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# THE DAYTON HOUSE

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OKABENA  
MEDIA





## INTRODUCTION

In the middle of an old residential neighborhood in a small Minnesota prairie town stands a beautiful old Victorian mansion known as the Dayton House. Just a few years ago, this mansion was an abandoned, derelict structure. Last used as a nursing home, the building had been boarded up for nearly two decades and was facing demolition. But over the past several years, this building has undergone a remarkable transformation. Thanks to the efforts of a small group of volunteers, this mansion has been restored to pristine condition and stands today exactly as it did when it was completed in 1890.

The story of the Dayton House not only tells the story of Worthington, Minnesota, the town where the house is located, but it also tells the story of a famous Minnesota family, a family known for its vitality, business acumen, integrity, and philanthropy. The Dayton House was built by George Draper Dayton, patriarch of the Dayton family, and founder of the Dayton's Department Store chain. Now known as Macy's, and just a short time ago called Marshall Field's, these stores will forever be known by most Minnesotans as Dayton's.

Join us as we take a look at where it all started, the Dayton House...

*“The Ornament of a house is the friend that frequent it”*

—Ralph Waldo Emerson

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## PIONEER

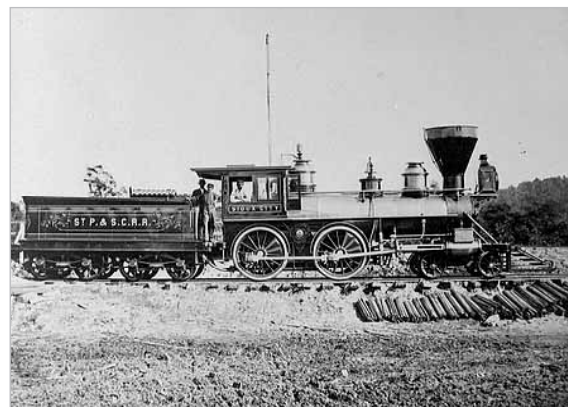


The first European to set eyes on southwestern Minnesota was French explorer Joseph Nicollet. Nicollet mapped the area between the Mississippi and Missouri Rivers in the 1830s. He called the region “Sisseton Country” in honor of the Sisseton band of Dakota Indians then living there. It was a rolling sea of wide open prairie grass that extended as far as the eye could see. One small lake in Sisseton Country was given the name “Lake Okabena” on Nicollet’s map, “Okabena” being a Dakota word meaning “nesting place of the herons.”

The Minnesota Territory was organized in 1849. The territory stretched from the Mississippi and St. Croix Rivers in the east to the Missouri River in the west – from the new State of Iowa in the south to Canada in the north. But white settlement was restricted to the area where the St. Croix River joined the Mississippi. The rest of the territory remained Indian land.

Minnesota Statehood was achieved in 1858, though a large portion of the Minnesota Territory, an area that today comprises the east-river portions of North and South Dakota, was left out of the bargain. White settlement spread throughout the Mississippi, St. Croix and Minnesota River valleys. Still, southwestern Minnesota was Dakota land, and would remain so until after the Civil War.

In 1871, the Sioux City and St. Paul Railway Company decided to connect those two cities with a ribbon of steel. The puffing steam engines that then chugged across the prairies consumed enormous quantities of water. As a result, water stations were needed every twelve to fifteen miles along of the route. One of these stations was designated as “The Okabena Railway Station.”



In that same year, Professor Ransom Humiston of Cleveland, Ohio, and Dr. A.P. Miller, editor of the Toledo Blade, organized a company to locate a colony of settlers along the tracks of the Sioux City and St. Paul Railway. This colony – the National Colony – was to be a village of temperance with a capital “T”, a place where evangelical Methodists, Presbyterians, Congregationalists and Baptists could live free of the sins of alcohol. A town was plotted, and the name was changed from the Okabena Railway Station to Worthington, Worthington being the maiden name of Dr. Miller’s mother-in-law.

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On April 29, 1872, regular passenger train service to Worthington was started, and on that very first train were the first of the National Colony settlers. One early arrival described the scene:

*We were among the first members of the colony to arrive at the station of an unfinished railroad... There was a good hotel, well and comfortably furnished, one or two stores neatly furnished and already stocked with goods, [and] several other[s] in process of erection... The streets, scarcely to be defined as such, were full of prairie schooners, containing families waiting until masters could suit themselves with "claims," the women pursuing their housewifely avocations meanwhile – some having cooking stoves in their wagons, others using gypsy fires to do their culinary work; all seeming happy and hopeful.*



Settlers poured into the region. It was the age of the Homestead Act when 160 acres of government land could be claimed for free. All one had to do was live on the land and “improve” it, a vague phrase if ever there was one. In such an atmosphere, settlers without connection to the National Colony also arrived in great number, and few of those were temperance activists. Scandinavian, German, and Irish immigrants were among those

who came. American-born settlers invariably included many hardened – and hard-drinking – Civil War veterans hungry for free land.

A curious event took place on Worthington’s very first Fourth of July celebration. Hearing that there was a keg of beer in the Worthington House Hotel, Professor Humiston entered the hotel, seized the keg, dragged it outside, and destroyed it with an axe. A witness described what happened next:

*Upon seeing this, the young men of the town thought it to be rather an imposition, and collected together, procured the services of the band, and under the direction of a military officer marched to the rear of the hotel, and with a wheelbarrow and shovel took the empty keg that had been broken open, and playing the dead march with flag at half staff marched to the flagpole in front of Humiston’s office where they dug a grave and gave the empty keg a burial with all the honors attending a soldier’s funeral.*

*They then, with flag at full mast and with lively air, marched back to the ice house, procured a full keg of beer, returning to the grave, resting the keg thereon. Then a general invitation was given to all who desired to partake, which many did until the keg was emptied... In the evening they reassembled, burning Prof. Humiston in effigy about 10 p.m. Thus ended the glorious Fourth at Worthington, Minn.*

—Sibley Gazette July 5, 1872

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In spite of tensions between pro-temperance and anti-temperance factions, the town grew rapidly. By the end of summer in 1872, eighty-five buildings had been constructed where just one year before there had been nothing but a field of prairie grass.



The ensuing winter was a severe one, and swarms of grasshoppers stripped farmers' fields bare in the summer of 1873. Still, settlers came. 1874 produced a bumper harvest, followed by another grasshopper invasion in 1875. 1876 and 1877 were good farming years, and in April of 1878, thirty-two covered wagons arrived on a single day to settle the nearby town of Adrian! Grasshoppers returned for the last time in 1879, and the future looked bright for southwestern Minnesota. According to the 1880 census,

Nobles County boasted 4435 residents, 636 of them living in Worthington. For German, Irish and Scandinavian immigrants seeking a new life, southwestern Minnesota was a new world.



Although the Homestead Act promised 160 acres of free land to pioneers, many still needed additional money – “a stake” – to start their new lives. Very often, eastern bankers were willing to supply that need. Investors in upstate New York

wanted a piece of the action, and many from Geneva, New York, were soon giving their funds to a Mr. Thomas H. Parson, owner of the Bank of Worthington. But loaning money to homesteaders proved to be a fickle business.

The winter of 1880-81 was a tough one. The season began on October 15th with an afternoon rain that turned by evening to ice. A three day blizzard followed, and additional blizzards continued intermittently until mid April! There was one point when not a single train made it to town for eleven straight weeks! Train delays created a severe fuel famine. Southwestern Minnesota was still virgin prairie and there were few trees to cut for firewood. Settlers resorted to burning hay or dried cow dung to stay warm. Others dismantled portions of their buildings to feed their stoves. By spring, many pioneers simply gave up and moved out. Geneva investors sent one of their own to Worthington to sort things out, twenty-four year old George Draper Dayton.





George was shocked at what he found:

*The settlers were thoroughly discouraged. One man traded a choice quarter section [160 acres] for a team of horses, harness, and buggy. To the farmers the outlook seemed hopeless. Quickly doors and windows were stolen, floors ripped up, and in some cases entire building moved to neighboring farms. This was true all over the Dakotas and Nebraska, as well as southwestern Minnesota.*

—George Dayton

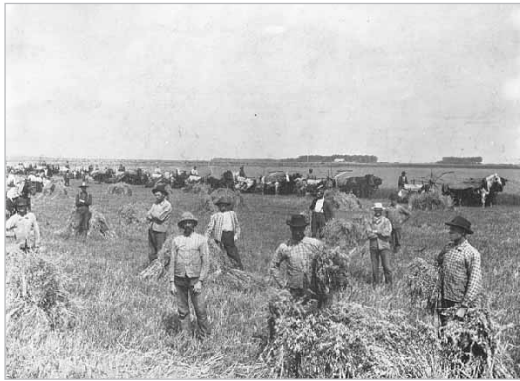
George returned in 1882 and arranged a purse of \$16,000 from New York investors to keep the Bank of Worthington open. But he soon realized that bank owner Thomas Parsons had been less than straight with the Geneva crowd. Investment would only continue if he, George Dayton, were running the show. So it was that on April 1, 1883, George Dayton moved west and took possession of the Bank of Worthington. His wife Emma and their two children arrived in Worthington five weeks later.



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## BANKER

George Dayton took over operation of the Bank of Worthington in 1883 despite the fact that he had “never seen the inside of a bank ledger.” But he had earned the trust of investors in Geneva, New York, because he shown a strong work-ethic and had developed an extraordinary reputation for integrity. He brought this work-ethic and integrity to the prairies of Minnesota.



George had to secure full title to the lands that settlers had borrowed upon, then walked off of. This was no easy feat considering that many immigrants who had abandoned their claims had also returned to their homelands. Nevertheless, George managed to secure titles from Russia, Germany, Italy, England and France, as well as from eastern states. These lands could then be sold new settlers, salvaging the initial investment. So it was that George found himself scouting for potential settlers for southwestern Minnesota.

*Securing settlers was an interesting pastime. I talked with a man who had five children. Discouraged, he had moved into town and was trying to earn a living running a dray. I suggested he take a good quarter section at eight dollars per acre, fifty dollars down and fifty dollars per year with interest at 8 percent.*

*“I haven’t fifty dollars,” he said.*

*I knew it and said, “All right. Go there without any payment now.”*

*He said, “It will take \$200 to repair the buildings.”*

*I knew it and said, “We will furnish the \$200 and add it to the cost of the land.”*

*He said, “That is all very nice, but to succeed a man should have ten cows.”*

*I knew he was right and said, “Select ten good cows and we will pay for them and add to the cost of the land.”*

*He went and made good.*



—George Dayton

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George and Emma were soon investing their own money into southwestern Minnesota, and George became one of the area's most outspoken boosters. He recognized that for farmers to prosper on the wide-open treeless prairies, lumber, coal, and farm machinery were needed. He therefore opened businesses selling lumber, coal, and farm machinery, often financing the purchases to customers. When he realized that farmers were shipping wheat to Minneapolis mills and purchasing processed flour from those same mills, he created the Worthington Flour Milling Company. When he learned that few area farmers possessed



the safety blanket of life insurance, he began selling it to them at bargain prices. He served on the local school board, organized the Worthington Board of Trade, an early version of the Chamber of Commerce, served as elder and Sunday school teacher at his local church, and promoted the region tirelessly.

George Dayton's hometown of Geneva, New York, is located near the south shore of Lake Ontario, a region blanketed by lake-effect snow every year. George was well accustomed to dealing with snow, and one might have expected him to deal stoically with Minnesota winters. But George Dayton managed to find something positive to say about the sub-zero temperatures of his new home. In a letter to the Geneva Advertiser newspaper, George extolled the virtues of Minnesota's wintertime climate:

*Friday, January 4th, was quite cool here. In the morning the mercury was 34 below zero; at five p.m. it was 30 below zero; and at six p.m. it was 32 below zero... I am wearing this winter the same pants as last summer, and nearly all the time a light spring overcoat. The great secret of it all is that our air is drier than with you, and we have no dampness.*



*The roads freeze up in the fall and stay so all winter... Some may prefer to go to Florida, but if you want to inhale air that will do you good, give you an appetite, make you feel fresh and vigorous and give a healthy glow to your countenance, come up here and take in these fresh breezes and feed on the pure, dry atmosphere of the prairies.*

—George Dayton





George's secret was that he could see possibilities in people, in places or in circumstances that others didn't see. Where others saw adversity or despair, George could see a spark of opportunity. And once George believed in a person or an idea, he did everything possible to see that person or idea succeed.

*"Slew" Johnson was cleaning cuspidors in saloons for drinks of whiskey – "down and out," about as low as a man could get. Somehow I became interested in him. We placed him on a 200 acre farm with moderate building, "staked" him for what was essential, and he made good.*

*Some years later my son Nelson and a friend went down to hunt in that neighborhood, and Johnson discovered them on his farm. Gesticulating wildly, he ordered them to cease hunting. The hunters quietly walked toward him, and he said, "Who are you, anyway?"*

*Son replied. "I am Nelson Dayton."*

*"Are you a son of George Dayton?"*

*"Yes sir."*

*"You can have anything on this farm you want," came like a flash – "I owe everything to your father." He then pointed with pride to his fine barns, told how many cattle and horses he had, and added, "Your father gave me my start."*

—George Dayton

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## PANIC AND PROGRESS



In 1889, George and Emma Dayton welcomed the fourth child into their family. So it was that the Dayton's made plans for a new house – their third since coming to Worthington. But this would be no ordinary prairie house. George's new home would announce to the community that the Daytons had truly arrived. George hired Sioux Falls architect Wallace Dow to design the home, and in June of 1890, work was begun.

*Mr. Dayton's new residence now displays its massive and elegant proportions, though much has to be done before it is complete. It will be an ornament to the village, and marks a new epoch in our village history, where progress and prosperity is evinced in structures of elegance, taste and comfort. Let others follow this line*

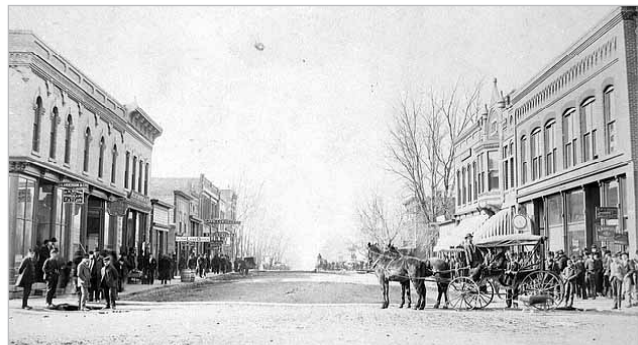
—Worthington Advance, July 24, 1890

Work progressed rapidly, and within four months, the spacious new home was completed. It was clear to all that the Dayton House was the new jewel of the growing prairie town, and it was hoped that other similar structures might follow.

*Few cities contain family residences more fitly adapted, or more elegantly adorned, than the new home of Mr. Dayton. The style of the building is up to the requirements of modern taste, the arrangement of the grounds and surroundings is appropriate, and the conveniences of the house are of the most perfect order and character. We welcome this latest acquisition of our town as one which will strike the eye of every newcomer favorably; an exhibition of social and financial progress and prosperity... This good example set, there will be more to follow.*

—Worthington Advance October 16, 1890

Times were flush in small prairie towns such as Worthington, and most believed further progress was inevitable. But the bubble was illusory, created in part by the Sherman Silver Act of 1890. The Act required the U.S. government to purchase 4.5 million ounces of silver bullion every month from western silver mines. The bullion was paid for with notes that could be redeemed by the holders either for silver or for gold.



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The Act initially served its purpose of stimulating business throughout the west. But many western silver mines were owned by European investors who soon began redeeming the Treasury notes for gold. Capital began flowing out of the country, and in southwestern Minnesota, George Dayton was preparing to meet a crisis.

*The United States was then a great borrowing nation, and Europe began to feel we would pay our debts in silver. In the first half of 1891, over 70 million dollars in gold left us for England, and people who understood began to fear our government would be unable to maintain the gold standard...*

*When Grover Cleveland became president in 1893, he found the treasury loaded with silver dollars and almost replete of gold – the booms were about at the busting point, and everything was ripe for a panic.*

—George Dayton



Panic hit when President Cleveland called for repeal of the Sherman Silver Act. Silver mines in the west closed, railroads, particularly in the west, went bankrupt, riots and strikes broke out, unemployment peaked at nearly 25%, and bank failures skyrocketed. The panic of 1893 was the worst economic crisis the country had ever seen.

Small towns were hard hit. Wheat dropped to 40 cents a bushel, oats to 10 cents. Beef prices dropped to \$10 a head, while sheep brought only a dollar! Railroads stopped transporting sheep as freight costs were more than the sale of the animals would bring! Railroads began refusing to accept bank checks for freight, demanding cash payments instead. Farmers went broke, farm mortgages went unpaid, and small town banks tottered on the abyss.

On July 5, 1893, The Nobles County Bank closed its doors. This caused a run on the Bank of Worthington located just across the street. It had been practice for the Bank of Worthington to close from 12:00 until 1:00 for lunch every day, but George ordered the bank to remain open to dispel rumors of failure. The Bank of Worthington weathered a three day run on its deposits, but just barely. George pulled through the crisis, partly on faith, partly by calling in every favor owed to him. He later recalled:



*One woman drew out a considerable sum. I went to her home about six o'clock and said, "There is no time to talk. You don't need that money and I do." The husband at once said to the wife, "Go upstairs and get that money for Mr. Dayton."*

—George Dayton

**Minnesota Loan and Investment COMPANY.**  
 Capital Stock, \$100,000.  
 GEORGE D. DAYTON—President,  
 J. P. MOULTON—Vice-President,  
 GEORGE O. MOORE—Secretary,  
 CHARLES W. WILSON—Clerk.  
 DAYTONS—Geo. D. Dayton, J. P. Moulton, Miss Frances D. Reed, C. E. Smith, Mrs. C. Moore and Mrs. W. Wilson.  
 OFFICE IN BANK OF WORTHINGTON BUILDING.

**BANK OF WORTHINGTON.**  
 GEO. D. DAYTON, Banker.

**J. P. MOULTON.**  
 REAL ESTATE AGENT.

100,000 Acres of Choice Farming Lands  
 Office in Bank of Worthington.

Bank runs were commonplace and banks were closing everywhere. But in Worthington, those who had withdrawn funds from the Bank of Worthington returned to the teller windows to redeposit those funds with confidence. The wife of the president of the failed Nobles County Bank even showed up to deposit several hundred dollars in twenty-dollar gold pieces she had been wise enough not to place in her husband's bank. The Bank of Worthington survived the crisis and the town survived as well. On December 7, 1893, the Worthington Advance was able to report:

*Bank of Worthington*

*The trees left standing after a cyclone are considered good timber.  
 The Bank of Worthington is good timber.*

**BANK OF WORTHINGTON.**

*Geo. D. Dayton, Banker.*

First Mortgage Loans a Specialty.

Does a general Banking business. Buys and sells Exchange. Makes Collections and remits for same as soon as received.  
 Negotiates Loans for long or short time on approved collateral.

**WORTHINGTON, NOBLES COUNTY, MINNESOTA.**

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## BEYOND THE DAYTONS



In the midst of the bank crisis, George Dayton was faced with a personal crisis. He had long been encouraged to balance his rural land holdings with urban land holdings. In 1892 he had purchased a parcel of land on Nicollet Avenue on what was then the edge of downtown Minneapolis. While the bank crisis of 1893 swirled about him, George had to decide whether he would cancel, or continue with, the \$260,000 eight-story building then under construction on the 600 block of Nicollet Avenue. He elected to continue with the project.

The building was known as the Dayton Medical Arts Building and provided doctors with a state-of-the-art location to practice medicine. The building was universally recognized as a positive contribution to the city. Several years later, when the First Presbyterian Church located on the 700 block of Nicollet Avenue burned down, George Dayton of Worthington, Minnesota, was the man to whom the city of Minneapolis turned to redevelop the property. Dayton constructed a modern department store on the site. For several years, George Dayton rented the property to tenants, but in 1902, the Dayton family moved to Minneapolis and George took over operation of Goodfellow's, later renamed Dayton's Dry Goods, and then simply Dayton's. The rest is part of Minnesota history.



The Dayton's must have loved their Worthington home because they built one almost identical to it in Minneapolis, a home enjoyed by several generations of the family. Back in Worthington, George sold the Dayton House to one of his business associates, Charles Smallwood.



Charles Smallwood, operator of Worthington's first telephone exchange, lived in the home with his wife Florence and their two children until his death in 1908. Florence continued to live there until she passed away in 1921. Charles and Florence's daughter Mary Smallwood Cashel and her husband State Senator Jack "Judge" Cashel took possession of the house in 1921. They lived together in the home until 1931 when Mary died at the young age of 43. Jack remarried Ruth Gertz in 1933 and the couple lived together in the home for five years, producing three more children. As in the days of the Daytons and the Smallwoods, the house remained a center of elegance and social activity.

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But in 1938 Jack died. Ruth was left with four young children and an immense house to care for. In order to make ends meet, Ruth converted the home into a boarding house. In time, the home developed into what was then known as a “rest home” or an “old folk’s home”– a boarding house catering specifically to the elderly. In the 1960s, an institutional wing was added to the west end to accommodate the needs of a more modern nursing home. But in the 1980s, state requirements and regulations governing nursing care made the facility unsuitable. The Cashels closed what had become known as “The Cashel Home.”





## RENAISSANCE

In October of 2002, the Dayton House was purchased for \$150,000 by Historic Worthington, a non-profit group dedicated to the restoration and preservation of historically significance buildings in Worthington, Minnesota. Their mission is to make these structures accessible as public gathering places, and to interpret the community's cultural and social history through these building's residents.

The Dayton House was chosen, in part, because of its ties to the Dayton Department Store chain, and its connection to a prominent Midwestern architect. But mainly the house was chosen because of its ownership by a dynamic man who recognized Worthington's potential early on.

Had George Dayton not been around to shepherd Worthington through the aftermath of the winter of 1880-81, and the financial Panic of 1893, Worthington may have faded from existence like so many other prairie towns. At the same time, the lessons Dayton learned in Worthington undoubtedly helped shape his business character and contributed to his subsequent success. The story of the success of the Dayton's Department Stores chain is the story of small town values writ large...

Before restoration of the Dayton House was begun, a Historic Report was completed by River Architects, along with a team of conservators and other professionals. Arduous planning and intense restoration work by a dedicated team of volunteers and professionals followed. Great care was taken in the selection of wallpaper, drapes, and furnishings. The home was eventually restored to its 1890 elegance.



Today, the restored house is used as a gathering place for receptions, weddings, meetings, parties, and other social events. Additionally, there are two bed and breakfast suites available on the second floor for overnight guests.

In December of 2003, the Historic Dayton House was placed on the National Register of Historic Places. In 2004 it received one of the Minnesota Preservation Alliance's house preservation awards.

The two-year restoration costs were approximately \$2,000,000. Much of this money was donated by the Target Foundation. Other Dayton family members, likewise, donated money to assist with the costly restoration. Bruce and Ruth Dayton were particularly generous with monetary gifts, donations of art pieces for the home, and the passionate personal support they gave the project from beginning to end.

Scores of individuals generously gave their time, talents, expertise, and monetary gifts in the restoration of the Historic Dayton House. Let it be said that little a piece of each of them dwells within the walls of this beautiful home.

