



## Chapter 9 – Paradise Lost

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### SUSPICIOUS FIRE

For largely unknown reasons, at approximately 8:45 pm on a windless Sunday night, fire broke out in the basement on the southeast side, close toward the middle of the structure. The fire was first spotted at about 9 pm by Ed Malley, a realtor employed with Norman Biltz' Nevada Vista Realty Company. He immediately called the local Brockway operator who relayed the call to a Forest Ranger stationed at Incline, who in turn notified the Truckee Fire Department. The firemen reportedly made the 17 mile trip from Truckee in record time. About a half hour after the blaze started, flames had engulfed the entire center of the structure and could not be contained. Even people on the *opposite* side of the lake reported that at approximately 9:30 pm, they could easily see the fire from their vantage point as it continued to rage.

The lodge had been undergoing renovations the prior week, oddly enough to install an automatic sprinkler system that would have been operational within the next ten days.<sup>207</sup> As a result of the recent construction activity, the winter caretaker, Tony Petroff had taken the last few days off to vacation with his wife. The workers implementing the safety upgrade were staying in cottages near the Lodge, and were undoubtedly among the 50 men that showed up that night to fight the flames. In spite of being hampered by low water pressure, one cottage started smoldering, but was able to be doused before fire could destroy it.

The Cal-Neva ended up a total loss. Gone were the stuffed animal heads adorning the walls, the grand piano in the dance hall, all the dining room tables and chairs, and all of the casino and kitchen equipment. Even the infamous Clara Bow checks were presumably destroyed, as was Remmer's corn-cob eating certificate. The next morning, pictures appeared in the local papers showing James McKay and his wife inspecting the rubble. A few pictures had been taken during the height of the blaze and these became part of the on-going spectacle for local residents. The only identifiable features of the prior lodge were the stone fireplace and adjoining large boulders that had once framed the dance floor and hosted the trout pond.

The papers gave differing accounts about what may have started the fire. McKay himself was advocating that oily paint rags or some other

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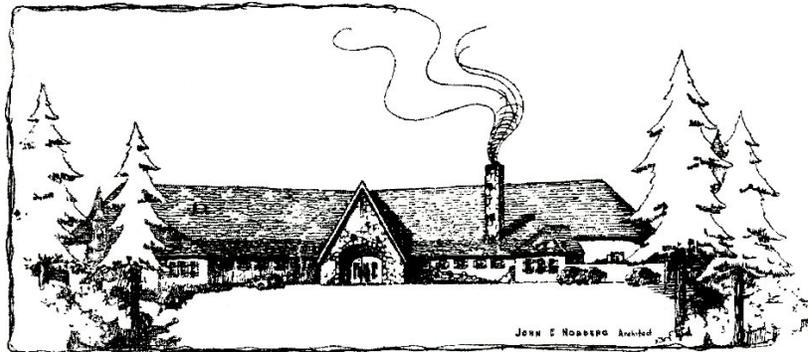
<sup>207</sup> "Fire Destroys Calneva Lodge", Nevada State Journal, May 17<sup>th</sup>, 1937, p. 1



combustible material that was being used by the workmen as the cause.<sup>208</sup> The Fire Inspector was thinking that there was a leak of ammonia in a refrigeration unit in the basement that might have caused an explosion, although no explosive blast was ever heard by anyone.

While the Reno Evening Gazette stated that \$48,000 in insurance was carried by Graham and McKay on the place, the Nevada State Journal listed only \$35,000.<sup>209</sup> Even though insurance adjusters had not yet visited the disaster site, Nevada State Journal put the estimated loss at \$250,000, a number apparently suggested by McKay.<sup>210</sup>

With little hesitation, McKay announced the following day, on Monday, May 17<sup>th</sup>, that the lodge would be immediately rebuilt. Amazingly, the clean-up and excavation for the new lodge had already started before the embers barely had a chance to stop smoldering. An architect from San Francisco named John E. Norberg had already been solicited within a few days to complete plans for the new lodge. Remarkably, Norberg released his initial rendering of the finished Lodge for publication on May 22<sup>nd</sup>, less than six full days after the fire. In an article dated on the same Saturday that the sketch debuted, the public was told by McKay that a team of draftsmen would work directly on the job site “to keep up with the workmen”.<sup>211</sup>



**Architect concept drawing of the future Cal-Neva Lodge (released Saturday, May 22<sup>nd</sup>, 1937)**

Norman Biltz, the prior second owner of the Calneva, had been hired to build out a newer and larger structure when his construction company, Sierra Construction, was contracted to do the work. The construction crew

<sup>208</sup> “Calneva Lodge Rebuilding ‘Hangs Fire’”, Nevada State Journal, May 18<sup>th</sup>, 1937, p. 7

<sup>209</sup> “Calneva Lodge at Lake Tahoe Destroyed By Fire that Quickly Envelops Building”, Reno Evening Gazette, May 17<sup>th</sup>, 1937 (Monday), front page and p. 5

<sup>210</sup> “Fire Destroys Calneva Lodge”, Nevada State Journal, May 17<sup>th</sup>, 1937, front page

<sup>211</sup> “Work Starts on New \$250,000 Calneva Lodge”, Nevada State Journal, May 22<sup>nd</sup>, 1937, p. 9



manager was Adler Larson, a native San Franciscan who had been recommended to Norman Biltz by business associate Carl Wentz after Biltz had been encouraged by Wentz to start his own general contracting company sometime around 1933.<sup>212</sup>

To build the new Cal-Neva, Larson coordinated over 100 men working two 10 hour shifts daily.<sup>213</sup> Lights were even strung so the workers could function in the dark. The entire massive structure was finished in just under 40 days (not 30 days like later newspaper advertisements for the Lodge had touted). Norman Biltz, in characteristic fashion, had played a significant ‘behind-the-scenes’ role in recruitment of the construction personnel, including the planning and logistics of materials. Biltz brought in his plumber and electrician buddies that had worked with Sierra Construction building several Reno sub-divisions, but he again strangely left out any details in his memoirs related to the completion of what must have been a significant undertaking for him.

Once completed, the new Lodge was more than twice as large as the original (casino plus dance hall) and spanned almost 220 feet from end to end. It was nearly 100 feet from front to back giving it nearly 20,000 feet of livable space under the roof. It featured “a 70-foot oval bar and 70-foot circular bar, dance and dining salon and observation platform.”<sup>214</sup> It even had its own ‘heating plant’ (furnace) installed for potential year-round operation. But more importantly, it now claimed to be “the largest legalized gaming casino of its type in the United States.”<sup>215</sup>



**Newly finished lodge – 1937 (note close resemblance to earlier sketch)**

<sup>212</sup> Biltz, Op. cit., p. 31

<sup>213</sup> “Work Starts on New \$250,000 Calneva Lodge”, Nevada State Journal, May 22<sup>nd</sup>, 1937, p. 9, and “Calneva Work Drives Ahead”, Nevada State Journal, June 5<sup>th</sup>, 1937, p. 7

<sup>214</sup> “Calneva Opens Friday Night”, Nevada State Journal, June 29<sup>th</sup>, 1937, p. 7

<sup>215</sup> Ibid.



The advertisement for the Grand Opening on July 2<sup>nd</sup>, 1937 stated:

“Rebuilt around the very same rocks and the fountain which set the old lodge apart from its contemporaries, the NEW CAL-NEVA has incorporated all the legend and glamour created by the late Frank Bacon, whose famous play, “Lightnin’” inspired building of the old Cal-Neva and is characteristic of the new lodge.”<sup>216</sup>

### THE CASE FOR ARSON

As was typical of the day, the newspapers did not engage in any real investigative reporting, nor did they speculate as to the exact cause, but looking back over 70 years later, circumstantial evidence indirectly suggests arson. If the fire happened strictly as an accident, then one has to argue for a disaster scenario that includes a series of unexplainable coincidences both before and after the incident. Probably the most compelling evidence supporting an arson theory revolves around the details related directly to the moments and days immediately following the blaze.

Incredulously, construction started almost immediately. Site clearing was begun the following day (Monday) and forms were already being assembled on-site by mid-week to pour the walls of the new basement. It may have been more than coincidence that Sierra Construction was just finishing up construction of the 335-foot long business complex known as Ta-Neva-Ho.<sup>217</sup> The logistics of getting enough workers and trucks to the site in order to haul away the debris and bring in the necessary lumber and wood sheathing for the first phase of the rebuild project would have been nearly impossible without some sort of pre-planning. In spite of *not* having a complete set of pre-approved plans, workers had already started pouring concrete into **finished** forms by the following Saturday! The dance floor was laid down over the basement less than a week later (by May 29<sup>th</sup>).

And then there is the mystery of the Norberg sketch which was released to the press only five days following the destruction of the old lodge. Obvious questions persist as to how the architect could have drawn such an accurate preliminary drawing of what so closely matches the finished lodge. The drawing is replete with the characteristic entryway and pitched roof. Also present are the perpendicular building extensions on both sides of the entry toward the each end of the building. Both rounded ends are also evident. Missing are the three small alpine windows positioned on the left-hand side of the roof.

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<sup>216</sup> Announcement of Opening (ad), Nevada State Journal, July 2nd, 1937, Section 4, p. 7

<sup>217</sup> Ta-Neva-Ho was another property owned by Jim McKay. It officially opened on May 29<sup>th</sup>, 1937