recorded in the public records of Broward County until August 19, 1932, more than three years after the conveyance. And, to make matters worse, the General Land Office's approved list of school indemnity lands had not been recorded in Broward County’s public records until the year before Cone’s letter, on February 10, 1938, almost nine years after the education board's transfer. In 1939, Commodore Brook informed Youngberg that Fort Lauderdale pioneer Tom Bryan was interested in purchasing the Capone tract. The retired Army engineer reminded the seventy-three-year-old Brook that the problem posed by Ocean-River Corporation’s Lot Nine sticking into FIND’s Lot Two like a “sore thumb” had not been resolved. It would not be until 1950, four years after Brook’s death and almost fifteen years after Charlton first discovered the title defect, that the sole surviving directors of Ocean-River Corporation, which had long before been dissolved in 1936, would execute a deed quitclaiming in favor of FIND the development firm’s interest in Lot Nine.

Chapter Five
J. MEYER SCHINE, THE BOCA RATON CLUB, AND ARTHUR Vining Davis in the Fifties

To the north of the Capone tract, Geist’s Boca Raton Club would be used by the military as housing for officers in training for the war effort during the forties. In 1944, as World War II was drawing to a close, Geist’s estate sold the Club and all of the Spanish River Land Company property for a total of $3 million to J. Meyer Schine, a wealthy Latvian immigrant who had accumulated a $150 million fortune in hotels, theaters and real estate. The next year, the Club would reopen as the Boca Raton Hotel and Club.

FIND Grants U.S. Perpetual Spoil Easement, Extends Schine Family “Option” To Purchase Capone Tract for Transfer of Land for Waterway Widening

By 1912 the Intracoastal Waterway had been dredged to a hoped-for depth of five feet and widened to an intended fifty feet. Thirty-eight years later, in 1950, the Army Corp of Engineers would begin to further enlarge the channel to a depth of twelve feet and a width of 125 feet. That same year, the Florida Inland Navigation District (“FIND”) would grant to the federal government perpetual easements on the Capone tract for dredging pipeline equipment and a spoil disposal area in connection with the maintenance of the Intracoastal Waterway.

Two years later, in 1952, Schine’s Boca Raton Club, Inc. entered into an agreement with FIND, denominated an “Option Agreement,” by which FIND, in consideration of “the sum of ONE ($1.00) DOLLAR and other consideration” given by Schine, granted Schine the right to purchase the Capone tract upon the same terms and conditions as specified in any third-party’s bona fide offer to purchase the tract. The “other consideration” given by Schine was neither insubstantial nor de minimis: it reportedly consisted of a strip of land fifty feet wide, one mile long donated by the Club to FIND for the widening of the Intracoastal Waterway.

FIND had been negotiating with the Schine family for more than four years for the Boca Raton easements. In 1948, the Schine family offered FIND $25,000 for the Capone tract. FIND’s long-time surveyor J. W. Charlton appraised the value of the two easements that FIND needed from the Schine family at $8,400. Broward County’s FIND commissioner, W. T. Eller (who had succeeded Brook in 1945), recommended to fellow Southern Executive Committee members, Stuart pioneer Commodore Stanley Kitching and Palm Beach Post publisher Commodore D. H. Conkling, that the Committee accept the Schine family offer for the tract if the family agreed to accept $8,840 for the two easements that FIND needed. Almost nine months later, in January of 1949, FIND’s board formalized an offer to pay $7,500 for the easements and to sell the Capone tract to Schine for $25,000; FIND’s proposal, however, was never accepted.

Finally, in 1952, FIND formally agreed to accept a proposal contained in a letter from Schine attorney E. Harris Drew offering the two easements for $9,000 and a lease of the
peninsula-shaped Capone tract “for a nominal one dollar per year with the first refusal in the event the District desires to sell.” Four months later, Drew would defeat the former owner of the Capone tract, Vincent C. Giblin, then a Dade circuit judge, in a race for a seat on the Florida Supreme Court.

Arthur Vining Davis Buys Schine Properties; Arvida Plats Royal Palm Yacht and Country Club Subdivision

To the north of the Capone tract, in January 1956, wealthy Aluminum chairman Arthur Vining Davis would buy the Boca Raton Hotel and Club and other Schine properties south of Palmetto Park Road for $22.5 million. Davis paid the Schine family more than seven times what Schine had paid for a larger expanse of property twelve years earlier.

The Schine properties that Davis purchased did not, however, include the 1952 “option” to purchase the Capone tract; the Schine family continued to retain that interest. In 1958, Davis created the Arvida Corporation to take title to the Schine properties he purchased as well as other real estate holdings throughout the State of Florida. Retaining a majority interest in the new company, Davis sold the remaining shares to the public. The proceeds of the stock sale generated $5 million for an exclusive Boca Raton community to be developed to the north of the Giblin tract.

On May 27, 1959, Arvida Realty Company, a subsidiary of Arvida Corporation, recorded a plat declaring an intention to develop its Boca Raton property into the prestigious Royal Palm Yacht and Country Club subdivision. In developing the area Arvida would spend $200,000 for a golf clubhouse, $500,000 for a yacht club, and $1,250,000 to bury the electrical distribution system underground; the 742 homesites would be priced from $10,000 to $45,000.

Arvida Plat Shows Intent to Dredge Royal Palm Waterway: Davis Tract to Become Island for the First Time

The 1959 plat also indicated Arvida’s intention to dredge a one-hundred-foot-wide canal linking the Intracoastal Waterway and the Hillsboro Canal to be known as Royal Palm Waterway along the southern boundary of its property, leaving a fifty-foot strip of Arvida land on the other side of the waterway as an additional buffer separating the new Arvida development from the Capone tract now owned by FIND. The proposed canal would thus turn the peninsula-shaped Capone tract then partially encompassed by the Intracoastal Waterway and the Hillsboro Canal into an island completely surrounded by water; FIND would be deprived of any land access to its property.

By at least early May, 1959, FIND had learned that Arvida intended to file a plat showing a proposed Royal Palm Waterway as cutting off FIND’s access to the Capone tract. FIND’s attorney, Alfred A. Green, cautioned the District’s executive director, Colonel Herman W. Schull, Jr., that “the right of FIND to oppose construction of the Royal Palm Waterway by Arvida is not clear and may be difficult to establish.” Green recommended that FIND cooperate with Schine attorney C. Rob-
the Army Corps of Engineers on May 7, 1962, would expire on May 7, 1965.\textsuperscript{260}

**FIND Advertises Capone Tract for Sale**

In June, 1964, FIND advised Schine Enterprises, Inc. (successor by statutory consolidation to Schine's Boca Raton Club, Inc.) that Capone Island was no longer needed for public purposes and that bids for the purchase of the island would be opened on August 20, 1965.\textsuperscript{261} FIN\textsuperscript{D} also notified Broward County commissioners that bids would be opened on that date; that development would be limited to single family dwellings; and, that there existed an "option" to buy the property.\textsuperscript{262} Given the conditions imposed on the sale, FIND received no satisfactory bids.\textsuperscript{263} The district's plans for the sale of public lands including spoil islands like Capone Island, however, would generate considerable public furor, leading to increased efforts to limit the district's authority over state-owned lands.

---

**Chapter Six**

**FIND’s Public Authority Readjusted, Schine Enterprises Exercises “Option”**

On January 12, 1965, Florida Secretary of State Tom Adams criticized FIND’s spending practices, declaring that Florida “cannot condone the systematic liquidation of irreplaceable valuable real estate” and calling for a “readjustment” in FIND’s public authority.\textsuperscript{264} At that time, Adams was considered a “prime mover in the establishment of Florida’s integrated system of waterways.”\textsuperscript{265} Reportedly FIND was then refusing to exercise its taxing authority, “selling choice Gold Coast surplus waterfront properties to pay salaries and maintenance expenses.”\textsuperscript{266} Further, FIND was also apparently interested in selling the Capone tract for $500,860, its then appraised value.\textsuperscript{267}

Even before Adams' statement the Broward County Commission had sent a resolution to the legislative delegation requesting that the sale of all public lands owned by FIND be halted and urging the acquisition of the Capone Island tract for a “public park.”\textsuperscript{268} Broward County Commissioner J. W. “Bill” Stevens was then quoted as saying that he had recommended several weeks before that the Commission adopt a resolution made by Martin County to abolish FIND but, in Stevens' words, "it was dropped like a hot potato."\textsuperscript{269} Sentiment for the abolition of FIND had apparently been building since the fall of 1964 when Martin County commissioners contacted Broward County to join Martin and seven other counties in calling for the dissolution of the district.\textsuperscript{270}

An April 8, 1965 newspaper account recites that County Commission Chairman John D. Easterlin was to appear before a FIND meeting in Titusville the following day to negotiate the acquisition of Capone Island. The article further reported that on January 15, 1965, FIND voted to "dedicate its surplus lands for parks to interested public agencies" after "a Ft. Lauderdale News series disclosing the FIND's loose spending practices and sales of lands to pay salaries."\textsuperscript{271} A few months later, a bill was passed in the Florida Legislature, which became law in June, 1965, banning the sale of any unused spoil areas without first offering them to the State for recreational purposes.\textsuperscript{272} That law [Chapter 65-900, Laws of Florida] further mandated that FIND specifically “convey for recreational purposes without consideration” Capone Island to the “Trustees of the Internal Improvement Fund for the use and benefit of the outdoor recreational development council.”\textsuperscript{273}

On August 31, 1965, the Florida Cabinet approved a development plan for the Capone tract.\textsuperscript{274} Funds for development of that tract as well as another parcel were to come from a five percent tax levied against sporting goods at the wholesale level.\textsuperscript{275}