

# The Dry Years, Part II

## Capitola's Days of Wine and Roses

Capitola - 1920-1930

by Carolyn Swift

[Editor's Note: During the nation's dry years, the then-village of Capitola came of age as real estate developer H. Allen Rispin attempted to make a few miles of California's coast into a playground for the rich and famous. While Rispin's Soquel golf course and wharf hotel are gone, the barren structure of the speculator's 22-room home remains alongside Soquel Creek. The first installment of Carolyn Swift's two-part series about Capitola in the 1920s and 1930s appeared in the December 16, 1997 edition of *The Post*.]

**D**uring Prohibition, California's grape growers increased their acreage by an impressive 700 percent, selling the grapes as concentrate and supplying their customers with both how-to instructions and a warning about the illegality of wine production.

Making wine for "personal use," was still permitted by law, so a well-to-do San Franciscan like Henry Allen Rispin had no trouble depositing enough to go with many a fine meal. The Capitola mansion was built with entertaining in mind. Its cellar was spacious, discreet, and stocked, no doubt, with the best home brew and "do-it-yourself" vintage wine available.

Even though Rispin's cellar was surely legitimate, storytellers have persisted with the fable that he was a bootlegger — most probably a label unjustly conferred.

For openers, Capitola's owner hardly had time to risk such a rascally venture. As soon as he bought the town in 1919, this little rough-and-ready resort was scheduled for a total make over. With the right looks and some upscale marketing, this campestrial village was supposed to become the well-upholstered haven for people with scads of money. The affluent were pigeons targeted for expensive clubhouse memberships, prefabricated bungalows and ritzy second homes.

The speculator's big mistake was that from the beginning he gave promises — to his associates and friends in San Francisco and to the people of



photo:  
Capitola Historical Museum

**Doris and Al Welch (with friends) enjoyed home brewed beer at a Prohibition party.**

Capitola — that he couldn't quite make good. Success hinged on schemes that were begun without sensible priorities and soon tangled in financial tie ups. He wanted to build

exclusive clubs, concrete hotels and beautifully landscaped golf courses, when it most needed more gas stations, roadside inns, and inexpensive auto courts.

did most of their shopping from mail-order catalogues. It was filled with vacationers who bobbed their hair, danced the Charleston, and rode home in a Ford. And, as hard as he tried

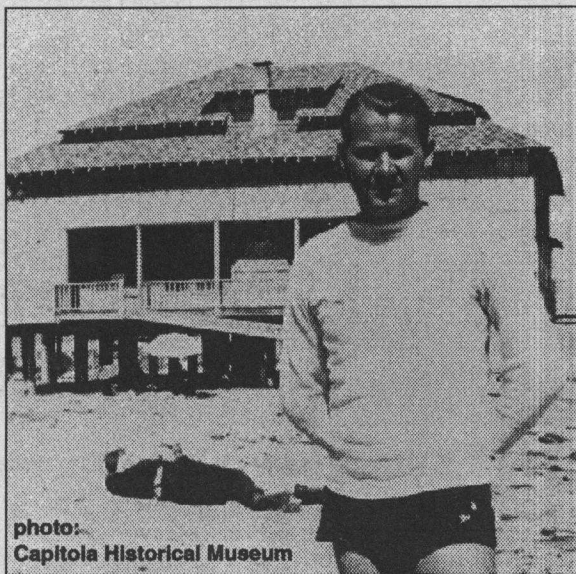


photo:  
Capitola Historical Museum

*Although no remnant of the clubhouse exists today (it burned in 1939), for awhile it was one of Capitola's most imposing landmarks. The lobby was spacious enough for 50-100 people to be comfortably warmed at the hearth of the gray limestone fireplace.*

subdivisions, for example, without first paving the streets. He winned and dined diamond studded guests and gave them tours of his heritage rose garden, but paid little attention to the needs and complaints of the villagers who ran his businesses at the bottom of the hill. Rispin sought to ply Capitola with

Capitola knew its bread and butter was exactly where it had always been, with families from main street America and the middle class of the state's inland valleys. Although it boasted its share of executive barons (such as the Hanchetts of El Salto), Capitola in the 1920s had its greatest appeal with people who

to live his life as a blue blood in the lap of luxury, Rispin himself was more like them than anyone knew.

No matter how much historians discover about Rispin, most of his story remains a puzzle. This man of humble beginnings who spent a million dollars investing in Capitola had

little to say as his fortunes spiraled downward in a corkscrew of bad investments and unpaid debts.

The late Noel Patterson, real estate agent for Frederick Hihn, Capitola's original promoter, once said he believed Rispin began to lose his grip on his properties in 1927. That was the year he was last able to buy property to add to his Capitola holdings. After that, Patterson said, Rispin's luck was in reverse.

Lately it was discovered that he was forced out of his mansion not once, but twice. The first time was exactly 70 years ago, in the summer of 1928, when 48 acres of the speculator's Capitola holdings were sold to Marian Realty and then transferred by that firm to the Blanchard Company of San Francisco. Publicly, Rispin continued his buoyant advertising strategy and announced that his plans for Capitola's expansion were on the up and up. The community believed him.

### Bay Fishing With A New Angle

At the same time Rispin was forced to vacate the Capitola mansion, a gala opening was held for his latest enterprise. In late July 1928, the Capitola Beach and Fishing Club welcomed the public with high-spirited fanfare that included music by the Hawaiian Gardens Nightclub orchestra. Club manager William Simonds directed tours of his new "mecca for sportsmen." Built upon and alongside the Capitola Wharf, the Fishing Club was an adjacent development to the recently completed Venetian Courts, the individually-owned apartment units developed by Rispin.

"The opening of this new club should be of the highest benefit to the Capitola area and incidentally to the whole of Santa Cruz County, for as prognosticated by H. Allen Rispin, president of the Bay Head Land Company and one of the promoters of the club, there is certain to be an increase in population in the beautiful resort city down the bay," reported the *Santa Cruz Evening News*. "This increase is foreshadowed by

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information in the hands of the management, showing how widespread is the interest of well-to-do Californians in winter fishing, a feature of sport in which it is the intention of the manager ... to specialize."

Although no remnant of the clubhouse exists today (it burned in 1939), for awhile it was one of Capitola's most imposing landmarks. The lobby was spacious enough for 50-100 people to be comfortably warmed at the hearth of the gray limestone fireplace. While the fishermen grouped around the fire, the sports women were coaxed to relax in their own rest lounge.

"This will afford a little seclusion for those feminine followers of Izak Walton who feel the need of recuperation from a hard day on the bay, but do not wish to retire to their rooms," the paper reported.

The lounge was on the ground floor near the kitchen, dining room, and a wide veranda built to resemble "the sidewalk annexes to the cafes of Paris." Upstairs, the second floor was outfitted to look like the deck of a steamer, with sleeping quarters for 50 people and a promenade along three of its sides.

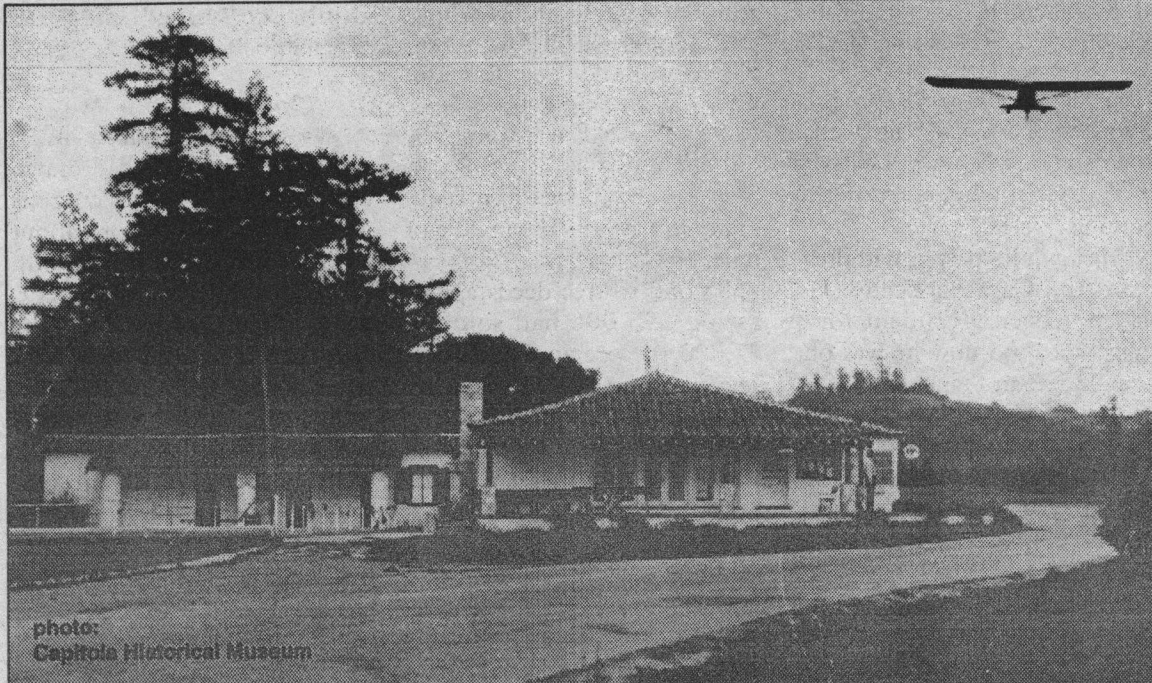
Most of the building construction was done by Santa Cruz County businesses. Santa Cruz Furniture Company, the decorator, introduced "art moderne" furnishings. J. Erle McCombs of Bonanza Beach, the project's general contractor, built in a Santa Cruz "Lokbat" style, using redwood from area forests.

If the Fishing Club enjoyed success, it was very fleeting. Few Capitola residents recall its heyday. Although an elaborate and lofty addition to the wharf, the building was known irreverently as "the boat club," a place that was empty as often as not. Its last years were spent as an off-season storage shed for Captain George Mitchell's recreational fishing vessels (which also burned in the fire of 1939).

When the fishing club's charred rafters were unceremoniously scraped off the pier, Capitola barely noticed that another of Rispin's dreams had turned to ashes.

### Rispin On The Rebound

In mid-November 1928, newspapers announced that Rispin had repurchased his own house. He bought back his mansion and eight surrounding



Rispin encouraged guests to fly in to the golf course by plane and land on the green.

acres from the Blanchard Company. Meanwhile, the San Francisco firm told of plans to develop 40 acres of land previously owned by Rispin north of Soquel Creek and west of Oak Street, including the newly-created River View Park.

Rispin was running out of money. Frantic over the completion of the 18-hole golf course in Soquel, Rispin counted on it to recoup his investments. All the financial hoops he jumped through to get back the mansion were intended to support the opening of the Monterey Bay Golf and Country Club. He

ness of the place he contemplates dredging and widening the river along its entire water frontage to provide boating and fresh water swimming for the club guests," reported the *Santa Cruz News*.

An interesting footnote to the transaction was the name of the real estate agent that arranged for Rispin to regain title to his Capitola mansion. The agent was Harlan P. Kessler, the man who would in 1948 become the first mayor of Capitola.

### Hardin Way

Finally ready in mid-July,

tracts on the California coast in the 1920s.

The green was well received by 2,500 golfers who played the course that summer. It covered 130 acres of Rispin's 315-acre tract in Soquel, with all surrounding lots available for homesites that could not be sold rapidly enough to avoid disaster.

On July 27, just a week after the golf course opened, the broadcast was made that all of Rispin's Capitola properties were to go up for auction as the Bay Head Land Company prepared to liquidate its holdings.



*Meanwhile, liquidation of the building and loan association forced Robert Hays Smith and Nicol Smith to sell the contents of the mansion for \$1 in June, 1940. The inventory no doubt contained many of Rispin's belongings.*

needed the course to attract buyers. And, to enhance the club milieu, Rispin was willing to transform his former home into a "seaside clubhouse."

"He proposes the addition of fifty rooms to the present building for the accommodation of such club members and their families as may desire to make protracted stays in the vicinity of their golf grounds, and to further enhance the attractive-

1929, the Monterey Golf and Country Club opened too late to save Rispin from grave financial embarrassment. Today the site is covered with the subdivision of Monterey Bay Heights, with street names like Putter, Fairway, and Entrance drives. The only avenue with an unlikely title is Hardin Way, named for the course's designer, S.C. Hardin of San Francisco, one of the foremost golf course archi-

"Capitola-by-the-Sea is going to be knocked down to the highest bidder," was the newspaper's opening line. The announcement stunned everyone in the village.

Frank Meline Company of L.A., one of the largest auction firms on the west coast, was commissioned by the Bay Head Land Company and the Capitola Company to sell 1,500 business and residential lots, along with

the golf course, the wharf, the bandstand, the unsold portion of the Esplanade and Rispin's mansion (then valued at \$250,000). All of Rispin's properties together were thought to be worth \$2 million. The auction firm sent out 15 tons of literature in its huge effort to "convert all property to cash in ten days."

It was the same tactic Rispin had used with some success in 1924. A colossal tent was spread out along the Depot Hill side of the beach for the auction on August 22 and 23. The attendance was as good as before, but the sales were dreary. The Meline company eventually sued Bay Head Land Company for \$7,963.70 in costs.

Rispin retained attorney H.E. Monroe of San Francisco to represent him as the court battles and foreclosures began. Immediately, legal conflicts would be initiated by some well-known Capitola personalities, including Teddy and Signey Woodhouse, the owners of the Capitola Hotel.

The conflict that most strongly illustrated the parting of the ways between the Capitola community and its former owner was the lawsuit brought by a man named Al Lent, who is often remembered as a friend of Rispin's.

A Capitola resident since 1912, Lent had built one of the resort's handsomest landmarks, an extraordinary redwood bungalow perched on the western bluff above the village, just above Wharf Road. Lent was also a well-known celebrity in the village, an ardent hunter, fisherman, horseman, and art collector who once listed his occupation on an official county legal form as "baseball." He kept his house full of Western relics, trophies, highly polished guns, and fishing tackle, and when he saw that his whole town was up for auction, he decided there was a prize he wanted — the bandstand on the beach.

Lent was high bidder and paid \$2,627.50 down on the property that sold for \$10,450. When he made his 25 percent partial payment on the night of the auction, he was given a sales ticket from the Capitola Company. Wary of Rispin's financial credibility, Lent turned it down, demanding instead that he be given a receipt from the Meline company itself. Not that being careful saved Lent much trouble.

Soon after the auction, Lent learned from title company rep-

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representatives that it was impossible for him to have obtained clear title to the bandstand because there were liens against it. Other property owners had access rights through the property to the beach. Lent went to the Meline Company for a refund, and was denied.

In its court defense, the Meline Company claimed it was acting as agent for Rispin's companies, which had failed to pay for the company's services. Of note, it was proven in court that the money collected in the sale was never turned over to Rispin.

The headstrong Lent spent two years fighting his case, and in the end he won not only his money back, but 7 percent interest as well.

**Where Sea and River Meet**

Soquel Creek was dredged and widened that season, which explains why oldtimers remember it as being so much more deeper than it is now. The creek's squeaky clean, improved appearance was a selling point for the Blanchard Company's new subdivision of Riverview Terrace, which opened less than a month after the auction.

The full-page promotion celebrated the advantages of the nearby golf course and airplane landing field, the wintertime fishing opportunities, the beauty of the bay, and creek bordered with native trees.

"The river, the sea, the mountains and the golden sunlight have been marshaled together to

make an ideal homeland and playground, Riverview Terrace — where sea and river meet," it read. "Picture yourself spending your leisure hours in a little stucco bungalow along the river bank, within hearing of the pounding surf."

Meanwhile, Rispin withdrew from the Capitola scene. He had not been a resident for a long time, and now he was out of sight in San Francisco.

A syndicate of San Francisco capitalists signed papers to take over Rispin's companies in the middle of 1930. The mansion, the golf course and its subdivisions were all included.

"The transfer which is expected to be completed within a short time will clear up the tangled situation involving the properties in and around Capitola, which has held up development there for several years," announced the *Santa Cruz Evening News*.

By late summer, though, it was apparent the foreclosure would take some time. Some \$500,000 of Rispin's properties were to be sold on the steps of the Santa Cruz County courthouse on August 11, 1930, but the sale was postponed at the last minute, with "more than a score of persons" left questioning the legality of the delay. The sale was to be held by the trustee, the Pacific States Auxiliary Corporation which sued in the foreclosure proceedings on behalf of the Pacific States Savings and Loan Company, the beneficiary under a trust deed given by Rispin's corporation two years earlier. As the

months passed, the headlines told the story of repeated obstacles: Foreclosure Sale of Rispin Tracts Postponed Again; Foreclosure Sale Postponed for Third Time; and Rispin Mortgage Sale Postponed For Tenth Time. It was now the middle of June, 1931.

Second trustee deeds aggregating \$95,000 had sold for \$7,000 the previous October. The first trust deeds, held by a subsidiary of the Pacific Building and Loan association, were said to be a combined total of \$210,000.

Rispin's mansion was the first item up for bid in the sale. A second mortgage of \$35,000 was sold to San Francisco attorney H.S. Young for \$500, subject to a prior encumbrance of \$20,000. Young was the primary buyer on all the property, representing a combination of interests.

**A Family of Six Moves In**

The newspapers announced that Mr. and Mrs. E. E. Nicol of San Francisco moved into the Rispin mansion along with their four children in October, 1931. Three of the kids were immediately enrolled in the Soquel grammar school while the eldest daughter began classes at Santa Cruz High School. Nicol was supposedly the brother-in-law of millionaire Robert Hayes Smith of Burlingame, the man who made the highest bid on the majority of Rispin's Capitola properties, including the golf course.

The era of Nicol was so short that hardly anyone remembers that another family besides Rispin had ever lived at the mansion.

Santa Cruz County deeds show that Nicol Smith, a single man, paid \$19,800 on a deed of trust with the California Mutual and Loan Association in the fall of 1932. A notice of breach and default was filed against him in 1936, and the Rispin mansion was again put up for sale. In 1940, the State Building and Loan Commissioner ordered liquidation of the assets of California Mutual Building and Loan Association, including the Rispin mansion. It was sold by an order dated October 31, 1940. After a payment of \$90,000, the Sister of Poor Clares, an order of cloistered women religious, transformed the mansion into Poor Clares Convent in 1941.

Meanwhile, liquidation of the building and loan association forced Robert Hays Smith and Nicol Smith to sell the contents of the mansion for \$1 in June, 1940. The inventory no

doubt contained many of Rispin's belongings.

**Capitola Burns Its Way Out of Prohibition**

As the year 1928 had drawn to a close, Capitola's citizens worried more and more about how to manage themselves without the help of an overseer. Throughout its history, the owner had always been the responsible figurehead.

Frederick Hihn had no trouble supplying Capitola with water, sewage systems, fire protection, streetcar lines, railroad depots, and anything else it needed to succeed. Rispin bought the town as times were changing, and found it more difficult to keep up with the demand. But, in November, 1928, after Rispin had already moved out of his mansion, he presented Capitola with one of his last gifts. It was a double tank chemical fire engine and 800 feet of hose.

Immediately, the Capitola Improvement Club got together a committee of locals to take charge and operate the fire fighting equipment. Harry Hooper, Frank Millang, Jr., William Strang, Gus Canape and Harry Rose were appointed. Capitola had a volunteer fire department.

Ironically, Woodhouse volunteered to hold a big New Year's Eve bash at the Capitola Hotel that year to ring in the year of 1929 and at the same time raise funds for water supplies and fire protection. A year later, as Woodhouse was planning another

New Year's celebration, his hotel burned to the ground in one of the most spectacular fires in Capitola history. Woodhouse had just finished paying for the 160-room hotel, and had it insured for only a fraction of its value, \$50,000.

The fire in Capitola erupted just a few months after a volcano exploded on Wall Street, burning everyone who had been riding high on what President Hoover had called "the final triumph over poverty." It was not unusual throughout the nation in the years that followed to find former millionaires like H.A. Rispin begging on street corners. The time he reportedly asked Noel Patterson for \$10 was the only time anyone remembers seeing him in Santa Cruz in the 1930s.

Rispin's gift of the fire truck was almost prophetic. Just as Prohibition was about to end, the popular Hawaiian Gardens Nightclub burst into flames. The blaze took out the entire central portion of the village, wiping out the dance club, Frank Kasseroller's restaurant, a meat market, curio store, a candy store, grocery market, pool parlor, a real estate office and two houses.

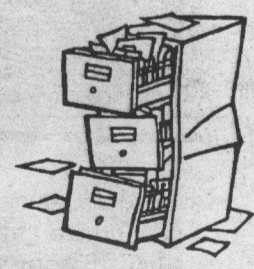
Prohibition was over, the Depression had just begun, and Capitola had just had the heart burned from the middle. But the people of the community that the village, far from destroyed, put their energies instead toward the establishment of a city. It took 15 years. □

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