

“The Boom of the Eighties”

It was plain that they were in fact buying comfort, immunity from snow and slush, from piercing winds and sleet-clad streets, from sultry days and sleepless nights, from thunderstorms, cyclones, malaria, mosquitoes and bedbugs. All of which, in plain language, means that they were buying climate . . .

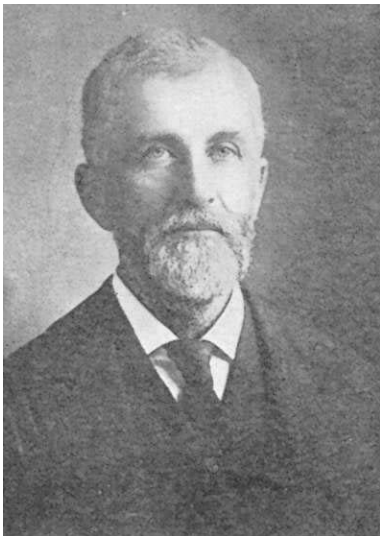
--Theodore S. Van Dyke, in Millionaires of a Day (1890)

“Bay’n climate,” some people called it. The irresistible twin lure of a beautiful harbor and an equitable climate drew tens of thousands to San Diego between 1885 and 1887—a period of furious growth called the “boom of the eighties.” Within an eighteen month period, San Diego’s population exploded from about 5,000 to an estimated 40,000 people.

The great boom began with the railroads. San Diegans had always been desperate for a rail connection to the East, which they believed would end geographic isolation and bring people and prosperity. Railroad schemes and projects came and went. Finally, in 1885, the transcontinental railroad reached San Diego. A train from the California Southern, a subsidiary of Santa Fe, pulled into town on November 21, and the boom was on.

A rate war between Santa Fe and its chief competitor, the Southern Pacific, spurred passenger traffic. A \$125 ticket from Missouri to Southern California dropped to \$100 then started to plunge. By March 1887, the rate had fallen to \$12, and for a time, one dollar bought a ticket from St. Louis to San Diego.

As the rail passengers flooded into town the hotels and rooming houses filled, leading the *San Diego Union* to warn: “an unwary stranger who neglects to engage a room immediately on his arrival here is often compelled to sit in a chair through the night for want of a bed.”



Civic booster Theodore Van Dyke

Wild real estate speculation was led by land syndicates that bought large tracts of old Mexican ranchos then subdivided the land for new town sites. The syndicates sold lots to eager investors, lured to noisy auctions by free transportation, barbeques, and band music. Some twenty new towns emerged in San Diego County, including Oceanside, Escondido, San Marcos, Ramona, El Cajon, Santee, Lakeside, Otay, and Chula Vista.

The most successful town project was Coronado, the brush-covered peninsula in San Diego Bay, that promoter Elisha S. Babcock turned into a seaside resort with his million-dollar Hotel del Coronado. The Babcock syndicate bought 7,000 acres of Coronado land for \$110,000, and then earned two million dollars selling individual lots at auction.

The most visible results of the boom were in the city of San Diego, which quickly transformed itself with new construction and civic institutions. Author and promoter Theodore Van Dyke observed at the height of the boom:

New stores, hotels, and dwellings are arising on every hand from the center to the farthest outskirts in more bewildering numbers than before, and people are pouring in at double the rate they did but six months ago. It is impossible to keep track of its progress. No one seems any longer to know or care who is putting up the big buildings, and it is becoming difficult to find a familiar face in the crowd or at the hotels.

New urban infrastructure accompanied the building boom. Streets were graded and sidewalks laid. A bond issue of \$400,000 paid for 38 miles of sewer pipes in downtown—a project that took only one year to complete. Public transportation came with the horse-drawn cars of the San Diego Street Railway. Arc lamps mounted on 110-foot masts illuminated the city, and the San Diego Telephone Company offered service to 284 subscribers.

The water supply, however, was a problem. The city struggled to find adequate supplies from wells until the San Diego Flume Company finished a 35-mile wooden aqueduct that carried water from the Cuyamacas to city pipes. Fast-growing National City dealt with its water issue by building the Sweetwater Dam and reservoir.

Churches, the Y.M.C.A., and the Women's Christian Temperance Union, addressed the spiritual needs of boom town San Diego—quite a task considering the scores of saloons and gambling halls emerging between H Street (Market) and the bay. Book readers found the Public Library, which was housed on the second floor of the Commercial Bank building at 5th and G Streets. The City Directory noted the library's "well-filled rooms are ample evidence of the culture and intelligence of the people of the City."

For all of San Diego's progress, there was little doubt that real estate speculation, which reached a frenzied height in late 1887, was a looming disaster. Local historian Walter Gifford Smith wrote:

Land advanced daily in selling price and fortunes were made on margins. A \$5000 sale was quickly followed by a \$10,000 transfer of the same property, and in three months a price of \$50,000 was reached. Excitement became a kind of lunacy, and business men persuaded themselves that San Diego would soon cover an area which, soberly measured, was seen to be larger than that of London.

In the spring of 1888, the bubble burst. Tightening credit slowed property sales and the speculators disappeared. When word got out that the Santa Fe Railroad was moving its offices north--meaning San Diego would no longer be the western terminus of the railroad--an estimated 10,000 "boomers" left town. Houses stood vacant and building projects stopped.

But the boom had permanently changed San Diego. Beautiful buildings filled the Gaslamp Quarter—structures that survive today. A new city charter established a modern local government. Professional fire and police departments were started. A small town had become a city.



Fifth Street, looking north from G, circa 1887. *San Diego Public Library*

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