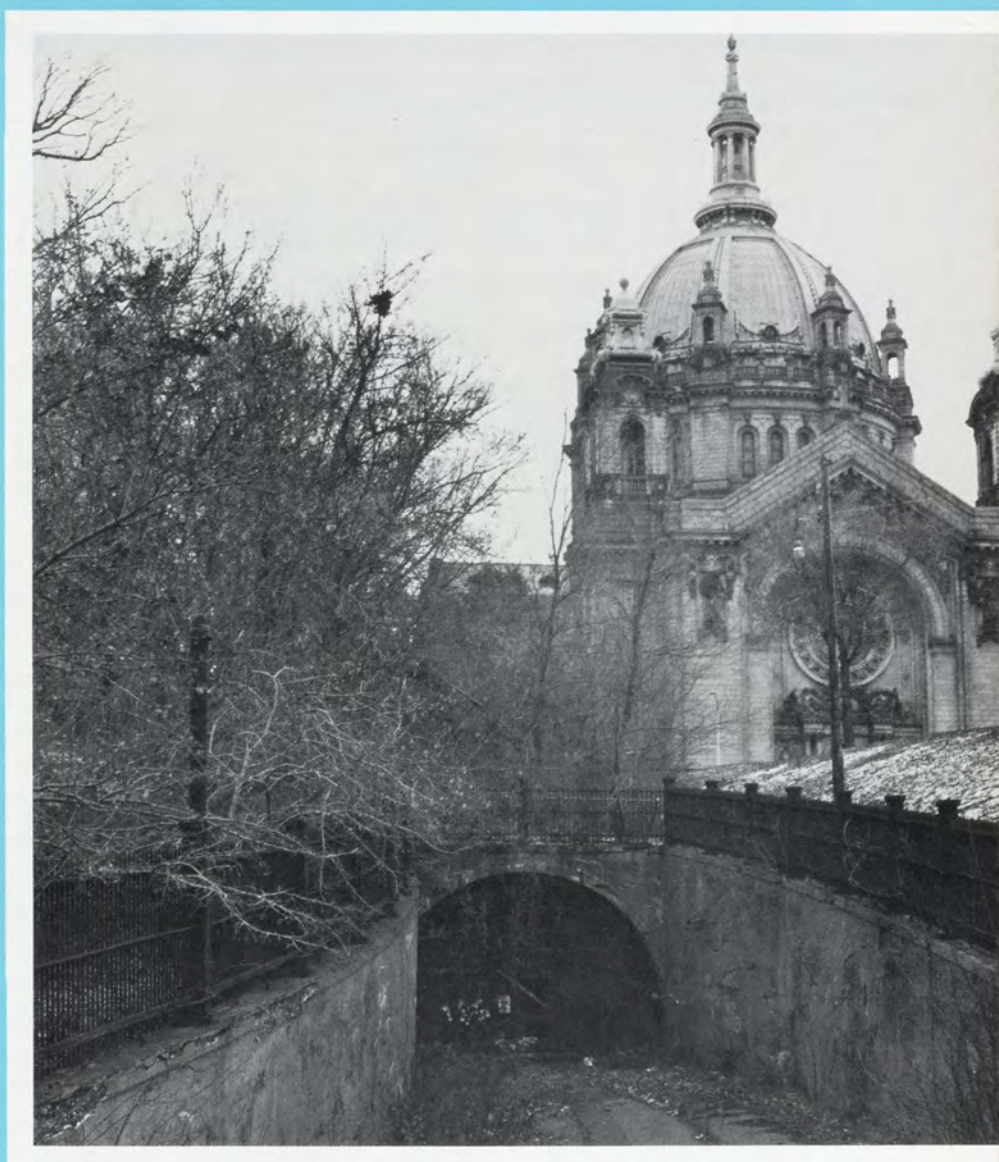




Ramsey County Historical Society  
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# RAMSEY COUNTY HISTORY



**Volume 18**

**Number 2**

# Ramsey County History

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*ON THE COVER:* The eastern end of the Selby Avenue tunnel was photographed by Ramsey County Historical Society staff member Tom Mega in 1982. The tunnel had been abandoned since 1953.

*ACKNOWLEDGEMENTS:* Photographs on pages 4, 5, 6, 8, 9, 10, 17, and 18 are from the Minnesota Historical Society's collections. The advertisement for Moline-Knight's New 1917 Model "G", also from the Minnesota Historical Society's collections, originally appeared in the June, 1916, issue of *American Motorist*. The photograph on page 20 of the St. Paul Fire Insurance Patrol is from the St. Paul Company's archives. Photographs on pages 7, 11, and 13 are from the Ramsey County Historical Society's photographic collection. Lithographs on pages 3 and 14 are reproduced from the *Illustrated Historical Atlas of the State of Minnesota* published in 1874 by A. M. Andreas, Chicago, Ill. The photograph on page 21 of the Fire Patrol's old station house was taken by Pat Swifka.



A horsecar passes Moore's block at Seven Corners, not far from the company's first headquarters and stable at Third and Exchange Streets.

## Tom Lowry and the Launching Of the Street Railway System

*EDITOR'S NOTE: On November 16, 1982, the Ramsey County Historical Society launched a new series of exhibits in Landmark Center based on the history of urban Ramsey County. The first exhibit, "Rails in the Streets," traces the impact of the streetcar on the county's history. Following is the text of a speech prepared by Goodrich Lowry for the society's annual meeting held in connection with the exhibit opening. Lowry, who retired in 1967 as chairman of Northwestern Bank Corporation, is the grandson of Thomas Lowry, the colorful founder of the Twin City Rapid Transit Company, and the author of Streetcar Man, a lively account of his grandfather's life and career. It was just 100 years ago that Tom Lowry gained control of St. Paul's Street Railway System.*

I appreciate very much the opportunity to be with you tonight on the occasion of the opening of the Ramsey County Historical Society's exhibit entitled, "Rails in the Streets." It isn't every night that a Minneapolis man is invited to a St. Paul occasion.

I'm reminded of another St. Paul occasion which Tom Lowry was invited to attend when the word got out that he had gained control of the St. Paul Street Railway system during the year 1883. The first reaction to this news was not one of rejoicing. Years later, the *St. Paul Dispatch* gave the following account:

"The idea of a Minneapolis man having us at his mercy when it came to street cars was

so repugnant to many of our people that J. W. McClung, a leading real estate dealer, called an indignation meeting at the Chamber of Commerce. That's precisely what the assemblage was to be — mad clear through — notwithstanding the circumstance that Tom Lowry was expected to attend in person. Mr. McClung was primed for an oration of the most scorching and withering type. That a Philistine, an arch-enemy of St. Paul as every Minneapolitan must be perforce, should gobble up our street railroad franchises and privileges, was an outrage.

"Mr. Lowry duly appeared upon the scene and laid aside the inevitable plug hat which so accentuated his six feet two. He faced that angry audience and smiled. Half the anger



Tom Lowry

vanished forthwith. Tom kept on facing the audience and smiling, and then he talked a little while. He presented a full exposition of his plans and desires regarding the St. Paul street car system.

"And then what happened? Nothing, except that J. W. McClung got on his legs and started eulogizing that terrible Tom Lowry! Applause began to ripple forth and swelled until it made the old building tremble and the captive, turned captor, received a tumultuous ovation.

"LOWRY HAD WON another victory. He had tapped the hearts of the St. Paulites as deftly as he had tapped the strong boxes of Wall Street."

But I should start with the beginning of the St. Paul Street Railway Company which was duly incorporated in 1872 by an act of the state legislature and the St. Paul city council. The names of the incorporators included most of St. Paul's business leaders, including James C. Burbank, president of St. Paul Fire and Marine; Horace Thompson, president of the First National Bank of St. Paul; merchant Peter McQuillan, grandfather of F. Scott Fitzgerald; John Merriam of Merriam Park fame; former Governor W. R. Marshall and twenty-nine other leaders of that day. Burbank was the first president and chief organizer of the St. Paul Street Railway

Company, and lawyer Henry Carver was the first secretary.

The first route ran on a zig-zag course for about two miles, from Fort and Anne streets to Fourth and Wabasha to Seventh and Broadway and on to Lafayette. This route, with seven stops, took thirty minutes at an average speed of four miles per hour. A branch line ran one-half mile from Fourth and Wabasha out to Eleventh Street.

The first headquarters was located at Third and Exchange, near today's Civic Center. Its purpose was that of a stable to house the company's thirty-four horses and six mules. While the company started with mules, the horses proved to be the superior animal. Mules were stubborn and hard to move. The drivers found that the best way to make a mule go was to twist its tail, but this often took a lot of time. Horses and mules were worth \$100 to \$150 each and a streetcar that held about twelve passengers sold for \$800.

THE STREETCAR TRACK was also primitive. Wooden ties were laid on the dirt streets, wooden 2x4's were laid on the ties, and the 2x4's were capped with a flimsy length of iron. This was the track, and it cost about \$6,000 per mile. It is small wonder that derailments were frequent and that passengers were often asked to get off and help the driver get the car back on the rails.

The fare was 5 cents, and while this sounds like a bargain today, it was actually quite high in relation to the prevailing wage which was 13 cents an hour. Today's bus fare of 75 cents is considerably lower in relation to present-day wages. Then, as now, the fare was insufficient to be profitable.

To build and equip this streetcar system, the incorporators raised \$35,000 through successive assessments to be levied on the capital stock, but as they continued to run out of money, it occurred to them that it would be a lot less painful to borrow than to put in more of their own money. An issue of \$100,000 in 10 percent bonds was authorized and \$55,000 in bonds were actually sold to Eastern investors. But earnings were insufficient to support the debt, and when the inevitable default occurred, the sheriff sold all of the company's assets to the Eastern bond holders on October 17, 1877, just five years after the company's inception. The assets included three miles of track, fifteen streetcars, forty animals, two snow plows and sundry equipment, including two mouth

rasps for filing the horses' teeth. They also got the stable, but it had a mortgage on it.

LESS THAN A YEAR after the company was organized, Burbank, Thompson and five other directors sold their stock and resigned from the board. W. R. Marshall was elected president. The cause of Burbank's withdrawal is not known, but it probably was one of the chief causes of the company's default. There are those who say that Burbank would never have presided over a failure.

The bondholders met in lawyer Henry Horn's office shortly after the sale to reorganize the company. They changed the name of their concern from St. Paul Street Railway to St. Paul City Railway Company, elected new directors and officers and raised the fare from 5 to 6 cents. The new directors were bondholders Alfred H. Porter, president; William A. Philips, William G. Dominick, all of New York; Henry Horn, St. Paul lawyer; and James R. Walsh, treasurer and general manager. The New Yorkers were enthusiastic about the prospects.

THEIR OPTIMISM was undiminished by some minor problems which arose in the following months. A woman who mounted a

car with only 5 cents instead of 6 cents in her pocketbook, refused to get off, so the driver threw her off, and she sued the company for \$1,500. W. R. Marshall, who had succeeded Burbank as president of the old company, sued for \$3,500 which he claimed to have lost through improper foreclosure proceedings. And Horace Thompson asked for \$2,000 for his time and efforts in behalf of the new company. All three claims were rejected. The board was strongly opposed to Thompson's request. Bankers were apparently no better understood than they are today.

Manager Walsh wanted to run a new line from Wabasha and Eleventh up the bluff to Summit and Western, which required that an extra horse be stationed at the foot of the bluff to help pull the cars up the steep hill. The new owners agreed, put up another \$11,000 in stock and the extension was completed May 5, 1879. While the work exceeded estimates, the new owners continued optimistic, even though at Walsh's insistence they

**A cable car ascends the Selby Avenue hill, passing Norman Kittson's magnificently ugly mansion which once stood at Summit and Selby, the site today of the St. Paul Cathedral. The horse is pulling the carriage up Summit.**





had to cancel the fare increase. The extra penny was causing all sorts of problems, including the constant shortage of change. But earnings were gradually increasing and the New Yorkers continued to think they had a good thing. They even declared the first dividend.

Then in the summer of 1879, director Philips returned to New York after a trip to St. Paul to make a physical inspection of the streetcar system. His report brought consternation. He told his fellow directors that ties and iron on the whole system were "literally worn out." He urged them to choose between selling out to unnamed parties in St. Paul or rebuilding and extending the entire track. They bravely chose the latter course, including an extension from Jackson and Seventh Street to the Mississippi Street bridge and replacing the wornout single tracks with new double tracks throughout.

Construction of a new three-story building on St. Peter Street was also authorized to house both drivers and horses. They paid for additional stock of \$73,000 based on estimates, which were again exceeded, bringing their total investment up to \$150,000. They wound up \$12,000 short which they borrowed from a well-heeled relative of one of the Dominicks.

THE WORK WAS completed in 1880, but the increase in income failed to cover the outgo and the 1881 dividend could not be paid. The New Yorkers had finally had it.

On February 11, 1882, at a meeting at 66 Wall Street, there appeared on the scene five

**Wildwood Amusement Park at White Bear Lake was developed by the company after the turn-of-the-century when the streetcar lines reached such far-flung communities as Stillwater and Excelsior.**

new faces. Four of the five were St. Paul businessmen; the fifth was Minneapolis Tom Lowry. The newcomers bought out the New Yorkers for \$175,000, or just about what the New Yorkers had invested. Two days later the new board authorized Lowry to borrow \$200,000, which he managed to do, and four months later the directors voted to pay themselves \$35,000 each for their time and services in acquiring the company. Since this was what they had paid the New Yorkers for their stock, everybody was just about even but there was now a mortgage debt equal to what the system was worth. The new stockholders had no visible equity, but that was all right because they had recovered the full cost of their stock.

This maneuver was typical of Tom Lowry's approach to a financial problem. When someone once asked him what his chief aim was, he promptly replied that he aimed at being all even. On being asked what he meant by "all even," he said that he'd be all even when he owed money to as many people as he didn't owe money to. With the arrival of Lowry, the style of the company was quickly transformed. Where other men thought in units of \$10,000, Lowry thought in units of a million. And such was his enthusiasm and his personality that he converted the fantastic into the believable. Debt never seemed to bother him, in spite of the fact that he was

accustomed to putting his personal guaranty on every debt that he negotiated.

Early in his career he mortgaged his big house on Lowry Hill to an Eastern investor and when Lowry defaulted, the investor foreclosed. Since the foreclosure was published, word raced around town that the sheriff had finally caught up with Tom. A good friend, seeking to console a ruined man, was admitted to the big house by the butler and was greeted by shrieks and howls of laughter as Tom and his two daughters raced through the house in a game of tag. He redeemed the house a day before the usual year of grace had expired but his wife, Beatrice, must have been upset because his next act was to transfer the title into her name.

HER REPRIEVE was brief. A year or so later, she returned from a shopping trip to find a white-lipped butler and an empty living room. Gone were the oriental carpets, the Tiffany lamps, the bronzes and everything else. The living room had been stripped clean. Apparently Tom had made a deal in the bar of the West Hotel the night before, to swap the contents of his living room for some

promising pieces of real estate. When he came home that evening, he dismissed the matter by suggesting that Beatrice go down to Bradstreets and buy whatever she liked to refurnish the living room — on the cuff, of course. That was Tom Lowry, but somehow everyone got paid, even though sometimes they had to be very patient.

Shortly after the purchase of the St. Paul City Railway, the stock was increased from \$150,000 to \$1 million by the simple device of raising each purchaser's holding from 300 shares to the more dignified amount of 2,000 shares. The new board promptly increased the debt limit from \$200,000 to \$500,000 and soon thereafter to \$1 million. The borrowings were rapidly spent on extensions and improvements of the lines.

By 1885, a new mode of transportation, known as the cable car, was sweeping the country. The cable car operates on the same principle as the moving rope grasped by skiers. A long steel cable driven by a sta-

**The "new" pavilion at Como Lake, shown about 1915, was easily reached by streetcar, but also by auto and by horse-and-buggy.**



tionary steam engine travels in an endless loop at a fixed rate under the pavement and this propels the streetcar. Just as a skier grabs his traveling rope and moves uphill with it, the cable car grips the moving cable with a device thrust through the slot in a center rail beneath the street car. When the cable is gripped, the car moves at eight miles per hour, the cable's continuous speed; when the cable is released, the car can be braked to a stop.

AS MIGHT BE expected, the cable car was invented and first used in San Francisco, the hilliest city in the country, and it survives there to this day. But it didn't prove a success in St. Paul. It was twice as fast as a horsecar and it was the perfect answer to the problem of climbing the bluff to Summit Avenue, but it was not adaptable to the northern climate. In winter the slot in the track would shrink to the point where the "gripper" would not go through it, and in summer the same slot would expand and become a trap for such moving objects as carriage wheels. The weather was also hard on the cables, which would fray and seize the gripper. When this happened, you had a runaway car on your hands, and the entire line had to be shut down. The number of accidents and lawsuits skyrocketed. When it arrived, the electric streetcar proved to be a lot better.

Unfortunately the St. Paul City Council passed an ordinance calling for two cable lines, one to be built in 1887 and running from Fourth Street and Broadway up the bluff to Selby and Dale. The other line was built in 1888, and ran east from Broadway and Seventh Street on out to the city limits. Estimated at \$600,000, the final costs were

close to a million, which brought the company's debt close to \$2 million.

At the same time, there was a drastic change in the ownership of the company, which gradually had fallen into Lowry's hands during the preceding years. A group of Boston investors, led by Lee Higginson & Co., and another group of St. Paul investors, led by David Shepard, probably lured by prospects of profits from cable and electric systems, bought control from Lowry. But Lowry remained the president and driving force of the company.

IN THE SUMMER of 1888 the first successful electric streetcar system was developed in Richmond, Virginia, and like the cable car, it swept across the country. Archbishop John Ireland was the first proponent of electricity in St. Paul. Early in 1889 Ireland contracted with Lowry to build two electric streetcar lines extending from downtown St. Paul out along Grand Avenue and Randolph Avenue to Cleveland, where the archdiocese had extensive land holdings, including St. Thomas College. Application to the city council brought a number of competitive proposals, and after a battle, the council came down on Lowry's side in September, 1889, with an ordinance authorizing the St. Paul City Railway Company to electrify its entire system.

In the same month, the Minneapolis City Council authorized conversion and the two companies, both controlled by Lowry, undertook to electrify the entire streetcar system of

**By the 1890s two electric lines extended from downtown St. Paul out along Grand Avenue and along Randolph. This drawing shows Macalester College on the left, Summit Avenue on the right.**







After World War II, streetcars and cars jockeyed for position on such downtown streets, as Rice Street, pictured here.

the Twin Cities, including a new interurban line between the two business districts. This decision came at a time when the combined debt of the two companies was about \$4 million, and their assets were virtually obsolete. So Lowry obviously had to find some more money.

Before signing the construction contracts, Lowry met with Henry Villard, the man who had pushed the Northern Pacific to the West Coast and who was now, among other ventures, president of the Edison General Electric Company. Villard committed himself to lending the funds required for the entire program. In 1890 nobody doubted the goodness of a Villard commitment. Lowry signed the contracts and the work commenced in the early spring of 1890.

IT WAS A FORMIDABLE undertaking. The old rails were replaced by heavy standard-gauge track, overhead trolley lines to carry the DC current were strung along the streets, three power houses were built and electric motors, made by the General Electric Company, were installed on the cars, both old and new. The conversion was virtually complete by the end of 1891.

Finding the money for the conversion had not been easy. During 1890 Villard's fortune, due to a series of disasters, had gone down the drain and his commitment to finance the venture was worthless. Lowry had to start over again to secure the necessary funds, estimated at \$5,800,000, which were to be raised by the sale of bonds in the two systems. By January 1, 1891, there were still \$2,500,000 in bonds to be sold, of which \$1,500,000 were on the St. Paul Company. The Minneapolis bonds were relatively easy to sell but the St. Paul bonds were sticky.

A New York banker finally suggested joining the two companies in a new holding company, thereby putting both companies behind the debt. Thus was born the Twin City Rapid Transit Company, incorporated June 3, 1891. Lowry, who had spent the first six months of the year pounding the sidewalks of Wall Street, heaved a sigh of relief and wrote to Higginson in Boston:

*"Am a little weary. I feel something like the old lady who was the mother of 14 children. She said:*

*'It seems to me that when I die,  
Before I join the blest,  
I'd like just for a little while,  
To lie in my grave and rest.'*"

But Lowry was not to enjoy that rest soon. Costs had again overrun estimates and earnings, in the depressed economy of the 1890s, were below expectation. Operating costs were slashed. Preferred stock was sold in London and the new Twin City Rapid Transit Company barely escaped bankruptcy. The tide finally turned and on August 15, 1899, the company paid its first dividend. The common stock, which had sold at \$10 per share when a rare buyer could be found, had reached a price of \$100 on the New York Stock Exchange by the turn of the century.

DURING THE FIRST DECADE of the new century, the system was extended to White Bear and Stillwater on the east and Lake Minnetonka on the west. As amusement parks came into vogue, the company developed Wildwood at White Bear and Big Island at Minnetonka, where the company also operated a fleet of six streetcar boats. An expedition to Wildwood or Big Island became a week-end habit of many Twin Citians.

Tom Lowry died in 1909 and was suc-

ceeded by his able brother-in-law, Cal Goodrich. When Goodrich died in 1915, my father, Horace Lowry, took over, and his was the unrewarding job of presiding over a gradually declining business as the mass-produced automobile became the new American dream.

The last of the 700 streetcars were retired in 1954 as the system was converted to buses and in 1970 the property was sold to the Metropolitan Transit Commission. The Twin City Rapid Transit Company, as a private enterprise, had come to the end of the road.

I'm not sure that there's any profound conclusion to be drawn from this hundred-year story of mass transportation in the Twin Cities. Perhaps it's just one more example of that old maxim: "The only unchanging certainty in this world is the certainty of change itself." We've seen the omnibus replaced by the horsecar, the horsecar replaced by the cable car, the cable car replaced by the electric streetcar, which was replaced by the bus. I suppose the final question is — What is it that will, in all certainty, replace the bus? And, as usual, nobody really knows.

**A breakdown on the line halted a streetcar at the east end of the Selby tunnel. This picture dates from the 1930s.**





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### THE GIBBS HOUSE

*at 2097 West Larpenteur Avenue, Falcon Heights, is owned and maintained by the Ramsey County Historical Society as a restored farm house of the mid-nineteenth century period.*

**T**he Ramsey County Historical Society was founded in 1949. Its chief function is to collect and preserve the history of the city and the county and share that history with the people who live here. The Society is the county's historian. It preserves those things from the past that are the community's treasures — its written records through the Society's library; its historic sites through establishment of the Irvine Park Historic District and its successful efforts to help prevent destruction of the Old Federal Courts Building, now Landmark Center. It shares these records through the publishing of its magazine, brochures, pamphlets, and prints; through conducting historic sites tours, teaching classes, producing exhibits on the history of the city, and maintaining its museum on rural county history. The Gibbs Farm Museum, the oldest remaining farm home in Ramsey County, was acquired by the Society in 1949 and opened to the public in 1954 as a museum which would depict the way of life of an early Minnesota settler. In 1966 the Society moved onto the property a one-room rural country schoolhouse dating from the 1870s. Now restored to the period of the late 1890s, the school is used for classes, meetings, and as the center for a summer school-house program for children.

Society headquarters are located in Landmark Center, an historic Richardsonian Romanesque structure in downtown St. Paul, where it maintains exhibits on the history of St. Paul and its surrounding communities.

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