

The Lost Gold of San Francisco

A Novel



**Michael
Castleman**

During the 1906 earthquake, \$130,000 of distinctively misstruck \$20 gold pieces disappear from the San Francisco Mint. Only two are ever found. They become the most storied coins in U.S. history. The rest become the Lost Gold of San Francisco.

Jump to 1989: Chester Worthington Gilchrist III, billionaire publisher of the *San Francisco Foghorn* newspaper, donates his priceless coin collection to the California Museum. It contains one of the two known misstruck gold pieces. Brash reporter Ed Rosenberg covers the story. Then the founder of the Museum gets murdered. He has a long list of enemies, but the chief suspect is Gilchrist's son. Ed suspects a connection to the Lost Gold.

Ed chases the story all over town, locking horns with a rogue's gallery of San Francisco characters. For help, he turns to a rabbinical school dropout who shoots a mean game of pool, a young Chinese-American reporter with a black belt in karate, and an exotic woman with a talent for public relations—who's even more talented in private. Soon Ed isn't just reporting the story. Someone is shooting at him.

"Castleman's images of the 1906 earthquake and fire are vivid and compelling. You can smell the fear, feel the heat and hear the bedlam. His descriptions of present-day neighborhoods and local haunts are equally satisfying. *The Lost Gold of San Francisco* isn't just a formula mystery. It's a love letter to a place that Castleman knows intimately and adores."
—*San Francisco Chronicle*

"Part historical fiction, part can't-put-it-down contemporary mystery. An uncommon combination of fact and fiction that makes San Francisco come to life."
—*Sacramento Bee*

"A seismic saga that begins with the 1906 earthquake and climaxes with the 1989 Loma Prieta earthquake. A love letter to San Francisco."
—*San Jose Mercury-News*

"Unforgettable. *The Lost Gold* takes readers on a thrill ride through San Francisco, from its posh parties to its dark underside, and showcases a bunch of characters who could only hail from the City by the Bay."
—*Marin Independent Journal*

"A real page-turner. *The Lost Gold* tells an intriguing story with a compelling plot and memorable characters. It captures the essence of San Francisco."
—Sheldon Siegel, author of the Mike Daley series of legal thrillers, including *The Confession*, *Final Verdict*, *Special Circumstances*

"Several murders, memorable characters, and more plot twists and local color than you can shake a bag of old gold coins at. Anyone who's ever visited San Francisco will have great fun with this book."
—John Shannon, author of the Jack Liffey mystery series, including *Streets on Fire*, *City of Strangers*, and *Orange County*.

"Everyone who loves San Francisco will enjoy Castleman's descriptions of the city's neighborhoods, and will thrill to the fast-paced story. A wonderful, exciting read."
—*San Francisco Museum and Historical Society Newsletter*

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A Novel

By Michael Castleman

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April 17, 1906

Orange hair flying, Patrick Reilly guided his winded mare through the throng crowding Mission Street—pedestrians, bicyclists, pushcart peddlers, horse-drawn wagons, and the occasional horseless carriage, which, in the new century, people were calling “cars.” He spurred the horse up Mint Street, turned down Jessie, and reined in at a reeking puddle of horse piss by the loading dock of the Granite Lady, the San Francisco Mint. Dismounting, he threw the reins to one armed guard, while another pushed on the heavy iron doors. Reilly stepped into the dim chill of the loading dock, known at the Mint as the Shipping Gallery, or “Ship Gal.” Against the far wall sat seventeen bulging canvas sacks. Perched on top of them, four more guards played poker, their rifles leaning against the wall.

“Mother of God,” Reilly snapped in a thick County Cork brogue, “put the damn cards away! You’re guarding gold, lads. Act like it.” Quickly, the guards did as they were told.

Reilly satisfied himself that no one had tampered with the bags, and that they were not visible from Jessie even with the iron doors open. Then he strode past the Assayer’s Room and bounded up the stairs into the cool stately foyer of the Greek temple that struck the coinage for the West.

Mint Superintendent Herbert Walther met him in the hall by Stamping Room Number One—“Stamp One”—the larger of the pair of cavernous halls where enormous coin presses ingested smooth gold and silver blanks at one end, and at the other, spat out finished coins

that moved along newly electrified conveyers to be washed, polished, and bagged. "Well, Red?" Walther asked his second-in-command. He tried to sound composed, but could not conceal an edge of anxiety in his voice.

Reilly sighed. "The General's gone to the Opera."

The Opera. I might have known, Walther thought. The irony was not lost on either man. Reilly had spent the better part of the day on a round-trip ride all the way up to the Presidio on San Francisco's northern bluffs only to discover that the Army commander, General Frederick Funston, was just one block from the Mint at the Grand Opera House in the boisterous throng waiting to see the great tenor, Enrico Caruso, sing Don José in *Carmen*.

"Thank you, Patrick," Walther sighed. "Get cleaned up, then go home. I'll handle things here."

"But it's my night to stay," Reilly reminded his boss. For the previous 10 days, with round-the-clock Double Eagle production, the two men had alternated supervising the night shift. "I slept at home last night. I'll stay tonight. You need the rest more than I do. And if you don't mind my saying so, you could use a shave." The afternoon was turning into evening, and the Mint's new electric lights came on, casting elongated shadows down the lengthy corridor.

"Do I look that bad?" Walther asked, stroking his chin, finding prickly stubble. The two men had worked closely for eight years, and despite their difference in rank and age—Walther was 15 years older—their relationship had transcended professionalism to friendship.

"Frankly, you do," Reilly said with a mixture of sympathy and concern. "But whether you stay or go, I won't be able to rest anywhere but here until the misstrikes are in armored wagons on their way to Oakland." Then Reilly added, "And you know I've got a dead eye with a Winchester."

"So you've told me ... several times." Walther felt too weary to argue with his Production Supervisor. If anyone knew the fix he was in, Red did.

"All right," Walther sighed. "But since the Army's not going to take the bags off our hands tonight, let's move them from the Ship Gal up to Stamp One. Then wash up and get some supper. And don't shoot

me when I check to see how you're doing."

Reilly smiled. "So you'll be going home this evening?"

The question hung in the air unanswered. Reilly descended the stairs to supervise moving the gold.

Thank God for Patrick, Walther thought. Both men were widowers, but unlike the childless Walther, Reilly had four daughters who kept house for him near Mission Dolores. Walther was godfather to two of Red's girls. Reilly's friends joked that he worked too hard and drank too little, which was precisely why Walther valued him so highly. The Mint Superintendent had no doubt that Patrick would gladly lay down his life before letting any hoodlum get near the misstruck Double Eagles he was moving up to Stamp One.

Walther entered his office to find two of his men closing the folding iron shutters mounted inside the windows that looked across Fifth Street to Brunswick House. It was a large, wooden, three-story tenement for working men and their families, and like much of the rough-hewn neighborhood south of Market Street—South of the Slot, in local parlance—it was in sore need of a paint job. A dozen Brunswick residents, many of them longshoremen, were smoking and drinking beer on the wide front stoop, unwinding after the day's labor. Their wives were pulling dry clothes off lines into the windows above, chatting with neighbors, and shouting to their husbands on the street below. A group of boys played baseball in Jessie Alley. Pushcart vendors hawked cabbage and sausages. Then everything went black as the iron shutters closed with a resounding thud.

The Mint men worked the hasps and secured the shutters with large padlocks, then proceeded to the windows that looked across Mission Street to a similar tableau, the Cosmopolitan Hotel, another dingy workingman's residence, most of whose denizens toiled in the fish markets near the Ferry Building or in the slaughterhouses of Butchertown by South Beach. A few were leaning out of their windows watching the line of fancy carriages carry the cream of San Francisco society down Mission Street toward the Opera. Walther's gaze shifted to the line of carriages. He thought he recognized James Phelan, developer of the magnificent new Phelan Building, but the iron shutters clanged shut before he could be certain.

In the shuttered twilight, Walther padded across the thick Chinese

carpet that his late wife, Helen, God rest her soul, had persuaded him to buy to mark his ascendancy to Superintendent. He would have preferred a blue rug, but Helen insisted on dusty rose to complement the enormous rose marble fireplace that dominated the room. Helen, the artist, had strong feelings about color, feelings Walther found incomprehensible. But when Helen decided he should have a rose-colored rug, rose it was.

Walther leaned over his rolltop and opened the production ledger. The West's economy was booming. The entire region was starved for coinage, especially ten-dollar gold Eagles and twenty-dollar Double Eagles. Naturally, in the face of unprecedented demand, the geniuses at the Treasury Department had decided to replace Denver's presses. They'd thrown all Eagle and Double Eagle production to San Francisco. Washington had cabled him three weeks earlier with the news that two freight cars of Double Eagle blanks were en route from Denver, and that he was to run San Francisco's presses round the clock to strike them. Walther wired back saying that his presses needed overhaul as badly as Denver's and couldn't handle nonstop production. Besides, even if he could strike the Double Eagles, he had nowhere to store them. The vault could hold only so much, and Department regulations prohibited off-site storage. Never fear, Washington wired back, General Funston has been ordered to dispatch the Twenty-third Cavalry with armored wagons to pick up the extra production and transport it to the federal railhead in Oakland.

Walther noted that, except for the misstrikes, all the extra production had been completed miraculously on schedule. He closed his ledger and cursed under his breath. Damn that Funston. The little Napoleon was so busy spouting in the *Examiner* about Mayor Schmitz's corruption (in preparation, rumor had it, to run against him) that he didn't give a rat's ass about the Mint's security problem. The General's staff had assigned the gold transport to one Major Wendell Legget, who was supposed to have arrived that morning. But some incompetent at the Presidio got his dates mixed up. Legget was in Monterey on maneuvers and was not expected to return for a week. Now Walther was sitting on a vault filled with \$200 million in gold, twice his regulation limit. The vault was so full, the huge doors barely closed.

To make matters worse, the previous day, while stamping out

the last of the Double Eagles, an alignment screw failed, allowing the blanks to wiggle in the press bed. Before any pressmen noticed, they'd struck 6,491 Double Eagles with serious errors on the reverse. The words "United States of America," and "Twenty D." looked fine. But instead of the eagle-and-shield in sharp relief, the graphic was blurred and the San Francisco Mint mark "S" had been stamped twice, "SS," in Mint argot, "double die." Such errors were totally unacceptable. Those coins could never be allowed to circulate. So all the misstruck Double Eagles—\$129,820—had to be culled, bagged separately, and specially marked for melt-down back in Denver. They filled the seventeen bags being moved up from the Ship Gal. With no room in the vault, they could not be secured, which was a violation of all Treasury Department storage regulations. But Walther had no choice. There wasn't so much as a cubic inch of space left in the vault. Of course, those bags would have been long gone had Legget's armored wagons picked them up that morning as Walther had been assured. But—damn them both to Hell!—Legget was in Monterey, and Funston was at the Opera.

Walther considered his predicament. Since the Mint had opened in 1874, no one had ever attacked it. No one had even tried. But the vault usually held just a small fraction of the \$200 million now residing there. That sum was certain to tempt the hoodlums of the Barbary Coast, who'd made San Francisco the roughest port north of Panama—if they got wind of the treasure. That was why Walther had sent Reilly to the Presidio in person. He couldn't risk using the telegraph or telephone. The gangs bribed the operators to tip them to anything worth stealing.

Walther trusted his own men. But he couldn't be sure about the roustabouts at the Presidio. Soldiers' pay was low, so low that Funston and other heroes of the Spanish War were urging Congress to raise it substantially. In the meantime, some soldiers in San Francisco were bound to be on the take. But once Legget had given him a transfer receipt for the misstrikes, underpaid soldiers were *his* problem.

The Mint had iron shutters on its windows, and iron doors on the Ship Gal and Receiving Dock. The metal looked impregnable, but Walther knew better. After almost thirty years, the hinges and hasps were worn and rusted. He'd requisitioned replacements, but the bureaucrats were dragging their heels. If some gang with ladders and

crowbars, or worse yet, dynamite, breached the iron, Walther had all of two dozen men, maybe ten rifles, a half-dozen pistols, and perhaps two thousand rounds. Against an assault by, say, twenty armed men, they wouldn't stand a chance, and several of the city's gangs could easily muster twenty men or combine forces to field even more. As for the vault, its eight-tumbler German combination lock represented little deterrent. Any decent railroad or mining man could drill it or set charges and blow its doors clear across the bay. For all he knew, the gangs were at that very moment huddling in basements along Pacific Avenue or Morton Alley planning the attack.

Funston was a block away at the Opera. Helen loved the Opera. They'd subscribed for years and had a box that Walther kept after his wife's ship disappeared in fog on the way to Seattle. He still attended regularly, and sometimes caught himself talking to the empty chair beside him. His box was among a group reserved for ranking federal officials. Funston's was nearby.

The April evening was raw with a wet fog that precipitated droplets on Walther's face as he hurried down Mission Street into the boisterous crowd of Opera-goers. The appearance of the fabled Caruso was the event of the new century, and *tout le monde* was there, dressed as if San Francisco were Paris. Walther nodded to several acquaintances, wishing he'd shaved and feeling woefully underdressed in his work suit, high boots, and long coat. He'd been so preoccupied waiting for the army and Reilly all afternoon that he'd forgotten to dispatch a man to Mei-Lin to fetch his Opera finery. Helen would have been scandalized by his appearance. But Helen was gone, and this was an emergency.

Walther pushed through the crowded lobby with its immense crystal chandelier, the largest west of Chicago, the size of the average workingman's cottage South of the Slot. With a nod here and a handshake there, he threaded his way up the sweeping staircase to the Grand Tier and around the horseshoe past his box to the general's. He drew the heavy velvet curtain aside and in a voice that mingled urgency with contempt boomed, "General Funston? Is the general here?"

A paunchy colonel appeared, filling the doorway, the curtain draped over his shoulder, a burgundy velvet cape. "And you are—"

?"

Walther identified himself and tersely explained that a situation at the Mint required the general's immediate attention.

"I'm sorry, but the general's not here."

Walther's pot boiled. "And where in damnation is he?"

The colonel did not expect this tone or vocabulary and took a moment to compose himself before answering testily, "At home. Mrs. Funston took ill and the general escorted her home."

"What's his address?"

The colonel glared at the vulgar wild-eyed man standing before him. He did not comport himself with the dignity his office demanded. "I'm not at liberty—" and turned back into the box.

But Walther was in no mood to be dismissed. He clapped a big hand on the man's shoulder, yanked him around until they were nose to nose, and hissed, "Your Major Wendell Legget was supposed to move a large shipment of gold for me this afternoon, but never showed up. The general's staff sent him to Monterey to play games. Now, unless General Funston takes immediate action as promised in this wire from Washington—" he shook the paper in the colonel's face—"the Treasury Department will have him busted to private despite his holy Medal of Honor and I will personally run his balls through a coin press."

The colonel blanched and shook Walther's arm off him. "Are you threatening the general?"

"He's threatening himself—and the economy of the entire West."

The colonel eyed the mint superintendent. "The cable. Let me see it."

Walther handed it to him. All around them, gowns swished and voices buzzed with excitement about *Carmen*. In the afternoon papers, Caruso had promised the performance of a lifetime, raising the anticipation level higher than Twin Peaks. The lights dimmed. The audience hushed. From inside the general's box, a woman called, "Robert! The curtain!" The colonel handed the telegram back to Walther. "Russian Hill." He muttered a number on Pacific.

Helen never would have forgiven him for missing the incomparable Caruso. But as the curtain rose, Walther was bounding down

the magnificent, now deserted staircase, modeled on the one in the Hapsburg Palace in Vienna. He crossed the empty lobby and burst out into the foggy night. Half the hansoms in San Francisco were lined up along Mission Street, which smelled strongly of horses. Walther jumped into one and roared the address, promising silver if the man drew blood with his whip.

The cab took off, clattering up the cobblestones of Third Street and across Market, slicing through fetid piles of steaming horse shit.

"I could skirt Morton," the cabbie yelled above the clatter of hooves, "but it'll take longer."

Morton Street off Union Square was the most sinister two blocks of San Francisco outside the Barbary Coast. Two days earlier, a cab had been waylaid at Morton and Kearny, the passengers robbed, the driver beaten.

"No time!" Walther called. "Straight up Kearny!"

The cabbie whipped the horse and the carriage hurtled past Morton. Walther caught a glimpse of the garish rooster sign that adorned The Crowing Cock whorehouse. A knot of men loitered under it, maggots on rotting meat. What were they doing? Something flashed in the fog-softened light of a street lamp. A knife? Then Morton disappeared in the mist as the cab rattled up Kearny, turned on Pacific, and ascended Russian Hill.

Below them on lower Pacific, the Barbary Coast's night life was already in full swing. Walther saw the lights of its grimy brothels, where the dregs of womanhood could be had for a few coins, and its saloons, where, when he was younger, many a hapless lad had been shanghaied to work the ships bound for the Far East. He caught the distant strains of the bands playing ragtime, and then the sharp crack of the Coast's signature sound, a gunshot. The only police who ventured down there—or into Morton Street—were on the take, which was one of Funston's themes in his diatribes against Mayor Schmitz.

Walther tipped the hack a shiny new Barber dime, and climbed the steep stairs to the General's stately Victorian. A Filipino servant, surprised at the unexpected bell, asked his name, then asked him to wait. When he returned, he bowed and ushered Walther into the parlor. Walther and Funston had been introduced at a few functions, but had never exchanged more than social pleasantries. Neither was

pleased to see the other.

"The hour is late, Walther," Funston snapped. "My wife is ill. And you look like hell. Don't you shave?" Funston had a notoriously short temper and treated his subordinates, which to him meant everyone other than the President of the United States, with disdain.

Walther had collected himself during the ride and succeeded in holding his temper, but barely. He handed Funston the cable and explained his twin problems—\$200 million in gold secured in his vault that had to be moved immediately, and almost \$130 thousand in misstruck Double Eagles that had to be moved even sooner.

Funston studied the cable and rubbed his eyes. "No one informed me of this. ..." It was as close as his temperament allowed to an apology.

Sensing an advantage, Walther demanded that the General immediately send troops to remove the misstrikes and, as soon as possible, more troops to lighten the vault.

"Laiken!" Funston bellowed.

A young officer appeared from the kitchen, and snapped to attention. "Sir!" Funston introduced First Lieutenant David Laiken.

"Do we have a company that could get to the Mint tonight with a decent freight wagon?"

"An *armored* wagon," Walther interjected.

Lieutenant Laiken had dark, wavy hair and a large mustache that was unable to hide a boyish face only a few years out of West Point. He pondered a moment. "I don't know about an armored wagon, but the Sixth Infantry is at the Customs House. They'd have a freight wagon."

"Do they have a telephone?"

"No phones," Walther insisted, reminding the general of the need for utmost discretion.

"All right. Run down there yourself, Laiken. Take my bicycle. Then lead a company to the Mint. Make sure you have the stoutest wagon available and the best teamster. Oh, and Laiken, until Mr. Walther arrives in the morning, you and your men are under the command of—" Funston looked quizzically at Walther. "—What's his name?"

"Patrick Reilly, my production supervisor. Everyone calls him Red."

Funston fixed his gaze on the young lieutenant. "Got that?"

"Yes sir." Laiken saluted smartly, pivoted, and left.

For the first time all day, or maybe in weeks, Walther began to relax. As he did, weariness crashed over him like breakers on Seal Rock.

"You really do look like hell," Funston reiterated, almost tenderly. "When was the last time you got a good night's sleep?"

"It's been a while. ..." Walther considered relating the story of Denver's press overhaul and the round-the-clock production that had him and Reilly living at the Mint, but his lips were too weary to move.

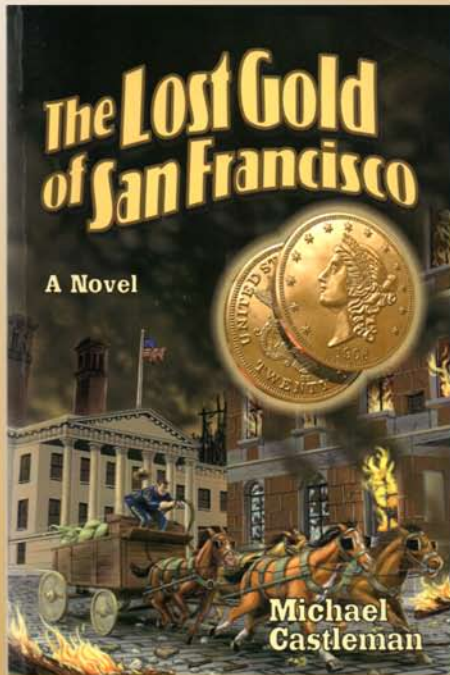
"Go home, man. Get some rest." The general clearly meant it as an order. "Laiken will have a dozen men at the Mint in an hour, and by the time you arrive in the morning, my teamsters will be hauling that gold to the Ferry Building. By tomorrow afternoon, I'll have a battalion with armored wagons to relieve your vault. You can count on it."

Exhausted, Walther stumbled down Funston's stairs to Jackson Street and looked for a hansom to take him to Nob Hill to his home on Pine. But there were none. He had to walk. The fog was thicker now and the streets smelled of horses, onions, and sewage. Dogs barked, which wasn't unusual. But they didn't stop, which was. He passed the big stable at Pine and Taylor. The night was calm, but the horses were agitated. He heard the liverymen cursing them.

"What's eating Blackie and Orville tonight?" one said.

"Beats me," came the reply. "Damn horses."

A block away, a cable car ascended Powell. It was all Walther could do to climb his stairs and undress. Mei-Lin was already asleep. The quilt rose and fell over her. Walther stood at his bedroom window gazing down into the blanket of fog toward the Mint. Outside, dogs continued to bark. For a moment, the fog cleared and he could just make out the new electric lights illuminating the dome of the Opera House. He wondered what the papers would say about Caruso, but felt too spent to regret missing the performance. The Opera felt distant and unreachable, like Helen, a chimera in fog. He tried to make out the Mint, but could not. The misstrikes were in Stamp One by now under Army guard. Reilly was there, God bless him. If a contingent from Fort Mason didn't arrive first thing, despite regulations, he would have the soldiers move the misstrikes to the Wells Fargo vault at Powell and



Find out what happens next...

The Lost Gold of San Francisco



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