

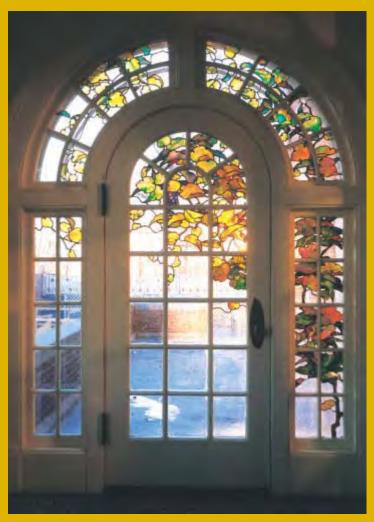
Growing Up in St. Paul—Diamonds, Gravel Roads, And a Little Chevrolet

Page 16

Winter, 2003

Volume 37, Number 4

The History Behind the Louis Hill House New Settlers, Real Estate Boom, and Speculation —Page 4



The stained glass window Louis J. Millet designed for James J. Hill's house on Canada Street in Lowertown and later installed in Louis W. Hill's house at 260 Summit Avenue. See article beginning on page 4. This beautiful window was photographed for Ramsey County History by George Heinrich.

RAMSEY COUNTY HISTORY

Executive Director Priscilla Farnham Editor

Virginia Brainard Kunz

RAMSEY COUNTY HISTORICAL SOCIETY

BOARD OF DIRECTORS

James A. Russell Chair

Marlene Marschall President

George Mairs

First Vice President

W. Andrew Boss Second Vice President

Judith Frost Lewis Secretary

Peter K. Butler

Treasurer

Duke Addicks, Charles L. Bathke, W. Andrew Boss, Peter K. Butler, Norbert Conzemius, Anne Cowie, Charlton Dietz, Charlotte H. Drake, Joanne A. Englund, Robert F. Garland, Howard Guthmann, Joan Higinbotham, Scott Hutton, Judith Frost Lewis, John M. Lindley, George A. Mairs, Marlene Marschall, Richard T. Murphy, Sr., Richard Nicholson, Marla Ordway, Marvin J. Pertzik, Penny Harris Reynen, Glenn Weissner, Richard Wilhoit, Laurie Zenner, Ronald J. Zweber.

EDITORIAL BOARD

John M. Lindley, chair; James B. Bell, Thomas H. Boyd, Thomas C. Buckley, Mark Eisenschenk, Pat Hart, Thomas J. Kelley, Tom Mega, Laurie Murphy, Richard H. Nicholson, Paul D. Nelson, David Riehle, G. Richard Slade.

HONORARY ADVISORY BOARD

Elmer L. Andersen, Olivia I. Dodge, Charlton Dietz, William Finney, William Fallon, Robert S. Hess, D. W. "Don" Larson, George Latimer, Joseph S. Micallef, Robert Mirick, Marvin J. Pertzik, James Reagan, Rosalie E. Wahl, Donald D. Wozniak.

RAMSEY COUNTY COMMISSIONERS

Commissioner James McDonough, chairman Commissioner Susan Haigh Commissioner Tony Bennett Commissioner Rafael Ortega Commissioner Victoria Reinhardt Commissioner Janice Rettman Commissioner Jan Wiessner

Paul Kirkwold, manager, Ramsey County

Ramsey County History is published quarterly by the Ramsey County Historical Society, 323 Landmark Center, 75 W. Fifth Street, St. Paul, Minn. 55102 (651-222-0701). Printed in U.S.A. Copyright, 2003, Ramsey County Historical Society. ISSN Number 0485-9758. All rights reserved. No part of this publication may be reprinted or otherwise reproduced without written permission from the publisher. The Society assumes no responsibility for statements made by contributors. Fax 651-223-8539; e-mail address admin@rchs.com.; web site address www.rchs.com



Volume 37, Number 4

Winter, 2003

CONTENTS

- **3** Letters
- **4** The 146-Year History Behind the Louis Hill House New Settlers, Booming Real Estate Market, and A Summit Avenue Site Acquired on Speculation Eileen R. McCormack
- **12** Who Was John LaFarge? And Louis Millet?
- **16** Growing Up in St. Paul Diamonds, Gravel Roads and a Little Chevrolet— The Life and Times of a Venture Capitalist Alan R. (Buddy) Ruvelson
- **21** A Flourishing Fur Trade Industry And the U. S. Corps of Engineers Centre Building Matt Pearcy
- **23** Slunky Norton: the Chimney Sweep Who Rocked the Rafters Albert W. Lindeke, Jr.
- **24** I Remember the Teachers' Strike of 1946 Maxine K. Dickson
- **25** Book Reviews

Publication of *Ramsey County History* is supported in part by a gift from Clara M. Claussen and Frieda H. Claussen in memory of Henry H. Cowie, Jr. and by a contribution from the late Reuel D. Harmon

A Message from the Editorial Board

Our winter issue opens with Eileen R. McCormack's fascinating account of the history of the house that stands at 260 Summit Avenue, known to many St. Paul residents as the Louis Hill House. Today Richard and Nancy Nicholson and their family live there and have restored the house to the splendor that it had in the days when the Hills lived in the house, while also adapting it to the conveniences of contemporary living. What emerges from Eileen McCormack's research is a glimpse of a bygone era of St. Paul's elite and of the personality of the home the Hill family built.

Moving from an elegant residential property to a modest commercial and manufacturing part of the spectrum of St. Paul buildings, historian Matt Pearcy of the U.S. Army Corps of Engineers recounts the history of the building at 333 Sibley Street. This commercial structure is today's Corps of Engineers Centre, which has its origins in the history of Gordon & Ferguson Company, a famous St. Paul furrier. Alan R. (Buddy) Ruvelson, a well-known St. Paul entrepreneur, contributes a "Growing Up in St. Paul" story that begins with his maternal great grandfather's home at 545 Sibley, in Lowertown, not far from the Corps' present headquarters. Publication of an old photo of the rabbi's house in David Riehle's article in the fall issue of Ramsey Country History prompted author Ruvelson to trace his family's roots to Rabbi B. Rosenthal's home in the area that the plat maps called "Borup's Addition." Fortunately for us, Ruvelson has had a varied and unusual life as a dealer in diamonds, an entrepreneur, a venture capitalist, and public citizen. Whether elegant like the Hill home or modest like the home of Rabbi Rosenthal, St. Paul's built environment can tell us much about who we are and how our city has changed over the years.

John M. Lindley, Chair, Editorial Board

Growing Up in St. Paul

Diamonds, Gravel Roads, and a Little Chevrolet— The Life and Times of a Venture Capitalist

Alan R. (Buddy) Ruvelson

abbi B. Rosenthal, whose house was pictured in the fall 2002 issue of *Ramsey County History*, was my maternal great grandfather. As author David Riehle indicated, not much seems to be known about this man, the first generation of my family in St. Paul and one of the leaders of the city's pioneer Jewish community.

His name originally was Schatz, and he was closely related to the artist and sculptor Boris Schatz who established the first Jewish school of art in the world in Jerusalem, a school that's still there. Rabbi Rosenthal's first name is listed variously as Benjamin, Barnet, and Bernard. I'm not certain exactly when he came to America, except that he entered through Castle Garden, the immigration center in New York, so it must have been before Ellis Island opened in the 1890s. I do know that the Rosenthal family originated Somewhere in Eastern Europe, probably Latvia or Lithuania, which had large Jewish populations. Most of them are now gone, including some family members who disappeared during the Holocaust.

I know that my great grandfather first had a pulpit in America at Providence, Rhode Island, a city with one of the country's largest Jewish populations, before coming to St. Paul in the 1870s as rabbi of the Sons of Jacob Congregation. The synagogue was in the "Lost Neighborhood" of Borup's Addition that Riehle describes. It was an orthodox congregation and orthodoxy required Jews to walk to services on the Sabbath. I'm not surprised therefore that the Rosenthals established their home at 545 Sibley because it was near the synagogue on College Avenue. He was more than a rabbi, though. He also was a shochet, a man who does the ritual slaughtering of animals. Sons of Jacob still exists. It's in Mendota Heights and now it's called Congregation Beth Jacob.

The rabbi and his wife Gertrude had seven children. She's buried in a Jewish

Cemetery in what once was the Village of Gladstone, north of St. Paul. Their daughter, Esther Rose, married my grandfather, Joseph Ruvelson, and their son, Philip Godfrey, was my father. My mother was Eva Lomkin, who was born and grew up near the north side of Minneapolis.

My family consisted of five girls and one boy. The son, Samuel, changed his last name to Wallace. He married an Iowa farm girl and owned a traveling circus. I can still remember that when I was a small child they stopped the circus train at the outskirts of St. Paul and gave me and my father a ride to the yard limits. My



A student at St. Thomas Academy.

mother, Eva, (Evalyn), and her older sister, Alice, had good voices and performed as the Lomkin Sisters, singing from the balconies of the silent movie houses and at Minneapolis churches. When she finished public school, my mother worked as a retail sales clerk at the Plymouth Department Store in downtown Minneapolis. She was attractive in appearance, fun loving, and possessed a great personality.

My paternal great grandfather was born about 1830 in Helsinki, Finland—an unusual area for a Jewish family. His name was Aaron Moses Ruveli. The name ended in an "i" because that was a Finnish ending. When he moved from Finland to Lithuania around 1875, he changed his name to Ruvelsky, a common ending for a name in Lithuania.

His son Joseph, my grandfather, was sent to an aunt in Chicago, perhaps to es-



Alan (Buddy) Ruvelson at a later date.



Philip Godfrey Ruvelson

cape military service in the Russian army. Later he moved to St. Paul, and that's where he met and married Esther Rose Rosenthal, the Rabbi's daughter. Because Minnesota was Scandinavian, he changed his name again, dropping the "sky" and substituting "son"—Ruvelson.

Grandfather Joseph was never much of a money-maker, but he was a learned man, a scholar, and most religious. He earned a living as a horse-and-buggy peddler and lived far out on north Rice Street so he could easily get out into the countryside. Later he worked for a man named Abrahamson in a store on old Third Street which later housed the Roman Café. I remember as a boy going to the store which was open on Sunday because they of course never worked on Saturday.

My father Philip was born in 1899 on Manitoba Avenue, a block east of Rice Street in Frogtown. He grew up in that working class community among poor but industrious Irish, German, Polish, and a few Scandinavians. Inasmuch as he lived some distance away from the established Jewish neighborhoods, he didn't have much of a traditional Jewish education, which was atypical among our people. His friends were people like the Gibbons boys, Tom and Mike, and particularly David Fearine.

My father didn't take part in a bar mitzvah ceremony, the traditional rite of

passage into adulthood for Jewish boys, and neither did I. He joined a Mount Zion Reformed temple early in his marriage. My mother and father weren't as religious or traditional in their faith as were my grandparents and great grandparents, but they were interested and practicing Reformed Jews. I followed in his footsteps in that respect . . . both encouraged an ecumenical upbringing for their children.

My dad didn't go to high school—not uncommon in those days. Instead, he was apprenticed to a manufacturing jeweler named George Wooley in the old Ryan



Ethel Newberg Ruvelson

building in downtown St. Paul where he was paid \$2 a week; he worked a six-day week, and because he was the youngest apprentice, he cleaned the shop on Saturdays after the others had gone home. He'd trained to work with platinum, but when World War I broke out, he had to abandon this because of wartime shortages, and began to work in gold. Gold, however, had different fusion points and when he was working on a bracelet, he told me, he became so frustrated that he threw it on the floor, walked out, and resolved to become a dealer in diamonds . . . an entrepreneur.

So he went out trading diamonds . . . he'd pick them up in one place, sell them in another, and the business escalated rapidly. He was very successful. He started locally, and soon became a national operator. Before the end of the 1920s, he had an office in Maiden Lane in New York, the traditional center for diamond dealers. He acquired a line of credit at a New York bank because, at first, the St. Paul banks wouldn't extend him enough credit. He traveled to Europe to buy diamonds but my mother didn't accompany him. It was a different world then. . . . My dad would stay in New York for weeks on end and thoroughly enjoyed the good life.

He was a fun guy, but also an astute businessman. He would see to it that his payable checks were mailed on Friday so that they were received by his suppliers on Monday. In 1933 when President Roosevelt declared the Bank Holiday, my father took a plane to New York where panicky diamond dealers were liquidating their inventories. He bought up diamonds and sold them back six or eight weeks later to the same merchants who had dumped them. Of course, there had been considerable escalation in their value over that short period because the world hadn't fallen apart.

My father moved out of Frogtown after his marriage to my mother. I was born in 1915, the middle child of three-



Louise Grell Ruvelson

an older daughter, Marion, and another son, Robert fourteen years younger than I. Then tragedy struck. My sister, a beautiful, intelligent child, contracted encephalitis at the age of three. The fever damaged her brain and left her retarded. She spent her life in special schools and sheltered environments. My brother Bob attended St. Thomas Academy and the University of Minnesota. He moved to California fifty years ago.

In 1922 when I was seven, my father bought a home at 2150 Lincoln Avenue near St. Thomas Academy on Summit Avenue. When I was eleven, my parents wanted me to see more of the world so he sent me to a camp at Whitefish Lake run by St. Thomas Academy. When I was twelve he enrolled me in the Academy. I was confirmed at Mount Zion Temple in 1929 during my early years at the Academy.

My father said to me, "Don't ever forget your Jewish heritage, but don't live only within the Jewish community." My family always has been Jewish by belief and identification but not by ritual and dietary rules. Mother didn't observe dietary laws at home . . . she believed that what went into your mouth was less important than what came out of that mouth. Those were wise words, and I've tried to live by them.

When I was six, I discovered horses. The first one I rode was a pony. Later I began to ride and learn to jump on an overage former race horse, "Radio Boy," which had belonged to my father. My pony was first stabled at the state fairgrounds and for a short while in a small barn back of our residence at 2150 Lincoln Avenue. I did most of my early riding and jumping at the fairgrounds and around Como Park, which at one time had a bridal path. By the time I was thirteen, I'd ridden my first steeplechase as a "gentleman rider" at Fort Snelling. I also rode "Radio Boy" at the Withrow farm of the Clarksons, the Hermstead Hunt and the Upland Hunt near Wayzata; I rode in the Fort Snelling Hunt and took part in triple bar and open jumping events in the Hippodrome at the fairgrounds. I also rode in local horse shows and Woodhill Country club.

I remember the old Barrett and Zimmerman Sale Stables at University and



The Sibley Street home of Rabbi Barnet Rosenthal of the Sons of Jacob Congregation.

Prior and the saddlery store where I bought saddlery. I remember that Moe Zimmerman used to bring horses in from the range. They were broncs . . . he'd sell some of them to the French for meat. He brought in range horses, and I remember the auctions at University and Prior. My dad was most generous with me. By the time I was fifteen, I had my own car. He didn't have much to start with, but he sure wanted me to enjoy the good life.

After graduating from St. Thomas Academy, I spent two years at St. Thomas College, but I wanted more business education courses, so I enrolled at the University of Minnesota. I graduated first in my class, with a bachelor's degree from the School of Business Administration. It was 1936, the depths of the depression, and I was Jewish. Being shut out from certain jobs was my first real experience with anti-semitism, which then was particularly strong in Minneapolis. One couldn't get placed easily in jobs. Of course, companies weren't hiring anyway because of the depression. My father wanted me to go on to Harvard for a law degree, but my uncle, an attorney, said, "I don't want him to go there and become a

lawyer. All he'll get will be those lousy divorce cases and bootleggers. . . . He can't get into a decent law firm because he's Jewish."

So I went on the road for my father in his diamond business, heading out in a little Chevrolet along gravel and dirt roads through the Dakotas as far as the west coast and the Pacific Northwest. It was a risky business. I carried both loose and mounted diamonds for delivery, and they were of considerable value. St. Paul Fire and Marine wrote our insurance policy and that kind of insurance was hard to get.

My father was a tough taskmaster . . . if I traveled, he paid me \$45 a week; when I was in town, I received \$15. So I traveled. By this time I had married . . . I was twenty-two. I'd met Ethel Newberg at the University. She was an only child and beautiful. She'd grown up in Ada, Minnesota, before her parents moved to Minneapolis. My father didn't want me to marry so young but we did anyway.

In 1939 we had a daughter. Two years later, when Ethel was twenty-five, she contracted polio. I came in from the road to find that she was in isolation at Miller Hospital. In those days everyone was terrified



"When I was six, I discovered horses."

of polio. It was like having AIDS today. Our daughter Judy was eighteen months old and we both were literally pariahs. Ethel became one of Sister Kenny's first patients.

I could no longer travel because I was needed at home. We couldn't get help. This was 1942-1943, and the war was on. I stayed in the diamond business, which was prospering, but I was restless. We had three more children, and as my wife learned to walk again with the help of canes, I looked around for things we could do together. That led to participation in the PTA, United Jewish Appeal, and other civic groups.

Then politics beckoned. In the middle 1940s I became vice chairman of the School and Civic Improvement Committee for the St. Paul Public Schools. St. Paul was the only major city in the country where the schools were run by a politically-appointed commissioner instead of an elected or appointed school board. A group of us wanted to change that and create a non-partisan school board. I was asked to become a member of an appointed School Board, but I said "No." My father had said to me, "Buddy, you can spend all the time you want on civic and political work—it's wonderful—but promise me you'll never get involved in elective politics." He thought it would

change me, because it was a time of prejudice about Jewish people in politics. The Jews, for their part, felt they'd be hurt. I therefore selected another representative from the Jewish community to be appointed to the first school board. Many Jewish people are emotionally Democrats but economically Republicans.

I worked for Harold Stassen when he was trying to capture the Republican nomination for the presidency in 1946. Thomas Dewey punctured that balloon. Elizabeth ("Brad") Heffelfinger, who was my political godmother, recruited me for Eisenhower's presidential campaign. Warren Burger, an attorney in the Faricy Law Firm, was working for Stassen when I told him I was going to work for Eisenhower. Then Burger became head of the Credentials Committee at the GOP convention and seated the rump Texas delegation which went for Eisenhower. That's what made that all possible. In 1956 I was an alternate to the Republican convention in San Francisco and four years later an alternate to the GOP's Chicago convention.

I am a moderate Republican and I have always loved politics. I was vice chairman of the Ramsey County and Fourth District Republican Districts and chaired the 1960 State Republican Convention; I chaired the State Republican Platform Committee in 1958, 1962, and 1964. In 1962, when I chaired the Platform Committee, the Wall Street Journal described our platform as a "model of progressive thinking and broad statesmanship."

Even so, that was a sad time for me. My wife died of cancer in 1966 when she was only fifty. We later lost our daughter, Mary Ellen Saeger to cancer at the age of forty. I dropped out of politics. I had stayed with my father's diamond business through 1960, but my second career already had begun. In the 1950s, the Eisenhower administration formed the Small Business Administration and I was asked to serve on the SBA's Advisory Board for a six-state region: the Dakotas, western Wisconsin, Upper Michigan, Minnesota, and part of Montana.

I then learned that the SBA was developing a new type of financial vehicle to help investors join with the federal government in providing support for small, promising businesses. That was the Small Business Investment Act, passed in 1958, and it led me into the venture capital business. I founded First Midwest Capital Corporation in 1959, capitalized at a miniscule \$315,000. A year later I became president of the National Association of Small Business Investment Companies.

We had some firsts—the first SBIC to lose money and the first SBIC to make money. We provided the first investment in computer softwear in the United States and we were the first Venture Firm in the country to do a so-called "leveraged buyout." That involved the sale in 1964 of H and Val J. Rothschild, a realty and mortgage banking firm founded in St. Paul in 1885 by Henry Rothschild and operated by the same family since then. Our investment allowed Kennon Rothschild, a third generation family member, to buy the firm from his uncle, Ryland J. Rothschild. Then there was Possis, an early-stage high tech company, a spectacular venture that made money for the company and its shareholders.

And there were set-backs, two of them traumatic. We were helping to provide funding for Sun Plant Products in Gonvick, Minnesota. They were building a plant to process sunflower oil. We finally got the plant on stream, but it wasn't long before I received a call that the chief executive officer had dropped dead from natural causes. Within a week, the Number 2 person died of totally unrelated causes. We couldn't find anyone to move to Gonvick and run the plant. That investment should have been a barnburner but ended up a total loss.

Then there was our investment in RBA—Rauenhorst, Bellows, and Associates, run by Bob Rauenhorst and Howard Bellows. First Midwest had a rule: "Don't fly anywhere in a private plane all at the same time." Of course, everyone agreed. A short time later I was driving to the Town and Country Club when I heard on the radio that a plane had been caught in a bad storm near Faribault and torn apart. It was the RBA plane. Both Rauenhorst and Bellows were aboard, along with the company's chief financial officer, the head of research, and the head of marketing. All perished in the crash . . . RBA should have been another winner.

There were successes, too: HEI of



Politics had beckoned and Ruvelson (behind Eisenhower's right shoulder) began working for Ike.

Chaska, manufacturer of optical electronic equipment; Comserv of Mendota Heights, maker of computer software products; NutritionWorld, the health food chain; Interplastics, a synthetic resin manufacturer; Dicomed, maker of high performance computer graphics products. Over the next few years, Dicomed sales soared from \$1.2 million to around \$26 million.

It's a little like shooting dice . . . you have to know when to hold 'em and when to fold 'em. By the early 1980s, when new federal laws made it difficult for publicly held corporate venture capital firms such as First Midwest, it was time to fold'em. We began liquidating First Midwest Capital Corporation in 1986. I joined a colleague in forming First Mid-

west Ventures, and four years later became a Special General Partner of St. Paul Growth Ventures Fund I.

My personal life also changed. Several years after the death of my first wife, I married Louise Grell, a German Catholic. Neither she nor I wished to convert to another religion. My rabbi didn't want to perform the ceremony for a mixed marriage, so Msgr. John Roach, the future archbishop of the St. Paul archdiocese, willingly married us at Nativity, Louise's church. Today mixed faith marriages are more common, but I was disturbed by the conflicts among religious organizations over mixed marriages, so I set up a Donor Advisory Fund at The Saint Paul Foundation primarily in the hope that the money

will assist people to better understand each other and live together in harmony.

I've heeded my father's advice to avoid living solely within the Jewish community and I've been a member—and often an officer—of many many groups, Catholic, Jewish, Protestant. Much of what I've done has been as an American of the Jewish faith. I've never felt less Jewish by going to St. Thomas or working with and for non-Jews. I think it's good for Jews to have people of other faiths and cultures exposed to them. My life has been crowded, but I've had much fun, and I've accumulated wonderful memories.

Alan (Buddy) Ruvelson is now a consultant for emerging companies.



John LaFarge's stained glass window, retrieved by James J. Hill from his Canada Street house for use by his son Louis W. Hill at 260 Summit Avenue. See article beginning on page 4. Photograph by George Heinrich for Ramsey County History.



Published by the Ramsey County Historical Society 323 Landmark Center 75 West Fifth Street Saint Paul. Minnesota 55102

Address Service Requested

NON-PROFIT ORGANIZATION U.S. Postage PAID St. Paul, MN Permit #3989