

## CHAPTER 2

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# HISTORY OF THE VILLAGES

Like many pioneers and speculative businessmen before him, Harold Schwartz began development of The Villages as a result of one of the state's land booms.

The Florida sunshine has long been a draw, calling those who live in colder climates to move to the state. The rush for land began when Florida was still a territory, with cotton growers flocking to the panhandle, and settlers and seaport merchants populating the both coasts. In 1880, Florida's population was roughly 269,000, with people mostly in Jacksonville, Key West, Pensacola, Tallahassee, and Tampa.

## Steamboats and Seminoles

When steamboats arrived on the scene in the early 1820s, they opened up the interior of the state for settlement. Florida's statehood in 1845 also drew more people to the area. Though some Northern naysayers doubted the value of Florida land beyond the St. John's River (which runs parallel to the east coast, from Jacksonville to the central part of the state), tourism, and ensuing settlements, pushed west, beyond the river. By 1869, the steamers had found a path from the St. Johns all the way to Silver Springs, near Ocala (less than 25 mile from present day The Villages).

The first settlers in Marion County, home of The Villages, came to the area in the 1840s for the free land being offered as part of the Armed Occupation Act. The act was passed as a way to populate the state and to control the Seminole Indians who were already occupying the land. The county was officially created in 1844, and until 1853, it included large parts of what are now Lake and Sumter counties (the other two counties across which The Villages spreads).

By 1880, the State of Florida's budget was flagging. Its major asset was its nearly 200,000 acres of "swampland," which was put up for sale. Attracted by the potential

offered by cheap land in the Sunshine State, Northern industrialist, Hamilton Disston began snapping up the property. Eventually Disston owned four million Florida acres; roughly one-ninth of the state. Disston developed infrastructure for his land, which drew new residents to Florida en masse. This revitalized the state and paved the way for the railroads.

Railroads, largely built by Henry Flagler, ended the steamer era but further opened up the interior of the state. Rail service reached Marion County in 1881. Florida tourism blossomed. The Ocala area was at center stage with Silver Springs and its much-touted glass-bottomed boats. During this gilded age, tourists came to the state via opulent railcars and they wintered in magnificent resorts built by the railroad tycoon. This land boom lasted until the Panic of 1893, when over-building set off a series of bank failures.

## The 1920s Boom and Beyond

As the end of World War I helped re-stabilize the economy, Florida's allure as an exotic paradise once again put the state in the real estate spotlight. With people like Miami investor Carl Fisher proclaiming, "It's June in Miami," land sales took off again in the 1920s and soared with the frenzy and electricity of the Jazz Age.

Fisher's promotional efforts called people to Florida, and his Dixie Highway, running from Indiana to Miami, made it easy for people to travel to the state in the newly popularized automobiles. Miami and South Florida saw great growth during the 1920s, but other real estate speculators saw the success of men like Fisher and set up land schemes of their own throughout the state.

Again, over-building and greed began to shatter the Florida real estate dream. By 1925 the northern press was warning people about sham Florida investments. If the press didn't drive the message home, the Miami Hurricane of 1926 did. The category-4 storm smacked the coast, devastating Miami and pushing Florida into Depression three years before the rest of the country.

Florida wouldn't begin to recover until after World War II. The next real estate boom wouldn't happen until the 1950s -- a time when enterprising men, such as Harold Schwartz, once again began touting Florida as a tropical oasis.

## Mail Order and Retirees

After World War II, Americans had more money and more leisure time. Again the sunshine beckoned, this time calling those ready to retire. The construction of major Florida interstate highways and the invention of affordable, residential air conditioning made the move to Florida easier and more appealing than ever.

Like land sales in the 1920s, large chunks of pastureland were purchased by developers who, in turn, sold lots to Northerners hankering for a piece of paradise. Land was advertised "up North" and sold via mail order. Michigan businessman, Harold Schwartz was among those selling the dream. Similar to others in the business, Schwartz sold land in Florida and New Mexico on the installment plan. A typical deal of the time - \$10 down and \$10 a month.

By the mid 1960s, retirement communities like Del Webb's Sun City, in Tampa, and the Century Villages, in the south part of the state, were flourishing. However, sales took a big hit in 1968 when Congress banned land sales by mail.

Still holding a lot of Florida land, in the early 1970s, Schwartz and partner, Al Tarrson, began work on Orange Blossom Gardens, a mobile home park in northwest Lake County. This wide spot in the middle of a pasture was the seed for what would become The Villages.

## Orange Blossom Gardens

Schwartz and Tarrson labored with Orange Blossom Gardens during the 1970s, but by the early 1980's the community had only sold 400 homes. Wanting to turn things around, Schwartz bought out his partner and asked his son, Gary Morse, to help him with the business. Morse moved from Michigan to take over operations in 1983.

Realizing that communities like Sun City, (with a golf course, stocked ponds and hobby shops), were successful, in part, due to their amenities, the father-son team began to improve the development. Morse's wife, Sharon, also pitched in with her interior design skills. She upgraded the common areas and created a "style" for the buildings and homes in the community – a concept that plays an important part in the ambience of The Villages of today.

Orange Blossom Gardens grew, and soon began pushing the boundaries of the original mobile home park. Schwartz began to purchase and upgrade large tracts of land on the west side of the Highway 441, in Sumter and Marion counties.

By 1985, Orange Blossom Gardens was annexed into the town of Lady Lake. By then fiestas were also being held in the community plaza and the development had two pools, horseshoe, bocce ball and tennis courts, and the front-nine of the Orange Blossom Hills golf course. Also that year, Schwartz's granddaughter, Jennifer Parr took over home sales.

Realizing that a successful community needed more than activities to keep its residents happy, the family developers began a plan to create a self-contained community that provided everything its residents would need. Gary's son, Mark Morse, joined the team and began work on first commercial and medical center, La Plaza Grande. The plaza drew a bank and a medical office, but to fill the plaza and lure more tenants, the family started and managed several business of their own. Orange Blossom Hills also began to design and manufacture their own homes.

By 1987 the development had \$40 million in annual sales and more than \$4-million in profits but growth continued. A bowling center and a grocery store moved in, and the size of the recreation department doubled. Home sales also flourished. The "village" neighborhood concept was created and the villages of Del Mar, El Cortez and Mira Mesa were built.

In the early 1990s, a golf course and the first recreation center were built on the new side of the highway. Orange Blossom Gardens got their first home-owned bank, and the first phase of La Hacienda Hotel was opened. Schwartz's second son, Richard joined on as golf director.

In less than a decade, Orange Blossom Gardens powered Lady Lake from a town of about 3,000 into a thriving city of more than 10,000.

## The Villages

More neighborhood villages were built, and by 1991, the name of the development was changed to The Villages. Two key things propelled The Villages forward; the creation of the first town center and new form of financing called Community Development Districts (CDDs).

Community Development Districts are special-purpose local governments. They are structured so developers can control the “district” and issue low-interests bonds. Funds from the bonds are then used to build infrastructure and amenities for the district residents.

Among the amenities built for The Villages using the CDD funds was the Spanish Springs Town Square. The same firm that worked on Universal Studios designed the square, which opened in the spring of 1994. Spanish Springs gave residents a place to gather and brought The Villages one step closer to becoming the all-inclusive community dreamed of by Schwartz.

With roads, clubhouses, golf courses and other amenities already in place, people were eager to buy and build in The Villages. Sales climbed. By 2001, The Villages grew by an average of 10 new residents a day. The community had three churches (including Church on the Square), 16 restaurants, 13 pools, 28 tennis courts and a myriad of PGA and executive golf courses. Home prices ranged from \$65,000 to \$650,000, and more than 27,000 people called The Villages home.

The Villages also had its own media outlets – smartly controlled by the community’s developers: The Villages Daily Sun newspaper, with a circulation of 19,500; Village News Network television station; and a radio station, WVLG 640 AM.

The Villages Regional Medical Center opened its doors in 2002, and by the time The Villages founder, Harold Schwartz died in 2003, the community spread across

three counties and had more than 35,000 residents. That year The Villages was number 25 on Builder Magazine's Top 100 List and reported \$668 million in gross revenue, a 44 percent increase from the year before.

As usual, profits from the development were being put back into the project. As well as golf courses and roads, in 2004 The Department of Veterans Affairs accepted Gary Morse's offer to build a veterans clinic in Sumter County.

It seemed like growth and prosperity for The Villages couldn't be stopped. According to construction contractors in 2004, homeowners were moving in to their new homes as in little as 90 days after purchasing their lot. To keep up with demand, more than 100,000 yards of material were being moved each day, six days a week.

Harkening back to the previous booms of the 1920s and 50s, savvy promotion was driving sales. The Villages was advertised on television "up North" during the Gridiron Classic football games (played at the community's polo stadium), and during other bowl games. The Villages also advertised during The Disney Classic golf tournaments, which were played on The Villages courses, as well as many other nationally televised golf tournaments.

A golf lifestyle had long been a part of The Villages but in 2005 it had 18 executive courses and 7 championship courses, with the most recent championship courses being designed by Nancy Lopez and another by Arnold Palmer. Villagers not only cruised the courses in their golf carts, but also drove them to the store and to the town squares. That year The Villages also had the honor of holding the world's longest golf cart parade.

Along with the golf courses and cart paths, in 2005, The Villages amenities tally stacked up to: more than 30 tennis courts, 26 pools; 5 softballs fields; bowling centers; 74 shuffleboard courts; 72 bocce ball courts; 56 pickleball courts; 57 billiards tables and 53 horseshoe pits. Plus, The Villages had two town squares, a wellness center, a performing arts center, 12 recreation centers (and clubs to keep them full), a polo stadium and a herd of buffalo.

By 2007 The Villages was one of the largest retirement communities in the U.S., boasting more than 67,000 residents. It had added six more golf courses and the num-

ber of pools almost doubled. Also, as reported by the Sarasota Harold Tribune, residents of The Villages had clubs for “just about any legal activity known to man.”

Census reports in 2008 ranked The Villages as one of the fastest-growing micropolitan areas in the nation. Population reached 75,000 residents in 38,000 homes, and The Villages of Lake Sumter ranked among the state’s top private companies.

Around 2013 The Villages became classified as a metropolitan area instead of a micropolitan area, and US Census Bureau figures released in 2014 ranked The Villages as the nation’s fastest growing metropolitan area.

From 2012 to 2013 The Villages grew 5.2 percent, gaining more than 5,300 new people. Between 2013 and 2014, The Villages population grew another 5.4%, making it the fastest growing metropolitan area in the country for the second year in a row.

In 2015, by latest estimates more than 115,000 (mostly) happy residents call The Villages home, and thousands more are projected to answer the call in the coming years.

## Passing The Torch

Gary Morse passed away at the age of 77 in October of 2014. After his passing, tributes poured in from local, state, and national leaders including Jeb Bush, Marco Rubio, and Florida Governor Rick Scott who wrote:

*“Gary was a champion of Florida innovation. When molding The Villages into the one-of-a-kind community it is today, Gary demonstrated what makes our state so great – the idea that anyone can make a positive, lasting impact in the lives of generations to come. Gary’s boldness and entrepreneurial spirit is known internationally and helped define Florida as the place where anything is possible. Ann and I send our condolences to Renee, the Morse family and the entire community of The Villages today.”*

His kids, who have long worked alongside him in the development of the community, vowed to keep his dreams for the future of the community alive.