

## **CapitalMark Bank – a new banking model for Oak Ridge in a historic bank building** *(As published in The Oak Ridger's Historically Speaking column on September 17, 2012)*

If you have been to Jackson Square in the last several months, you have seen the renovation being done to 231 Jackson Square, the building just beside the Oak Ridge Playhouse. The plywood covering the front of the construction makes it obvious that something grand is going on behind those wood panels. The artist rendering of how the front of the new bank will look that has been placed on the plywood front gives a hint of what is to come.

The plywood came down on Thursday, 9/13/12, and the doors are hoped to be in place for the 70<sup>th</sup> Birthday of Oak Ridge scheduled to begin at 3:00 PM on Wednesday, 9/19/12. **MAKE YOUR PLANS TO JOIN US FOR THE BIRTHDAY PARTY AT JACKSON SQUARE!**

David Bradshaw, President of CapitalMark Oak Ridge, takes great pride in the historical significance of the location. He has watched carefully as each section of the original Manhattan Project era building has been uncovered. From the original bank vault to the grand hardwood flooring to the writing inside the walls where he found "Town Site" written on a 2" X 4" board.

There is even a remnant of the Hamilton National Bank sign on the wall that is really just the marks left from where the letters were there for so long that they left an imprint where the letters were glued to the wall. These remnants of the early days of Oak Ridge are special and will be preserved intact for future explorers to appreciate.

David could hardly contain his excitement when he took me to meet the folks doing the renovation and to show those special artifacts to me, knowing I would certainly appreciate the historical significance of the handwriting, the images of an earlier bank's name and most of all, the vault. That historic vault is tremendous and will be used as the main vault of the new CapitalMark bank.

David suggested it would be good to document the history of banks in this historic building. Well, you know he did not have to convince me of the value of such a story, so I agreed to work with him to document this unique Oak Ridge history in *Historically Speaking*.

The history of the Hamilton National Bank in Oak Ridge is an intriguing one. In a thesis written by Shin Chang to the Graduate Council of the university of Tennessee, in August, 1962, as partial fulfillment of Master of Science degree is found the following, "The first branch office of the bank was opened at the request of the United States treasury and the War Department in a newly developed atomic city, Oak Ridge, during September, 1943."

"It was a branch office with limited facilities to act as a depository and financial agent of the Treasury Department, cash payroll checks, sell war bonds, issue exchange and supply other necessary banking services.

"However, no new accounts were accepted from people living outside the area and loans were not available at the Oak Ridge facility. As the war deepened, the size of payrolls grew larger to the point that it was realized that a second facility in the area was necessary to enlarge banking services of the all-out war effort and to keep down absenteeism in war work by providing needed services at convenient locations. Oak Ridge's second facility was opened as requested on April 5, 1944.

Another account of this unique banking arrangement is found in a newspaper article, "Knoxville, Tenn. Banking for the town of Oak ridge, Tenn., mystery mountain city, where it was revealed yesterday, ingredients for the nation's atomic bomb are manufactured, has been in charge of the Hamilton national Bank of Knoxville. C. M. Preston, president of the bank, said here today.

"Oak Ridge, no more than a name of a mountain range three years ago, is now a community of 75,000 inhabitants, with all the schools, churches, and business establishments needful thereto. It was built in

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two years as the major center of the \$2 Billion U. S. war investment in atomic energy, which produced its first devastation in a Japanese city Monday.

“For two years the existence of Oak Ridge and the job being done there has been a military secret, so closely guarded that even neighboring Tennessee bankers, who knew of its existence, did not know the why of it or of the atomic bomb production. Never in history has a hidden city grown under pressure of war and in secrecy as Oak Ridge.

“The banking for Oak Ridge was supplied through two “facilities” authorized as the Hamilton National Bank by the U. S. Treasury.

“Billions of dollars in banking business is being done each day by the Hamilton national in two bank facilities in Oak Ridge.

“Under the supervision of Hoyt Mason, the Oak Ridge office, and Floyd Carringer, at the West Town facility, checks cashed and deposits received for the 75,000 inhabitants who, in three years have developed a new city out of the former oak and pine growth. The facilities do not keep books or make loans. Several millions in cash and deposits are transported by both armored truck and registered mail insured, between them and the main bank in Knoxville.

“In order to offer this service to the residents of Oak Ridge, it was necessary to receive special governmental permission to transport across the county lines, which has been restricted against federal travel. There are two girl employees, one at each office, and these employees made an enviable record on the 7<sup>th</sup> war Loan Drive.

“ ‘The business has grown enormously,’ C. M. Preston, president of the Hamilton National Bank, states, and they have been warmly praised by the U. S. Government for their splendid effort in aiding in the production of the ‘Atom Bomb.’

“Typical of Oak ridge’s growth is the fact that whereas by June, 1945, the town had one high school and eight elementary schools with another grammar school under construction, at the Spring term of 1945, there were over 1,000 pupils and 317 teachers.

“The public library had about 9,000 books and 10,000 members holding cards. A hospital of 50 beds was built at the cost of over \$300,000 and a dental service building erected at a cost of \$92,000. The total outlay for schools, including several existing rural schools taken over at the start of the work, was \$3,700,000.

The original announcement of the bank stated, “Government Project at Clinton to have Branch Bank. The Hamilton National bank, Knoxville, will establish a limited banking facility at Oak ridge, Tennessee at the request of the United States Treasury and the War Department, according to announcements made by the bank’s board of directors. Oakridge is the town site of the Clinton project.

“The branch was to open by the end of September in quarters provided by the War Department, and its principal business will be to act as depository and financial agent of the Treasury department, it is said, and to cash payroll checks, to sell War bonds, issue exchange and supply other necessary banking service. No loans are to be made on the premises and no accounts will be received outside the area.

“In announcing the establishment of these facilities, C. M. Preston stated that “on account of the large payrolls that are to be distributed at that point, it is realized that banking services are absolutely necessary to further the war project and keep down absenteeism in war work.”

“C. O. Carpenter of Knoxville will be the Manager, and Floyd F. Carringer, Assistant Manager.

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More of the Hamilton National Bank and the Hamilton First National Bank and finally the CapitalMark Bank will be included in the next *Historically Speaking* column.



Long lines of customers wait to have their checks cashed



The exterior of the original Hamilton National Bank

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The new front of the bank is unveiled on 9/13/12

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