw the work for the program's Northern Illinois Division, dated December 22, 1933. The Advisory Committee for the Northern Illinois Division included Reed and Thomas Tallmadge. For more information on the establishment of the HABS program in Illinois, see materials in: Architectural records and personal papers of Earl Howell Reed, Jr. (manuscript), ca. 1920-1968. Chicago History Museum.

<sup>&</sup>lt;sup>343</sup> Sigfried Giedion, *Space, Time and Architecture: The Growth of a New Tradition* (Cambridge: Harvard University Press, 1941); Carl W. Condit, *The Rise of the Skyscraper* (Chicago: University of Chicago Press, 1952).

both driven by desperation among property owners to attain some income in a hyper-competitive commercial real estate market. Most dramatic was the de-densification of downtown that resulted from the widespread replacement of older, unprofitable buildings with parking lots as the insatiable need for automobile storage incentivized owners to seek more lucrative short-term uses. Collectively, widespread acts of demolition and modernization also symbolized a desire among downtown interests to cleanse the urban landscape of old, "blighted" buildings—or at least remove vestiges of their outdated appearance—in order to better compete with fast-growing outlying urban and suburban commercial districts. While the resulting swath of parking lots and taxpayer buildings provided clean slates for post-World War II redevelopment, building modernization served as a form of historic preservation, saving some of the Loop's most notable commercial blocks from the wrecking ball. Such reinvestment in the future of downtown was especially important during a period in which outlying commercial areas seemingly prospered at its expense.

### VI. EPILOGUE

The Loop experienced a building boom during the late 1950s and 1960s that continued its transformation to a high-end office and entertainment district begun in the interwar era. Post-World War II downtown redevelopment in Chicago and other cities nationwide was led by its powerful mayor and driven by economic prosperity and pent-up demand following a long hiatus of skyscraper construction due to overbuilding, depression, and war. Richard J. Daley, who assumed leadership of Chicago in 1955 and remained at the helm until 1976, shared the lack of sentimentality for the Loop's eclectic mix of historic buildings displayed by Charles Wacker and the city's earlier downtown interests. And like the business elite who largely dictated downtown public policy before him, Daley also staked Chicago's economic future on the prosperity of its central business district, which produced over one-third of the city's property tax revenues. Leaders of both the interwar and post-World War II eras envisioned the Loop transformed with modern skyscrapers—albeit later of glass-and-steel rather than terra cotta or limestone—as a means to retain and attract large corporations and financial services, raise downtown land values, and increase the city's tax base. The tower-in-the-plaza developments along Dearborn Street of the later period were no less dramatic than the creation of double-decked Wacker Drive lined with eye-catching speculative skyscrapers.

Mayor Daley's vision for the Loop was endorsed by the business community and pursued by Chicago's newly established planning bureaucracy. In 1956, top downtown stakeholders established a civic organization called the Chicago Central Area Committee to promote economic development and physical revitalization of the downtown area. The CCAC was comprised of an alliance of business, banks, department stores, hotels, and theaters, all of which

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were threatened by the post-World War II development of suburban office campuses and shopping malls, especially those in fast-growing areas around O'Hare Airport and running north and west of the city along the Kennedy and Eisenhower Expressways. A new zoning ordinance passed in 1957 encouraged the construction of taller buildings and helped to facilitate the City's goal of increasing downtown density with new office development, as did its 1958 Central Area Plan. The 1958 Plan—the first since Burnham's—was produced by the new Department of City Planning, which replaced the quasi-public Chicago Plan Commission.<sup>344</sup>

In 1962, provisions for apartment buildings were incorporated into the Loop zoning ordinance, which was originally drawn with only commercial and office building construction in mind. The proposed zoning changes were intended to control the size of lots for Loop apartment buildings and the amount of parking space required for tenants. Also in 1962, construction began on Bertrand Goldberg's Marina City complex on the north bank of the Chicago River's main branch, an area targeted for residential development in the city's 1958 Central Area plan. Marina City incorporated a range of amenities aimed to attract a then-nonexistent downtown residential population, including stores, a restaurant, swimming pool, theater, marina, and bowling alley. The complex was immediately successful and revealed a pent-up demand for downtown living.<sup>345</sup>

However, Daley-orchestrated redevelopment initiatives for the Loop itself focused on office construction and initially targeted Dearborn Street, which was lined with taxpayer

<sup>&</sup>lt;sup>344</sup> For a good overview of post-World War II development of the Loop through 1980 see Chapter 6 titled "Redevelopment Chicago Style" in: Gregory Squires et al. *Chicago: Race, Class, and the Response to Urban Decline* (Philadelphia: Temple University Press, 1987).

<sup>&</sup>lt;sup>345</sup> "Okay Changes in Zoning For Flats in Loop," *Chicago Tribune*, April 6, 1962. For a history of the Marina City complex, see: Igor Marjanovic and Katerina Ruedi Ray, *Marina City: Bertrand Goldberg's Urban Vision* (New York: Princeton Architectural Press, 2010).

buildings dating to the Depression. In the late 1950s he announced plans to clear an entire city block at its north end for a mammoth civic center, which was completed in 1965. The south end of Dearborn was to be anchored by a long-planned federal center that was eventually comprised of three buildings—two skyscrapers (one a courthouse and the other an office building) and a one-story post office (1959-75). These striking glass-and-steel skyscrapers were situated on expansive, open plazas featuring monumental sculptures designed by world renowned artists Pablo Picasso (Civic Center; renamed Daley Center) and Alexander Calder (Federal Center). Planning for these public projects increased land values and spurred private investment along Dearborn Street that included two corporate headquarters buildings: Inland Steel (1958) and First National Bank of Chicago (1969), the latter of which was another massive tower-in-the-plaza development. A speculative office tower on Dearborn Street called the Brunswick Building, built by developer Arthur Rubloff across from the Daley Center in 1964-65, leased-up quickly while construction was underway.<sup>346</sup>

The office towers built during Chicago's commercial real estate boom of the 1960s and early 1970s were spurred in large part by pent-up demand following a nearly quarter-century hiatus on new skyscraper construction during the Depression and war years. They also reflected the newfound faith of corporations in the future of the Loop, many of which were enticed to remain downtown rather than defecting to new suburban campuses. Notable skyscrapers erected during this period included the Continental Building at 55 E. Jackson Street (1961-62); United States Gypsum Building at 101 S. Wacker Drive (1963); the Equitable Building at 401 North

<sup>&</sup>lt;sup>346</sup> An excellent account of the post-World War II redevelopment of the Dearborn Corridor see: Ross Miller, "City Hall and the Architecture of Power: The Rise and Fall of the Dearborn Corridor," in: John Zukowsky (ed.), *Chicago Architecture and Design 1923-1993: Reconfiguration of an American Metropolis* (Munich: Prestel-Verlag, 1993) 246-263.

Michigan Avenue (1962-65); Mid-Continental Plaza at 55 W. Monroe Street (1969-72); the Blue Cross-Blue Shield Building at 55 W. Wacker Drive (1968); the IBM Building on the north bank of the Chicago River, between Wabash and State (1969); the John Hancock Center at 875 North Michigan Avenue (1965-70); and the Sears Tower at 233 South Wacker Drive (1968-74).

The nationwide recession of the mid-1970s caused a temporary halt to skyscraper construction in the Loop, which still featured much of the late nineteenth- and early twentieth-century building stock that Daley and members of the CCAC found objectionable to their vision of a rejuvenated downtown. The city's ability to wipe out such perceived urban eyesores and assemble large tracts of land was boosted in May 1975 with the establishment of the Commercial District Development Commission by city ordinance. The new commission was empowered to purchase, condemn, and sell private property for redevelopment after it demonstrated a condition of blight, the definition of which included buildings that were unprofitable rather than those subject to physical decay. Among the most vocal proponents of large-scale downtown demolition was real estate developer Arthur Rubloff, who in 1978 referred to all buildings within a seven-block area of the North Loop slated for high-density redevelopment as "nothing but junk." His proposal for the district bounded LaSalle Street, Wacker Drive, Wabash Avenue and Washington Street required complete demolition of all buildings, including such distinctive landmarks as the Chicago Theater.<sup>347</sup>

Such far-reaching power of eminent domain was unavailable to the Chicago Plan Commission in the 1920s when its leaders sought to raze entire streetscapes for widening

<sup>&</sup>lt;sup>347</sup> Peter Negronida, "Planning bill to broaden city powers," *Chicago Tribune* (May 6, 1975); Edward Schreiber, "Plan to widen city building role OKd," *Chicago Tribune* (May 7, 1975). Rubloff quote taken from: Stanley Ziemba, "Rubloff tells plan for N. Loop; 2-block shopping mall included," *Chicago Tribune* (August 3, 1978). For a detailed history of post-World War II redevelopment plans for the North Loop, and especially "Block 37" bounded by State, Randolph, Dearborn and Washington streets, see: Ross Miller, *Here's The Deal: The Buying and Selling of a Great American City* (New York: Alfred A. Knopf, 1996).

projects stipulated in the 1909 *Plan of Chicago*. However, the Plan Commission did not have to contend with an historic preservation movement that by the 1970s had galvanized in response to the demolition of such architectural icons as Adler and Sullivan's Garrick Theater and Chicago Stock Exchange Buildings in 1961 and 1972, respectively. Planning for the North Loop redevelopment proceeded without Rubloff under Mayor Jane Bryne's Administration and eventually only two city blocks within the larger area slated for renewal were razed in their entirety. However, historian Ross Miller notes that during the mid-1970s when the threat of condemnation was hanging over every downtown landlord of an underperforming building "the Loop changed: empty at night and an eyesore during the day; blight imagined became blight in fact."<sup>348</sup>

Physical deterioration of many older Loop buildings was accompanied by increasing patronage of their retail and entertainment establishments by low-income black residents from the South Side in particular whose commercial districts were razed for public housing in the 1960s. Despite a revival in the Loop's office building district during this period, the State Street retail corridor was in decline, hurt by competition from postwar regional malls and the glamorous Water Tower Place mall on North Michigan Avenue, completed in 1976. Starting in the 1970s, many cities throughout the country tried to emulate the success of outdoor suburban malls by closing their existing retail thoroughfares to traffic to create pedestrian malls. In 1979 Chicago officials transformed State Street into a curving two-lane transit mall designed only for buses. It featured widened sidewalks, the addition of large bus and subway shelters, and modern light fixtures.

<sup>&</sup>lt;sup>348</sup> Quote taken from: Ross Miller, *Here's The Deal: The Buying and Selling of a Great American City* (New York: Alfred A. Knopf, 1996) 32.

Chicago's ongoing transition from a manufacturing-anchored economy to a managementand service-based economy reached a climax in the early 1980s. High-profile plant closings by large employers that included U.S. Steel Corporation, Nabisco, Schwinn, General Mills and Sunbeam were accompanied by dramatic job losses and placed Chicago at the center of the deindustrialization that had moved to the Midwest, after previously impacting New England (1950s and early 1960s) and the Mid-Atlantic states (1970s). The 1980s saw an astounding growth of the service sector nationwide, which accounted for 90 percent of the 35.7 million jobs created in the U.S. between 1974 and 1989. Most of these jobs involved three categories within the service sector: trade, hotels and restaurants; real estate and business; and finance and insurance.<sup>349</sup>

Expansion of the business and financial sectors of the economy during the 1980s drove a commercial boom in central cities nationwide, including Chicago, where glitzy skyscrapers by internationally-recognized architects, some featuring the Post-modern style, were built within the core of the Loop and both legs of Wacker Drive. These included the 33 W. Monroe Street Building (1980); Xerox Center at 55 W. Monroe Street (1980); Three First National Plaza at the northwest corner of Dearborn/Madison (1981); 190 S. LaSalle Street (1987); 203 N. LaSalle Street (1983); AT&T Center at 227 W. Monroe (1988); Chicago Title and Trust Building Center at 161-171 N. Clark Street (1992); Leo Burnett Building at 35 W. Wacker (1989); 333 W. Wacker (1983); and 311 S. Wacker (1990).

<sup>&</sup>lt;sup>349</sup> Statistic on service sector employment taken from: Lloyd Rodwin and Hidehiko Sazanani (eds.) *Deindustrialization and Regional Economic Transformation: The experience of the United States* (Boston: Unwin Hyman, 1989) 180. This book provides a good national perspective on deindustrialization with Chapter 2 focusing specifically on the Midwest, while Chapter 8 discusses the nationwide growth of the service sector. For a good overview of how deindustrialization has impacted the Chicago economy, see: Marc Doussard et al, "After Deindustrialization: Uneven Growth and Economic Inequality in 'Postindustrial' Chicago," *Economic Geography*, Vol. 85, No. 2 (April 2009) 183-207.

Although the commercial real estate market was saturated by the late 1990s from the skyscraper boom of the previous decade, developers like John Buck and others continued to add supply to the market with a host of skyscrapers that included One North Wacker (2002), 191 North Wacker (2002), 111 South Wacker (2005), the Hyatt Center at 71 S. Wacker (2005), and 155 North Wacker (2009). The supply-driven boom of the early 2000s, like that of the late 1920s, was driven in large part by the availability of easy financing, high land values, and the willingness of first-class tenants to pay top dollar for an address in a high-profile new skyscraper featuring the latest design and technologies. As in the 1920s, it also featured a shift in the business district: this time to western periphery of the Loop and especially north-south Wacker Drive, an area that the City identified as a "zone of expansion" and targeted for infrastructure improvements in a 1991 report titled, *Planning Principles for Chicago 's Central Area*. This area was ripe for new development as it featured numerous parking lots and low-rise loft buildings, yet was conveniently located across the river from the suburban Union and Ogilvie train stations while its fringe location made it equally convenient for motorists.<sup>350</sup>

The major difference between the construction booms of the 1920s and the early 2000s was the impact of high vacancy rates on older Class B and C office buildings in losing submarkets following both periods of overbuilding. These included Randolph and Dearborn streets in the 1930s and Michigan Avenue and LaSalle Street in the late 2000s. In the Depression, the Loop's older, unprofitable buildings were razed by the dozen for parking lots and to a lesser extent, for low-rise taxpayer buildings and parking garages. As discussed in Chapter 3, this type of land banking was driven by profit-motivated desires by property owners

<sup>&</sup>lt;sup>350</sup> For a detailed analysis of the supply-driven skyscraper boom of the late 1990s/2000s in Chicago, see: Weber, Rachel, *From Boom to Bubble: How Finance Built The New Chicago* (Chicago:University of Chicago Press, 2015).

to obtain some income in an era of high-demand for parking, while readying their parcels for redevelopment upon return of prosperity.

Conditions in the 2000s precluded similar widespread demolition in response to a glutted office market. These included considerably higher costs involved in razing today's unprofitable skyscrapers, which are much higher than the four- to six-story buildings typically razed in the 1930s; skyrocketing land values within the Loop that require high-intensity uses to ensure profitable returns on a parcel; and heightened appreciation among city officials for Chicago's historic skyscrapers as a major tourism draw. Moreover, the post-World War II expansion of high-rise garages, both freestanding and within new skyscrapers, as well as construction of underground municipal garages in Grant, and later, Millennium, parks has largely satisfied demand for downtown parking. Expansive garage facilities also helped to alleviate downtown traffic congestion as have other factors, including the widened thoroughfares created in the 1910s and 1920s; removal of streetcars by 1958; the westward shift of the office district to north-south Wacker Drive; improved rapid transit; and the high cost of downtown parking, which skyrocketed after the Loop's two municipal garages were privatized in 2006.

Moreover, high vacancy rates that ranged from 30 to 50 percent in the east Loop's older Class B and C buildings by the mid-1990s coincided with a trend that was nonexistent in the 1930s: the popularity of central city living. A massive residential gentrification occurred on all sides of the Loop starting in the 1980s, when urban pioneers began converting loft buildings the type denigrated and targeted for demolition in the interwar era—into apartments, condominiums, and trendy art galleries. Such conversions spread to the Loop in the following decade, as aging yet architecturally distinctive office towers were adapted to residential use. The repopulation of downtown also offered a close-in customer base for the ailing State Street retail

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district, which saw the departure of several big department stores in the 1980s, including Sears, Montgomery Ward, Goldblatts and Wieboldts. The growing dominance of the service sector during this period spurred City of Chicago officials to recognize the economic value of creating a more diverse and vibrant 24-hour downtown community, rather than one that shuts down at 5 pm when office workers leave for the suburbs. The 1983 *Chicago Central Area Plan* highlighted residential development as a key element in maintaining the Loop's future viability, a goal embraced by Mayor Richard M. Daley following his election in 1989.

Efforts by city officials and downtown business leaders to reposition Chicago as a major player in the globalizing economy and as a tourist destination coincided with extensive public and private investment directed to new office construction on the Loop's western fringe. A distinctive residential/entertainment zone emerged its eastern fringe as older office buildings were converted to luxury condos, apartments, dormitories and boutique hotels while dazzling theaters and a movie palace from the 1920s were renovated. The shift downtown in Chicago and many cities nationwide was driven by a strong residential market and pent-up demand by empty nesters and professionals—both singles and couples with no children—who wanted to walk to work, combined with a soft office market.

Residential demand drove up prices per square foot to the point where residential could outbid office use on many older office buildings. A case in point was the 55 E. Monroe Building, a 49-story glass-and-steel skyscraper erected in 1972 between Michigan and Wabash avenues. Hurt by tenant defections and falling values in the early 2000s, the building symbolized the struggles of recent-past office towers in the east Loop's soft market. Its occupancy rate dropped from 93 percent in 2002 to 79 percent by the end of 2005. A residential plan for the 32-year-old building was developed after the announcement that its second largest

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tenant, the law firm Seyfarth Shaw, would move to the new Bank One Center at 131 S. Dearborn after the expiration its lease in late 2006. Floors 42 to 49, which featured lake views, were subsequently remodeled as luxury condominiums and the building was named the Park Monroe.<sup>351</sup>

Such adaptive reuse projects were also spurred through generous subsidies provided by the establishment of Tax Increment Financing (TIF) Districts within the Loop. Taxes generated by new buildings and increased property values within the borders of a TIF district can only be spent on projects within that district and typically benefit those that city officials believe wouldn't occur without a subsidy. Monies generated by the Central Loop TIF District between 1997 and 2008 spurred a multitude of office conversion projects east of Dearborn Street as well as redevelopment of the long-vacant Block 37 and the revitalization of Randolph Street Theater District.

In addition to TIF subsidies, the explosion of office building conversions on the Loop's eastern edge was also driven by such amenities as the hugely popular Millennium Park, completed in 2004, as well as financial incentives offered through landmark designation. The Loop Retail Historic District was listed on the National Register of Historic Places in 1998 and included 100 buildings within an area bounded by State Street, Lake Street, Wabash Avenue, and Congress Street. Renovation projects undertaken on buildings within a National Register district that are carried out in accordance with national standards are eligible for a federal tax credit of up to 20 percent of the construction costs. The Historic Michigan Boulevard District was listed as a City of Chicago landmark district in 2000 and included 43 buildings on Michigan Avenue,

<sup>&</sup>lt;sup>351</sup> Thomas A. Corfman, "55 E. Monroe Tower May Become Condos: Values Seen Falling as Offices Empty," *Chicago Tribune* (May 19, 2005).

from Randolph to 11<sup>th</sup> street. Owners of commercial buildings that are designated Chicago landmarks are eligible for the city's Class L property tax incentive. This reduces their property tax assessment levels for a twelve-year period as long as they invest at least half of the value of the landmark building in an approved rehabilitation project. <sup>352</sup>

Such incentives for office conversion projects were nonexistent in the 1930s, when downtowns in Chicago and cities nationwide were generally polluted from coal-heated buildings, paralyzed by traffic congestion, and lacked amenities catering to a residential population. However, one partial conversion of a Loop skyscraper during the Depression showed that despite these conditions, there may have been an untapped demand for downtown living. The 45-story Steuben Club Building at 188 W. Randolph, a terra-clad skyscraper with Gothic-inspired ornamentation, went into receivership in 1933, just four years after its completion. In order to generate some income, the receiver took the unprecedented step of remodeling the 31<sup>st</sup> to 43<sup>rd</sup> floors within its setback tower into a group of 42 furnished residential suites named the "Skyline Apartments," which were 100 percent leased upon completion. The suites were of one, two, or three rooms each, and some featured kitchenette facilities. Amenities included a sky-lit swimming pool and fitness facilities originally intended for club members. In order to attract more "respectable" tenants, only long-term leases were offered, with rentals ranging from \$60 to \$160 a month. Rental agent Fred Lorish noted at the time that, "Many professional people have found the arrangement to their liking."353

<sup>&</sup>lt;sup>352</sup> Deborah Thornton, "Tax Increment Financing: Reforming the 'Magical Money," Public Interest Institute Brief, May 2012. John Handley, "Green stretches past park: The City Estimates That the Value of Residential Development Attributable to Millennium Park over the Next 10 Years will Total \$10 Billion," *Chicago Tribune* (November 4, 2005).

<sup>&</sup>lt;sup>353</sup> "Tax Receiver Appointed for Steuben Building," *Chicago Tribune* (Dec. 12, 1933); Roy Hundenburg, "Skyline Apartments – Chicago's Highest Suites," *Skyscraper Management* (April 1936) 14-15; "Loop Skyscraper Apartments Are Now 100% Occupied," *Chicago Tribune* (Aug. 21, 1938). The upper floors of the Steuben Club Building that were converted to residential suites likely already featured bedrooms for club members, thus greatly

Hardest hit by the overbuilding of the late 1990s/early 2000s were Modern and Postmodern skyscrapers dating from the 1960s through the 1980s within the central core of the Loop, many of which featured large chunks of empty space as tenants defected to newer buildings or consolidated operations. As in the 1930s, office building that were well-designed and welllocated on high value thoroughfares in the vicinity of LaSalle Street tended to be modernized. Such was the case with both the Chase Tower (originally First National Bank of Chicago Building, 1969) and the Harris Bank Building (1971), both of which underwent multi-million modernization programs after losing their anchor tenants in 2005, resulting in vacancy rates of 40 percent. The 190 S. LaSalle Building (1987) featured a 58 percent vacancy rate after the law firm Mayer Brown Rowe and Maw defected to the new Hyatt Center at 71 S. Wacker Drive. Subsequent amenities installed for tenants included a swanky private club within Mayer Brown's former library and a gymnasium.<sup>354</sup>

Establishment of the LaSalle/Central TIF District in 2006 was intended to help buildings located in and around the Loop's financial district compete with the more prestigious towers along Wacker Drive by providing subsidies for their renovation. One adaptive re-use project that benefitted from the LaSalle/Central TIF District was the multi-million-dollar conversion of the original Continental and Commercial Bank Building at the southwest corner of LaSalle/Adams into a J.W. Marriott Hotel catering to business travelers. The hotel in the bottom half of the twenty-story building opened in 2010, and other LaSalle Street office-to-hotel conversions have

facilitating their conversion, while the lower floors remained speculative office space. Research for this paper found only one example of an office building conversion in the 1930s. It was a four-story commercial building in Dayton, Ohio that was remodeled into a series of eighteen one-room furnished apartments with kitchenettes and bathrooms. Annual revenue from residential use in 1936 was \$9,600 compared to its previous office revenues which never topped \$6,000, even when the building was fully occupied. Source: "Office into Apartment," *Architectural Forum* (May 1937) 467.

<sup>&</sup>lt;sup>354</sup> Thomas A. Corfman, "Big Bet on Loop Office Rebound—Half-empty LaSalle tower fetches high price," *Crain's Chicago Business* (May 22, 2006).

followed within less than a block, including the 35-story Roanoke Building at 11 S. LaSalle into a Residence Inn by Marriott and the 100 W. Monroe Street Building into a Hyatt hotel. Critics have pointed out that the LaSalle/Central TIF District's boundaries included all but one block of Wacker Drive, where most of the new buildings competing with LaSalle Street are located. Using TIF money to subsidize projects for new towers seemingly defeats the purpose of helping older buildings on LaSalle Street remain viable.<sup>355</sup>

The activist role played by city officials in directing downtown development and encouraging historic building preservation through adaptive reuse since the 1990s is in dramatic contrast to the hands-off approach taken by Cermak and Kelly administrations of the 1930s. Depression-era interventions were largely limited to tripling the license fees for parking lots ostensibly to discourage further building demolition, as such actions decreased downtown land values and provided an overall appearance of disinvestment. The office building conversions of recent years have returned the Loop to a mixed-use landscape of residences, schools, churches, and office buildings—albeit without the industrial and low-end office uses—that it featured in the pre-1871 Fire period. However, the new urban landscape with its Class A skyscrapers, luxurious condominium buildings, high-end cultural attractions, and pricey boutique hotels caters to an educated upper-stratum of the population and lacks commercial diversity, which in turn breeds social diversity, both of which are immensely important for cities as Jane Jacobs argued in her influential book *The Death and Life of Great American Cities*. Although recent

<sup>&</sup>lt;sup>355</sup> Ryan Ori, "Is the Loop losing another vintage office building?" *Crain's Chicago Business*, February 19, 2015.

conversions have preserved a host of architecturally significant office buildings, they also served to push out smaller firms that occupied their less desirable and more affordable office space.<sup>356</sup>

This dissertation shows that the Loop's gentrification to a high-end office, retail, entertainment, and most recently, a residential district, has its roots in the urban interventions undertaken by Chicago's downtown elite in the interwar era. The actions of Mayor Richard J. Daley to reaffirm the Loop as the city's premiere commercial core with new skyscraper development did not signal the start of urban renewal in the Loop. Rather, such actions were facilitated by, and a continuation of, a process set in place decades earlier by business interests to transform the Loop into a modern, efficient business district. The quarter-century period that spanned the two World Wars was characterized by ongoing renewal that coincided with shifts in Chicago's larger economy to one that increasingly favored the service sector, rather than the manufacturing sector. Thus, the traditional boom-and-stagnation narrative traditionally used to describe the Loop's urban landscape during the interwar era fails to illuminate the ongoing and complex process of pulling down, putting up, and modernizing buildings and infrastructure that characterized this period. Such actions were highly instrumental in laying the groundwork for urban regeneration efforts of ensuing decades aimed to assert Chicago's preeminence as a worldclass city as dramatically symbolized by a modernized Loop.

<sup>&</sup>lt;sup>356</sup> See Chapter 7, "The generators of diversity" in: Jane Jacobs, *The Death and Life of Great American Cities* (New York: Vintage Books, 1992).

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## JEAN L. GUARINO

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## Education

Ph.D., Art History Department, University of Illinois at Chicago, Fall 2015
 Focus of Study: Twentieth-century architecture and urbanism
 Dissertation Title: "Urban Renewal in the Interwar Era: The Remaking of Chicago's
 Loop, 1918 to 1942"

M.A., Art History Department, University of Illinois at Chicago, 1998

B.A., Political Science, Saint Mary's College in Notre Dame, Indiana, 1988

L'Universite Catholique de l'Ouest, Angers, France (foreign study program)

## **Teaching/Awards**

- University of Illinois at Chicago, Instructor, Art History Department, 2012 and 2014
- Northern Illinois University, Visiting Professor, Art History Department, 2011
- The School of the Art Institute of Chicago, Instructor, Historic Preservation Department, 2004 to 2009
- DePaul University, Chicago, Instructor, Art History Department, 2002
- Columbia College, Chicago, Instructor, Art and Design Department, 2000 to 2003
- Triton College, River Grove, Instructor, Art History Department, 1998 to 2000

Second Place winner of the Theatre Historical Society of America's Weiss Competition, 2008 Sally Kress Tompkins Fellowship awarded by the Society of Architectural Historians in 1996

## **Publications**

Art Deco Chicago (forthcoming, CityFiles Press)

Contributor of essays on the following buildings: Carbide and Carbon Building; Chez Paree Supper Club; Chicago Motor Club; Civic Opera Building; Field Building; Merchandise Mart; Palmolive Building.

## Benjamin H. Marshall, Chicago Architect (forthcoming, Acanthus Press)

Co-authored and researched a book on Benjamin Marshall, a prolific early 20th century Chicago architect/developer, whose notable buildings include the South Shore Country Club (now Cultural Center), Blackstone Theater, Drake Hotel, and luxury apartment buildings along East Lake Shore Drive.

## Lectures/Tours

- "Urban Renewal in the Loop": Union League Club lecture, January 2015
- "Construction, Demolition, and the Transformation of LaSalle Street": Landmarks Illinois lecture, Nov. 2013
- "The Architecture of River Forest": Landmarks Illinois lecture, April 2013
- "Creating a 24-Hour Downtown": Chicago Architecture Foundation lecture, June 2012

- "New Perspectives on the Chicago School of Architecture": Landmarks Illinois lecture, April 2012
- Gave a series of three-hour bus tours highlighting Frank Lloyd Wright buildings in Oak Park and Hyde Park, Fall 2011 (Client: Frank Lloyd Wright Preservation Trust)
- "The Lure of the New: Modernizing for Profit in the 1930s": Chicago Architecture Foundation lecture, Sept. 2010
- "Tearing Down the Loop": Landmarks Illinois lecture, October 2010

# **Researcher and Fact-Checker, 2012 to present (WTTW Channel 11)**

Conduct research and fact-checking on various public television programs. Currently working on scripts for 10 Homes That Changed America, 10 Parks That Changed America, and 10 Towns That Changed America, which will premiere on PBS in 2016. Past programs include 10 Buildings That Changed America, which premiered on PBS in 2013.

## Independent Architectural Historian • 1998 to present

Experience in a wide variety of research/writing projects related to the urban environment, including the development of landmark nominations and architectural surveys. Clients include municipalities, architecture firms, and non-profit organizations.

# SELECTED PROJECTS

## **National Historic Landmark Nominations**

• Illinois and Michigan Canal NHL (a 97-mile historic waterway and its canal-related resources), 2014-15 (Client: National Park Service)

# **Architectural Surveys**

- Village of Downers Grove Survey, 2013 (Client: Lakota Group)
- Architectural Survey for the CTA's Red Line Extension Project, 2013 (Client: Midwest Archaeological Research Services)
- Architectural Survey for the CTA's Red and Purple Line Modernization Project, 2012 (Client: Midwest Archaeological Research Services)
- Village of River Forest Survey, 2012 (Client: Lakota Group)
- Woodlawn-University Ave. Survey, 2010 (Client: South Side Planning Board)
- Chicago Bank Survey, 2005 (Client: Chicago Dept. of Planning & Development – Landmarks Division)
- LaSalle Commercial District, LaSalle, IL, 2004 (Client: Canal Corridor Association)
- St. James Farm, Warrenville, IL, 2003 (Client: Forest Preserve District of DuPage County)
- Historic Railroad Bridges in Chicago, 2001 (Client: Johnson/Lasky Architects)

## National Register of Historic Places Nominations

- Carl Schurz High School, Chicago, IL 2010 (Client: Schurz High School Centennial Committee)
- Wing Park Golf Course, Elgin, IL, 2008 (Client: City of Elgin)
- William Hatch House, River Forest, IL, 2007 (Client: Laurel and Dennis McMahon)
- Robert Allerton Estate Historic District, Piatt County, IL, 2006 (Client: Johnson/Lasky Architects)
- Central Park Theater, 3531-39 W. Roosevelt Rd., Chicago, 2005 (Client: Landmarks Illinois)
- William Glasner House, Glencoe, IL, 2004 (Client: Vinci/Hamp Architects)
- Garden Homes District, Chicago, 2004 (Client: Chicago Dept. of Planning & Development)
- Ninth Street Seven-Arch Limestone Bridge, Lockport, IL, 2004 (Client: City of Lockport)
- Domestic style filling station, 419 E. 83<sup>rd</sup> St., Chicago, 1999 (Client: Yvonne Polk)

# City of Chicago Landmark Nomination Reports prepared for the Department of Planning

- CNA Building, 2011
- Home Bank and Trust Co. Building, New Canaan Baptist Church, 2005
- Indian Boundary Park Fieldhouse, Chicago Printed String Co. Building, Rockefeller Memorial Chapel, Garfield Park Administration Building, James Ward School, Chicago Vocational School, 2004
- New York Life Building, 2002

## Historic American Buildings Surveys (HABS) reports

- Crane and Moreland Building, Chicago, 2013 (Client: Midwest Archaeological Research Services)
- Cook County Hospital Complex, Chicago, 2003 (Client: Johnson/Lasky Architects)
- North Avenue and Halsted St. (Canal) Bridges, Chicago, 2004 and 2002 (Client: Johnson/Lasky Architects)
- Maxwell Street Market area, Chicago, 1999-2000 (Client: Gilmore/Franzen Architects)
- Elgin Mental Health Center, Elgin, IL, 1998 (Client: Gilmore/Franzen Architects)

### **APPENDIX A: Population and Demographic Statistics**

Year	Chicago	Detroit	Los Angeles	New York
1900	585,520	96,051	17,917	1,260,918
1910	781,217	156,565	60,584	1,927,703
	33%	63%	238%	53%
1920	805,482	289,297	112,057	1,991,547
	3%	85%	85%	3%
1930	842,057	403,721	232,874	2,295,181
	4%	39%	108%	15%
1940	672,705	320,664	215,248	2,080,080
	-25%	-26%	-8%	-10%
Total Percentage				
Increase	15%	161%	423%	61%

# TABLE XXIV FOREIGN-BORN WHITE POPULATION IN VARYING CITIES, 1900 TO $1940^{357}$

Sources: U.S. Department of Commerce, *Thirteenth Census of the United States*, Abstract of the Census, Chapter 2 (Washington, 1913), Table 19, p. 95. U.S. Department of Commerce, *Fourteenth Census of the United States*, Population, Volume 3 (Washington, 1922), Table 10 for all cities shown except New York, which is Table 13. U.S. Department of Commerce, *Sixteenth Census of the United States*, Population, Volume 2 (Washington, 1943), Table 36 for all cities shown except New York, which is Table 35.

### TABLE XXV POPULATION OF CHICAGO'S SEVEN LARGEST FOREIGN-BORN GROUPS, 1920 TO 1940

Year	Czech	Germany	Ireland	Italy	Poland	Russia	Sweden
1920	50,892	112,288	56,786	59,215	137,611	102,095	58,562
1930	48,814	111,366	54,789	73,960	149,622	78,462	65,735
1940	33,596	88.424	40,308	66,472	119,254	66,950	46,258

Sources: U.S. Department of Commerce, *Fourteenth Census of the United States*, Population, Volume 3 (Washington, 1922), Table 6 for Illinois, p. 247. U.S. Department of Commerce, *Sixteenth Census of the United States*, Population, Volume 2 (Washington, 1943), Table 36 for Illinois, p. 642.

<sup>&</sup>lt;sup>357</sup> The "Foreign Born White" category in the census at this time did not include immigrants from India, China, and Japan, who were grouped under the heading "Other Races." The latter groups comprised a miniscule number of Chicago's total foreign-born from 1900-40.

Year	Chicago	Detroit	Los Angeles	New York
1900	30,150	4,111	2,131	60,666
1910	44,103	5,741	7,599	91,709
	46%	40%	257%	51%
1920	109,458	40,838	15,579	152,467
	148%	611%	105%	66%
1930	233,903	120,066	38,384	327,706
	114%	194%	150%	115%
1940	277,731	149,119	63,774	458,444
	19%	25%	64%	40%
Total Percentage				
Increase	327%	870%	576%	272%

# TABLE XXVIAFRICAN-AMERICAN POPULATION IN VARYING CITIES, 1900 TO 1940

Sources: U.S. Department of Commerce, *Thirteenth Census of the United States*, Abstract of the Census, Chapter 2 (Washington, 1913), Table 19, p. 95. U.S. Department of Commerce, *Fourteenth Census of the United States*, Population, Volume 3 (Washington, 1922), Table 10 for all cities shown except New York, which is Table 13. U.S. Department of Commerce, *Sixteenth Census of the United States*, Population, Volume 2 (Washington, 1943), Table 36 for all cities shown except New York, which is Table 35.

# TABLE XXVIINATIVE-BORN WHITE POPULATION IN VARYING CITIES, 1900 TO 1940

Year	Chicago	Detroit	Los Angeles	New York
1900	1,081,720	185,524	80,173	2,108,980
1910	1,357,840	303,361	244,723	2,741,459
	25%	63%	205%	30%
1920	1,783,687	662,768	434,807	3,467,916
	31%	118%	78%	87%
1930	2,281,316	1,042,935	937,826	4,294,196
	28%	57%	116%	24%
1940	2,441,859	1,151,998	1,191,182	4,897,481
	7%	10%	27%	14%
Total Percentage				
Increase	91%	248%	426%	155%

Sources: U.S. Department of Commerce, *Thirteenth Census of the United States*, Abstract of the Census, Chapter 2 (Washington, 1913), Table 19, p. 95. U.S. Department of Commerce, *Fourteenth Census of the United States*, Population, Volume 3 (Washington, 1922), Table 10 for all cities shown except New York, which is Table 13. U.S. Department of Commerce, *Sixteenth Census of the United States*, Population, Volume 2 (Washington, 1943), Table 36 for all cities shown except New York, which is Table 35.

	Manhattan	Bronx	Brooklyn	Queens	Richmond
1910	2,331,542	430,980	1,634,351	234,041	35,969
1920	2,284,103	732,016	2,018,356	469,042	116,531
	-2%	70%	23%	100%	223%
1930	1,867,312	1,265,258	2,560,401	1,079,129	158,346
	-22%	73%	27%	130%	36%
1940	1,889,924	1,394,711	2,698,285	1,297,684	174,441
	-1%	10%	5%	20%	10%
Total Percentage					
Increase/Decrease	-25%	153%	55%	250%	269%

# TABLE XXVIIIPOPULATION GROWTH IN NEW YORK CITY'S FIVE BOROUGHS, 1910 TO 1940

Sources: U.S. Department of Commerce, *Thirteenth Census of the United States*, Abstract of the Census, Chapter 2 (Washington, 1913), Table 19, p. 95. U.S. Department of Commerce, *Fourteenth Census of the United States*, Population, Volume 3 (Washington, 1922), Table 13 for New York. U.S. Department of Commerce, *Sixteenth Census of the United States*, Population, Volume 2 (Washington, 1943), Table 35 for the five boroughs shown.

**APENDIX B: Letters of Inquiry/Permission re: photos and tables** 

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#### **Permission Grant**

Jean L Guarino 1176 S Oak Park Ave Oak Park, IL 60304 Date: August 03, 2015 Grant Number: 109029 Request Date: 07/26/2015 Reference Number: 0049539525

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From: Jean Guarino [mailto:guarinojl@gmail.com] Sent: Friday, May 22, 2015 5:15 AM To: Karen Widi Subject: Question re: Monadnock historic photos

Dear Karen,

As you may recall, I met with you several years ago to review historic photos of the Monadnock Building from the 1930s for use in a CAF lunchtime lecture. I'm now getting back in touch to ask whether I might have permission to use some of those photos in my Ph.D. dissertation, which is titled, *Urban Renewal in the Interwar Era: The Remaking of Chicago's Loop, 1918 to 1942.* 

Chapter 4 of my dissertation focuses on downtown office building modernization and highlights the work of Skidmore and Owings on the Monadnock Building. I would be delighted if I could obtain permission to use the five photos shown on the attached Word doc. I know that the image of the building entrance was published in Pencil Points, but I'm unsure of whether the original photo was taken for SOM. I'm also wondering whether the images of the office interior and hallway were taken by Hedrich Blessing and if so, does CHM have the rights?

Thanks so much for any information that you could provide and I look forward to hearing from you.

All the best,

Jean

-----

Jean L. Guarino Ph.D. candidate and architectural historian 1176 S. Oak Park Avenue Oak Park, IL 60304 708.386.1142 guarinojl@gmail.com

Karen Widi <Karen.Widi@som.com> To: Jean Guarino <guarinojl@gmail.com> Tue, Jun 2, 2015 at 10:49 AM

Jean

The 2 interior photos have 'Chicago Architectural' photography and 'Chicago Architectural / Webster Brothers' respectively (and also noted below) stamped on the back of the photo.

×

#### Gmail - Question re: Monadnock historic photos

Unfortunately, I cannot verify the photographers for the rest of the images and I also cannot verify if SOM commissioned these photos. If you have not already done so, I would recommend that you research them further at the Historical Society, Chicago History Museum, AIC, etc.

If you cannot locate, then the photo credits should indicate unknown photographer and that the image is compliments of SOM archive.

Sincerely,

KAREN WIDI MANAGER OF LIBRARY, RECORDS AND INFORMATION SERVICES

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From: Jean Guarino [mailto:guarinojl@gmail.com] Sent: Friday, May 22, 2015 5:15 AM To: Karen Widi Subject: Question re: Monadnock historic photos

Dear Karen,

[Quoted text hidden]

Jean Guarino <guarinojl@gmail.com> To: Karen Widi <Karen.Widi@som.com> Wed, Jun 3, 2015 at 10:01 AM

Thanks very much for this information, Karen. I'll do more research myself on these photos and it's helpful to have a clue on two of them.

All the best, Jean



Jean Guarino <guarinojl@gmail.com>

**Re: photo permission question** 2 messages

Valerie Harris <val66@uic.edu> To: Jean Guarino <guarinojl@gmail.com> Cc: lib-permissions@uic.edu

Dear Jean,

First let me apologize for the delay in responding. I conferred with the archivist for the CBOT archives, and with her approval I'm happy to grant you permission to publish in your dissertation the reproduction of a photograph of the Ceres mural from the interior of Chicago Board Trade building, ca. 1930.

Please credit the image with the following information: Chicago Board of Trade records, series V, sub-series 3, Public Relations, 1848-2000, box 263, folder 3. Special Collections and University Archives, University of Illinois at Chicago Library.

I wish you great success, and trust you'll write again if I may be of any additional assistance.

Regards, Val

--

Valerie Harris, Associate Special Collections Librarian Special Collections and University Archives Department Richard J. Daley Library (MC 234) University of Illinois at Chicago 801 S. Morgan St. Chicago, IL 60607

312-996-2742 val66@uic.edu

On Tue, August 4, 2015 1:58 pm, Jean Guarino wrote: > Sure... Here you go! > On Tue, Aug 4, 2015 at 1:48 PM, Valerie Harris <val66@uic.edu> wrote: > Hello Jean, >> Hello Jean, >> I'm afraid that the lib-permissions list serve strips attachments. Can >> you >> send it to directly to me at val66@uic.edu? >> Thanks! >> Val >> --

Thu, Aug 13, 2015 at 10:40 AM



Jean Guarino <guarinojl@gmail.com>

#### Question re: 2 Monadnock Building photos 3 messages

Jean Guarino <guarinojl@gmail.com> To: dpcapc@comcast.net

Tue, Jun 30, 2015 at 4:00 PM

Dear Mr. Phillips,

I'm a doctoral student in UIC's Art History Department and am currently working to complete my PhD dissertation, which focuses on the Loop in the interwar era. One of my chapters highlights office building modernization of the 1930s using the Monadnock Building as a case study.

I found two wonderful interior photos in the SOM archive of the Monadnock Building's 12th floor as it appeared after that firm's 1938 modernization of the building (attached).

I would love to include these two photos in my dissertation. However, the archivist at SOM stated that these photos had "Chicago Architectural" and "Chicago Architectural/Webster Brothers" stamped on the back. I'm assuming that both were taken by the Chicago Architectural Photography Company and it's my understanding that you own the copyright to this company's images.

I'm writing to ask if I can have permission to use both of these photos in my PhD dissertation. They would really be a wonderful addition to this work and perfectly illustrate my description of the changes that occurred in the Monadnock Building in the 1930s.

Can you please let me know if this is possible? I would very much appreciate it and am happy to answer any questions you may have. Thanks and I look forward to hearing from you.

All the best, Jean Guarino

--

Jean L. Guarino Ph.D. candidate and architectural historian 1176 S. Oak Park Avenue Oak Park, IL 60304 708.386.1142 guarinojl@gmail.com

2 attachments

Monadnock\_modeloffice3.jpg 1211K


Monadnock\_corridor.jpg 999K

dpcapc@comcast.net <dpcapc@comcast.net>
To: Jean Guarino <guarinojl@gmail.com>

Tue, Jun 30, 2015 at 9:08 PM

Dear Jean,

You certainly have my permission to use the photographs of the Monadnock interiors but you will have to use the images from the SOMkk archive.

The Chicago Architectural Photographing Companies archives were purged just before I purchased the company in 1968 and I don't have prints of the interiors. All best to you and your dissertation. David Phillips

From: "Jean Guarino" <guarinojl@gmail.com> To: dpcapc@comcast.net Sent: Tuesday, June 30, 2015 4:00:06 PM Subject: Question re: 2 Monadnock Building photos

[Quoted text hidden]

Jean Guarino <guarinojl@gmail.com> To: dpcapc@comcast.net Wed, Jul 1, 2015 at 5:53 AM

Wonderful. I'll list Chicago Architectural Photography Company as the photographer in the caption and state that the photo is from the SOM Archive.

Thanks so much for your quick response.

All the best, Jean



Jean Guarino <guarinojl@gmail.com>

## copyright question re: U of C dissertation 2 messages

Ellen Bryan <ellen@uchicago.edu> To: "guarinojl@gmail.com" <guarinojl@gmail.com> Cc: Rachel Rosenberg <rrosenbe@uchicago.edu>

Mon, Jul 27, 2015 at 4:13 PM

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Sincerely,

Ellen Bryan

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Jean Guarino <guarinojl@gmail.com> To: Ellen Bryan <ellen@uchicago.edu>

Dear Ellen,

Thanks very much for this information, which is very helpful.

All the best, Jean Guarino [Quoted text hidden] --Jean L. Guarino Ph.D. candidate and architectural historian 1176 S. Oak Park Avenue Oak Park, IL 60304 Wed, Jul 29, 2015 at 7:16 AM

Obituary: Malcolm J. ProudFoot Author: Clarence F. Jones Source: Geographical Review, Vol. 46, No. 2 (April 1956) pp. Published by: American Geographical Society. 275-2 275-277

275

## GEOGRAPHICAL RECORD

of the United States Board on Geographical Names, Geogr. Rev., Vol. 35, 1945, pp. 647–652). It traced the changes in structure and in concepts of the function of the Board from its early beginnings under an executive order in 1890 to the date of the article's publication. Since 1945 other changes have occurred. Currently the Board is operating under Public Law 242, 80th Congress, 1st Session, 1947. This law charges the Board and the Secretary of the Interior conjointly with the determination of geographic place names, both in the United States and abroad, for use by all federal agencies. As the result of this law, and of earlier Board activity, years of painstaking geographic and linguistic research have been applied to a systematic treatment of place names all over the world. The results of this research have been available to government agencies. In general, however, except for the published decisions of the Board, they have not been readily available to the public until the present series of gazetteers was initiated.

Types of research required for place-name standardization vary greatly from one part of the world to another. For example, in countries using the Roman alphabet, after authoritative sources have been determined, it is often necessary to resolve variants of spelling. When a sovereign country decides to alter its policy on language, as the Union of South Africa did in its shift of emphasis from English to Afrikaans, the ruling of the Board must reflect this change. Likewise, the decision of the sovereign nation to rename certain features of its terrain must be reflected in the Board's findings.

In countries using a non-Roman alphabet the problem is even more complex. Where it is determined that a country has an adequate alphabet, a system of transliteration is established. Although this requires an accurate linguistic analysis of the ranges of distinctive sounds, tones, accent patterns, and other significant features, the end sought is a letter for letter relationship between the non-Roman and the Roman alphabet. In certain countries transcription is necessary, and a system designed to produce in Roman-letter symbols the equivalent foreign sounds is the basic aim. Transcription must be used in the case of nonalphabet writing systems (for example, Chinese and Japanese), in the case of languages not reduced to writing (for example, certain Pacific Island groups), and in cases where too great a discrepancy exists between the spoken and the written languages (for example, Siamese).

The work of the Board is by no means completely unknown to the general public. From time to time the Department of the Interior has issued "Decisions on Names" for specified countries or areas, but these, in essence, represent only the knottier problems of geographic nomenclature—those names not covered by previous Board policy and those that serve to illustrate revisions of policy. It is believed that the currently issued and planned gazetteers with their larger coverage of place names will be much more generally useful. —H. THOMPSON STRAW

## **OBITUARIES**

MALCOLM JARVIS PROUDFOOT. Malcolm Jarvis Proudfoot, associate professor of geography at Northwestern University, died suddenly on November 21, 1955, in Oxford, England, at the age of 48. He was on a year's leave of absence as a Guggenheim Fellow, engaged in research on wartime and postwar migration into the United Kingdom. As a result of his death, geography has lost an energetic and devoted disciple, and colleagues and students have lost a penetrating critic, sincere friend, and keen advisor.