# Why Peter Kirk's Steel Mill failed to open in Kirkland

Research and Presentation by
Loita Hawkinson
Kirkland Heritage Society

Because of newspapers, census records, tax records, mail calls, hotel registers, shipping manifests, etc. we can accurately trace and date history

Most research for this program has been taken from national and local newspapers.

All research is from primary source materials printed from 1870-1893

## Why Pittsburgh of the West?

Why in the Pacific Northwest?

## 1870

-Great interest is manifested in the es tablishment of new iron mills in Chattanooga, which, in the exultation of the moment. the Times of that city pronounces the "Pittsburgh of the South." The Times says: The Roane Iron Company, with a paid up capital of \$300,000, becomes merged in the new Rolling Mill Company, and the whole is to be known as the Chattanooga Rolling Mill Company, with a capital of \$525,000. Of this additional amount about \$100,000 has

## 1876

Daily Rocky Mountain News, (Denver, CO) Sunday, July 09, 1876; col D

El Moro The Pittsburgh of the West—Great Wool-Shipping Town—Improved Coke Ovens, Etc. ... Paddy Miles.

Category: Shipping news

EL MORO.

The Pittsburgh of the West—Great Wool-Shipping Town—Improved Managements—Wholesale Warbouses, Coke Ovens, Etc., Etc.

#### THE IRON WORKS.

Every Probability of the Speedy Commencement of Work.

The following letter was received Monday morning by C. S. Torkelson, Esq., which will explain itself:

London, Eng., Sept. 13, 1884.

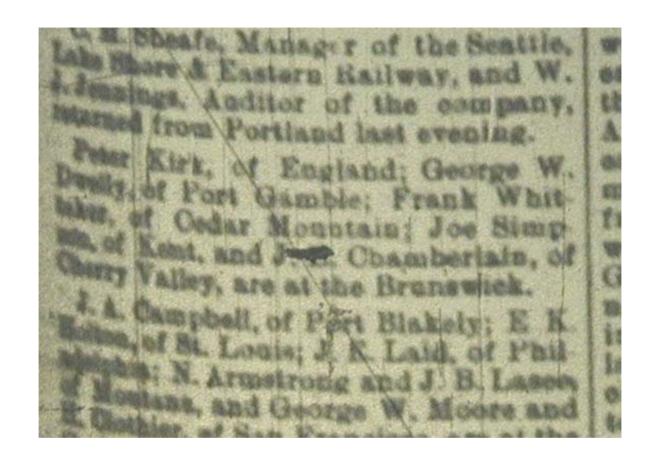
Now I have the great pleasure of informing you that it has been arranged that a deputation should shortly leave here for Tacoma with power to make all necessary arrangements for this manufactory of iron and steel, and also, apart from the immediate interests of the company, to purchase coal lands. Please do not write any more here as I will leave for New York immediately.

ARTHUR DAVIES.

The writer of the above is the gentleman who visited Tacoma several months ago in the interests of the new iron works, returning to London for the purpose of interesting capital in the scheme. He has written to several citizens of this city from time to time, stating that everything was progressing finely, and the above would indicate that the iron works are a go beyond any doubt. Mr. Davies has also stated in these letters that there has been no diminution in the magnitude of the works proposed at the outset, and that they will be built according to the promises made while he was here. If this proves to be the case the people of Tacoma need have no worry about the future of the city, as this alone means a population of many thousands of people. Is it any wonder that the people of Tacoma are happy and contented?

In 1884 a steel works from England was being proposed for Tacoma.

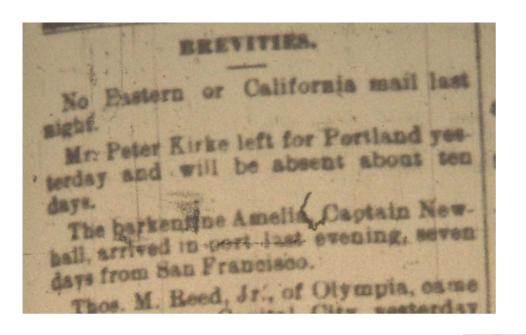
It sounded finalized.



In 1886, Peter Kirk of England is at the Brunswick in Portland, proving he is in the Northwest.

on time. mine over to Mr. Peter Kirke and his appointed for forty-nine years is now being drawn up in conformity with the general articles of agreement as published in the Post INTELLIGENCER being protected in that lease?" asked the reporter. "You bet your life, as the replied Mr. Denny be shipped from Seattle

In March 1887, Peter Kirke leases the Denny Mines.



Peter Kirke visited Portland for 10 days in Mar 1887

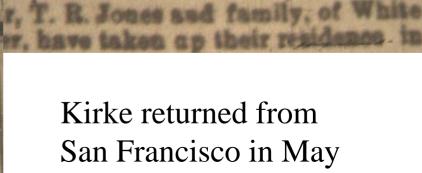
Olympia, is visiting the metropol

Peter Kirke left for San Francisco In April 1887

PERSONALS.

a trip to San Francisco, returned last

Peter Kirke, who has been on a



Mr. Peter Kirke left here yesterday

Mr. D Budge, of Montreal, will lec-

for San Francisco on a business trip.

IRON FOR SEATTLE .- Our advices state that the ship Persia, Capt. Dickinson, loaded with 2200 tops of railroad iron for the Seattle, Lake Shore and Eistern Bailcoad Company, sailed from Moss Bay, England, for Seattle on March This iron was manufactured at the extensive works belonging to the Moss Bay Iron and Steel Company, of which Peter Kirke of this city is a member. These works are situated on the shores of Solway Firth, and midway between the two seaports of Work ington and Harrington. The site of the works form a triangle, one side of which russ parallel with the line of railway belonging to the London and Northwestern Company for nearly half This railway company has the works. At the porth end of the works the Cleator and Workington Railway crosses over the London and Northwestern on a higher level, and forms a junction with the rails of the Mess Bay Company in its own yard The same railway company has formed a special line at the south end, by which a connection has been formed, thus giv log a direct railway connection with the hematite ore district, and also with the docks for the shipment of their produce. The Moss Bay Company bas laid dow ; in its own yard, at its own coss, for the success'ul working of its own traffic, between five and six miles of railway; on which it employs seven locomotive engines. They receive annually 100,000 tous of coke, 40,000 tous of limestone and 160,000 tons of trop ore. Such are the works which will be satablished in King County, and be in active operation within two years Some 2500 skilled and unskilled labor ers will be employed, and a town will spring up at the point where the warks are located of at least ten thousand

March 1887 article about a large order of rail being received from the Moss Bay Iron Works in England.

Peter Kirke will be establishing a steel works in King County within two years.

Proves that Peter Kirke is our Peter Kirk. And he now calls Seattle his home.

#### In August 2, 1887, an Illinois paper reported that the Moss Bay Company was to be moving to the United States.

British manufacturers are expecting to profit very largely this fall and winter out of the activity in the United States. An English company, called the Moss Bay company, expects to move its entire works to the United States

### In March of 1888, Peter Kirke is again in California

1d the North.

Bay Iron and Steel Company of England, the St. Charles. The cargoes of steel rails received by the O. R. & N. Co. come from Moss Bay Company's works. Mr. Kirke cen some time en this coast representing aglish syndicate who own valuable coals at Green river and from mines east of the alt of the Cascades. He has been visiting tern California for several weeks.

#### In 1888,

## Ellensburg made a bid for the Moss Bay Iron and Steel Works.

Ellensburg offered 300 acres plus other inducements.

#### STREETHER SECRET STREET STREETH STREET

#### PROM ELLENSBURG.

Branch Steel Works Sought After-Building Improvements-Putnam a Murderer.

ELLENSBURG, June 22.—The board of trade and citizens of Eliensburg have made a proposition to the Moss Buy iron and steel works to locate a branch in this city, and offer a bonus of 300 acres near the city and hold out other inducements. This would add 5000 to the population in the next year. The Capital yesterday morning published a list of eighty-two new buildings since

Another Branch of the Northern Pacific. One of the most important actions of President Harris during his recent visit to the coast, says the Tacoma Ledger, was the closing of the contract on behalf of the Northern Pacific company with the Moss Bay Steel and Iron Works syndicate, of which Peter Kirk is the representative. A branch railroad will be built to a new townsite in the neighborhood of Cle-Elum, where the manufactories of iron and steel will be situated and the products be brought to Tacoma Tor export. When these works are completed hundreds of nieu will be employed by the syndicate, and it will be the means of building up that section of the territory and developing the mineral resources of the Cascade range. The Moss Bay Iron Company of England is one of the wealthiest corporations engaged in the man-ulacture of iron and steel in the world, and the establishment and operation of their works at the place indicated will involve the employment of the immense capital of \$2,5 000,000. Their works will be adjacent to the Northern Pacific railroad in the Cascade

mountains, where they have already secured from the railroad company large bodies of

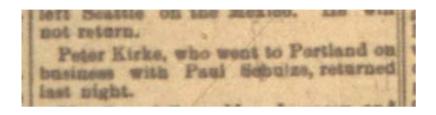
coal and iron lands.

#### May 4, 1888

The *Tacoma Ledger* announced that Peter Kirk will establish his Moss Bay Steel & Iron Works in Cle Elum. The Port of Tacoma will benefit from the trade.

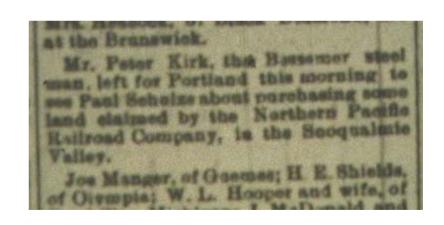
This agreement was reached between President Harris, President of the Northern Pacific Railroad and Peter Kirk.

Contract with the Northern Pacific did not happen overnight. The contract ended almost two years of meetings and negations with the Northern Pacific.



January 1887, Kirk meets with Paul Schulze.

Peter Kirk met in Portland with Paul Schulze to purchase Northern Pacific land in 1887.



#### IRON DEVELOPMENTS.

Mr. Paul Schulze, the general land agent of the Northern Pacific Railroad Company, announced a short time ago that the time for the development of this iron was at hand. He said that the celebrated Moss Bay Iron Works Company, of England, had carefully investigated every condition related to the successful development of the iron, and and that that company had, after careful deliberation, concluded to erect a mammoth iron works at Cle-Elum.

It is a fact that one of the main considerations which makes such a location of an Iron plant so desirable is the fact that by the Northern Pacific railroad the company is able to lay its products down at tidewater at Tacoma. Aside from the already great and ever increasing demand along the coast for all kinds of manufactured iron, such a manufacturing company would not be limited in its trade to the coast, but would enter into active competition with all the manufacturing cities of the world.

#### SIGNIFICANT FACTS.

Anyhow, while hundred of places nearer the ocean might be selected for the sake of such proximity. Tacoma's trade relations with the inland country and its transportation facilities would be lost. There is only one Western terminus to the Northern Pacific railroad and that is Tacoma. It is that fact which brought and stills brings wheat shipped from England, and tea ships from China and Japan, and a fleet of trading vessels from all along the coast. It is that fact upon which were based the influences which Paul Schulze brought to bear on the Moss Bay Iron Company. It is that fact which has given Tacoma such enviable trade relations with the entire Northwest. which led to the development of so many of the extraordinary resources in the vicinity of Tacoma. It is a fact which no man can ignore in making his calculations. The men who are sawing millions of feet of lumber every year at Tacoma recognized lits Tacoma capitalimportance: The ists who are the only coke manufacturers on the Pacific coast, remembered it. Tacoma have realized to what extent their ever increasing volume of trade depends on the fact that Tacoma is the Western terminus of the Northern Pacific railroad.

THE COKING INDUSTRY.

In these two articles, Paul Schulze is given credit for Peter Kirk and the Moss Bay Iron Works Company erecting their mammoth Iron Works in Cle Elum.

The iron works were viewed as a benefit to Tacoma and the Northern Pacific Railway.

This finally gave Tacoma its edge over Seattle.

#### NORTHWESTERN NEWS.

Seattle to Have \$2,000,000 Iron and Steel Works.

FIGHTS WITH THIEVING INDIANS

Harn and Mrs Pyle Sentenced to be Hanged at Walla Walla-Shot by a Woman-An Atrocious Murder

SEATTLE May 31 -The Post Litelligences will make the following announcement to morrow morning

Leter Kirk of the Moss Bay Iron and Steel (om man, of Cumberland Fogland has selected a site on Lake Washington near this city for the location of extensive from authority of Mr Kirk himself. The spot selected is on the east side of the lake directly opposite the termination of Madison street, and about mid way between the lake ports of Houghton and Junutta It lies north from and immediately ad perent to Moss bay (heretofore called velson's takes over arquired by purchase w hich bave been past two bay is distant from the business center of Scattle by practicable means about thirty minutes in point of time, and while little removed from the corporate limits, is within the metropolitan dis trict of Stattle The site was selected for its perfect natural adaptation to the purposes answers fully every quirement for such an establishment as Mr Kirk has in prospect. It is the nearest practicable point on navigable water from the Snoqualmic ore beds It is adjacent to lake Washington on one hand and to the line of the Scattle Lake Shore & Eastern railroad on the It is sufficiently specious not only for the A OLKE but for the city connect itself with them as a necessary attach

4 Weeks later, the

Post Intelligencer
announced that the Iron Works
were going to be built
between the lake ports
of Houghton and Juanita.
Nelson Bay would be
renamed Moss Bay.

situation I may add that the advantages of this situation have been industriously kept before me by one of your citizens during the peat six months I do not care to speak of details as yet but will say this much that the works which we propose will be complete and extensive Of course we are doing this thing purely as a matter of business and solely for hust ness reasons, but it must, in the nature of things, be a very important enterprise for Scattle

Continuing, Wr Kirk said We shall lose no time in beginning operations, for I can assure you we are anxious to be at work I shall go with Mr Williams immediately to the site selected and we shall begin work without delay Of course the work of getting ready will be very great, for the industry is new in the country and every thing will have to be made from the beginning

Peter kirk is the managing director of the Mors But Iron and Steel Works Comberland England is an iron man of great experience and reputation. He is preparing to duplicate the Mors But Works, at a cost of \$2,000,000 The works will make a town of 10,000 people at Seattle a back door. The city is jubilant to night. The location of the works here is considered a notable triumph over the Vorthern Putific who have been trying to induce Kirk to locate at Tacoma.

#### Continued.....

The work would begin at once.

Town would have 10,000 people.

"Seattle is jubilant tonight"

Triumph over the Northern
Pacific who had been trying to
induce Kirk to locate near
Tacoma

## Kirkland was not named yet but the news was in papers around the country.

Milwaukee Daily Journal, (Milwaukee, WI) Saturday, June 02, 1888.

#### **Multiple News Items**

Category: News

#### TO ESTABLISH NEW IRON WORKS.

A Syndicate of English Capitalists Lease a Mine in Washington Territory.

SEATTLE, W. T., June 2.—Peter Kirk, representing a big syndicate of English iron manufacturers, has just selected a site for what it is claimed will be the largest iron works in America. The Denny iron mine in the Cascade mountains has been leased and 2,500 acres of land on Lake Washington have been purchased for the site; 3,000 hands will be employed. Work is to begin immediately.

#### From Chicago, we know Kirkland has been named June 17, 1888.

X

The Daily Inter Ocean, (Chicago, IL) Sunday, June 17, 1888; pg. 14; Issue 89; col F Mark

Steel-Making on the Pacific

Category: News

Pure, like passing harmonies. Hastings, Neb.

#### STEEL-MAKING ON THE PACIFIC.

New York Times: From Washington Territory comes the announcement that within the last few days negotiations have been concluded which insure the establishment in the Puget Sound country of an extensive iron and steel ! manufacturing establishment. It has long been known to iron manufacturers that Peter Kirk. the managing owner of the Moss Bay Hematite Iron and Steel Company of Workington, Cumberland, England, was in Washington Territory investigating the resources for such an establishment. He has now concluded all his arrangements for the establishment of a Bessemer steel plant of great proportions, including rolling mills, etc.

For this purpose he has purchased 2,500 acres of land on the eastern side of Lake Washington, and the work of preparing this site has already begun. The western shore of the lake forms the eastern boundary of the city of Seattle, and the distance from the city to the works scross the lake is about four miles. The site of

the works has been named Eirkland. The capital of the New Moss Bay Company is \$5,000,-000, all of which has been taken in England. The new works are expected to employ 2,000 to 3,000 men. There are unlimited quantities of Bessemer ore said to be equal in quality to the best Lake Superior ores in the Spoqualims Pass, near the summit of the Cascade range, and other needed articles are within easy reach. This is the first attempt at steel-making from the raw materials on the Pacific coast,

#### FATAL FALL FROM A LOAD OF HAY.

ELEHART, Ind., June 16 .- Special Telegram. -J. Byrkett, a farmer of wealth and a pioneer, living a few miles west of this city, while loading hay this forenoon, slipped and fell from the load, striking on his head, and was instantly killed. He leaves a wife and a large family.

#### A SWIMMER SEIZED WITH CRAMPS.

FORT WAYNE, Ind., June 16 .- Special Telegram. - Last night William Myers, an inmate of the County Asylum, while bathing in St. Mary's River, was seized with cramps and drowned before assistance could reach him. WAS 38.

So what happened to the contract between Peter Kirk and the Northern Pacific?

Kirkland Heritage Society archives a rough draft of a contract with details including money and lease agreements. It mentions the Alien law that was still a worry.

It is hand written and proves that negotiations had taken place. The handwriting appears to be that of Kirkland founder, Walter W. Williams, Secretary for Peter Kirk.

It was Leigh Hunt who drew Peter Kirk to locate near Seattle. Mr. Hunt had come to Seattle in 1886 with a vision of helping establish an iron and steel works.

Two weeks after the Cle Elum announcement, Leigh Hunt had purchased \$150,000 of land for the land company.

L. S. J. Hunt, of Seattle, the man who has within a couple of years won a standing and prestige in financial and business circles in advance of anyone on the Sound, is the man to whom Seattle owes the selection by Peter Kirke of a site near Seattle for the great Moss Bay Iron Works Company's new plant. Probably no assurance relative to this enterprise has led the people of Seattle to have so much confidence in the entire correctness of the recent announcement as the fact that Mr. Hunt was at the head of the influences brought to bear on the Moss Bay Company. Mr. Hunt isn't the kind of a man that fails. The transactions which he has brought to successful issues embrace the largest and most extensive ever consummated in this city. The recent real estate deal with a San Francisco syndicate involved over \$150,000. He is identified with enterprises of many kinds. His methods are direct. He acts quickly, and so long as a transaction is under consideration he is untiring in his efforts for success. And that is why the people have so much confidence in him.

Once in Kirkland, Peter Kirk and investors moved quickly.

By September 1888, Kirkland had its Cemetery with pioneers Harry French, Edwin Church, J.J. Beard and John DeMott as incorporators along with Peter Kirk and Leigh Hunt's in-laws.

to the Y. M. C. A, convention from Spokane, who notified the authorities.

The Kirkland Cemetery Association filed articles of interporation to-day, with Peter-Kirk, E. M. Church, J. J. Beard, H. D. French, D. H. Bricknell, C. A. Cummins and John DeMott as incorporators.

The first material for the new Scattle electric railway arrived from the East to-day.

## In August of 1888, Kirk signed a 46 year lease of the Denny Iron mine.

A lease was filed for record to-day from the Denny Iron Company to Peter Kirk, granting to the latter the Denny iron mine for forty-six years, with a surrender of privileges every five years. Kirk agrees to pay a royalty of 12½ cents per ton for the first sixteen years, after which the royalty will be fixed by a conference of both parties.

A Big Concern.

SEATTLE, September 8.—Articles of the Moss bay iron and sleet company of America were filed to-day. The company is creeting roller mills and blast fornaces at Kirkland. The capital stock is

The Chronicle After a Postmaster,

\$5,000,000.

September 8, 1888
Articles of Incorporation
were filed for Moss Bay Iron
And Steel Company

the center of a network of railroads. Shortly before I came down I learned that contracts had been let by the Moss Bay Iron Company of Cumberland, England, for the con-struction of works at Seattle. This factory is to manufacture Bessemer steel, the best iron for that purpose being found near the city. The plant for these works will cost \$2,000,000. The company has leased the Denny iron mine for forty-five years, and when under way will employ from 5,000 to 10,000 men. They are now laying out a town near the proposed works, something after the plan of Pullman near Chicago, which will be within the limits of Seattle. The Territorial University has already been established at Seattle, and it is rapidly becoming the educational center of the country.

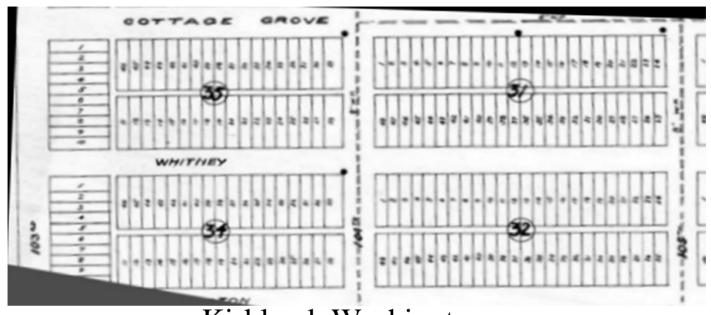
#### June 1888, California

Kirkland will be platted after Pullman, Illinois, a company town built in 1880. Pullman workers had better housing than most factory workers. Their homes had plumbing, gas lighting and central heat.

In Pullman, the homes were on 20 to 30 foot wide lots, 3 bedroom, 1 bath, about 1,000 square feet.

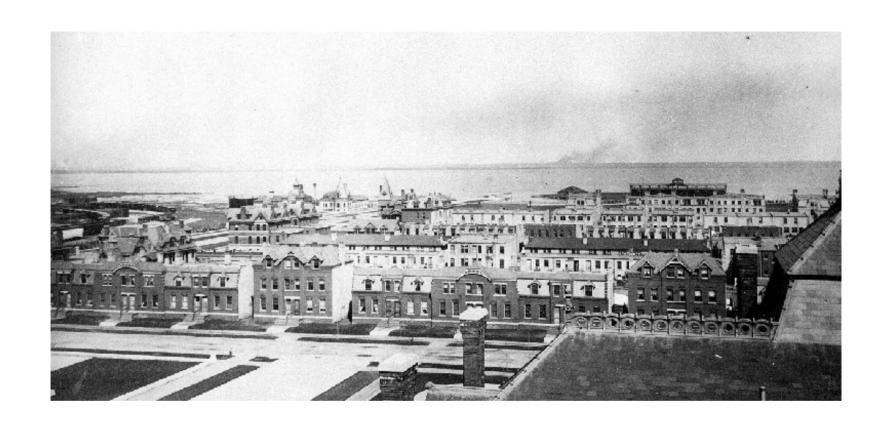
Brick homes were connected, frame homes were on narrow lots. All had a carriage house in back

#### Pullman, Illinois



Kirkland, Washington





Pullman in 1885, overlooking Lake Calumet.



Pullman Historic District today
Entire blocks has been preserved and are being restored.
These are the framed homes, not connected.



Historic Pullman, near Chicago Blocks of brick homes, connected with carriage houses/garages in the rear.



Pullman homes are are 20 and 30 foot lots. Kirkland was platted with 20 and 30 foot lots.



Pullman brick homes, all attached.



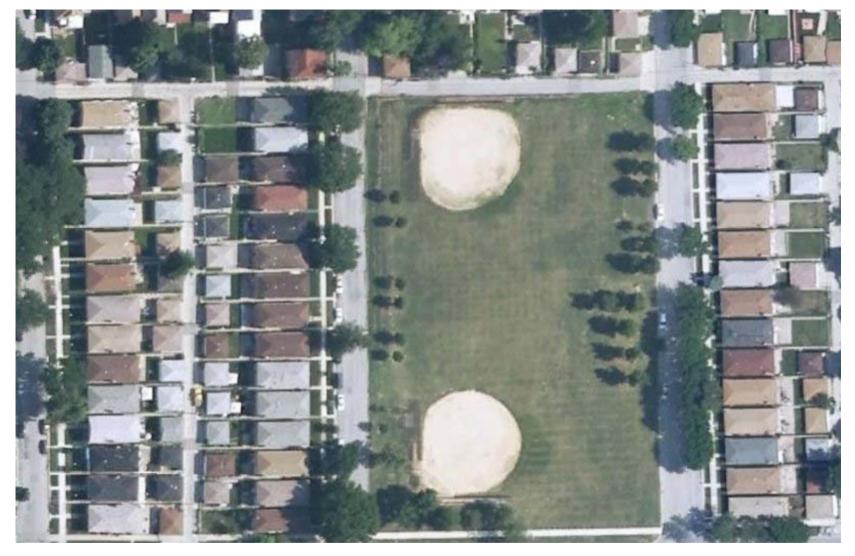
Frame homes in Pullman, built in 1885.



Workers cottage, built in the 1880's. Pullman, Illinois



Homes facing Lake Calumet were built on 20 foot lots. Norkirk's view lots are also 20 foot.



They were preserved because the met the basic needs of a Community. Pullman has been on the Historic Register for over 40 years. This might be Kirkland had the Steel Mill opened.

#### What did England think of this move?

#### From London, August 10th, 1888

THE Weekly Bulletin writes as follows:-Two or three weeks ago we called attention to the threat made by Bryant & May, Limited, to remove their works to Norway, if the strike of their hands was persisted in, as a possible outcome in many directions, of our Free Trade. We were, however, hardly prepared to hear that the removal of so colossal an enterprise as that of the Moss Bay Iron and Steel Company of Workington, in Cumberland, is deliberately undertaken. The Company has purchased over 2000 acres of land in the small "city" of Seattle, on the line of the Seattle, Lake Shore, and Eastern Railway, and is about to erect blast-furnaces, rolling-mills, and similar works at a cost of £,400,000. The Company proposes to build a model town of its own, adjoining Seattle, for the accommodation of its servants, and it is to be constructed on the lines of the well-known city of Pullman. The neighbourhood is extraordinary rich in coal, iron, lime, and timber; and the Moss Bay Company has purchased what is described as a "mountain of iron ore" of abnormal richness and extent. The prospect of the coming greatness of Seattle has had such an effect that, although its population is only about 20,000, 300 houses have been built since the beginning of the year, 500 more are in course of construction, and there is not an empty house to be had. It may be noted, in this connection, that the great business known as the "Leeds Forge" is about to build works in America. These two removals alone will cause many thousands of pounds annually to be paid to foreign workmen instead of our own; and of course, if it suits the book of these two Companies to introduce their manufactured goods into British ports, they can do so duty free.

The Kirkland Land and Improvement Company and the Moss Bay Iron and Steel works thought that the town site and steel works would progress very rapidly. They had not acted in haste and felt that everything would fall into place.

Money would not be an issue because they had the backing of Peter Kirk and his associates plus some of the wealthiest Americans. The list read like a Who's Who of America's Wealthy.

# So they made promises they could not keep

August 12, 1888, *The Seattle Daily* announced that the new Moss Bay Iron Works Company would deliver 30,000 tons of rail to the Seattle, Lake Shore & Eastern Railroad by January 1, 1890.

# MORE GOOD NEWS.

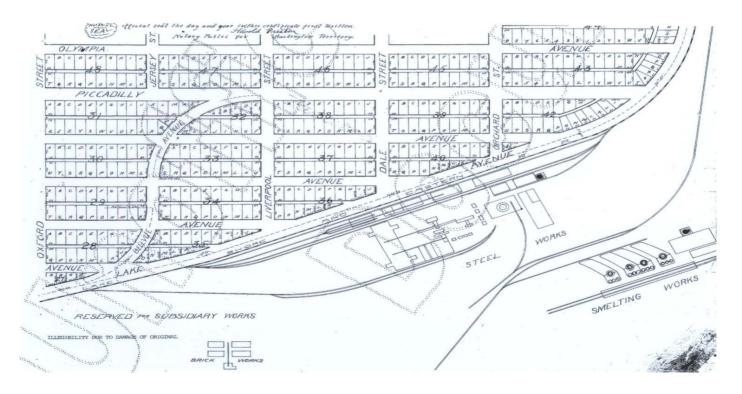
Another big piece of news for Seattle today was the fact that the New Moss Bay Iron Works Company, recently located on the shore of Lake Washington, has signed an agreement to supply the Seattle, Lake Shore & Eastern with 30,000 tons of railroad iron by January 1, 1890, showing that work on the vast iron works to be built at Kirkland must be crowded along with wonderful rapidity. The benefit of the Cle Elum site was that the Northern Pacific had promised a direct route to Tacoma and shipping.

Kirkland had no direct route but the Ship Canal was going to be built which would have provided the direct route to Puget Sound.

The 1888 elections had guaranteed the canal would be built very soon. Seattle wanted this canal more than anyone.

The original platting placed the mill and foundry in the area now occupied by Lee Johnson Field, Park Place Shopping Center and the Kirkland Post Office.

To this date, I have not found written documents saying why this location was not suitable. Finally in mid 1890, clearing started at Forbes Lake.



May 29 and July 5, 1890, reports of the Steel Works actually getting started. Work had been suspended as they found the new location.

#### IRON AND STEEL WORKS

To Be Erected on the Shore of Lake Washington.

SEATTLE, May 28.—It is definitely announced that plans for the erection of iron and steel works at Kirkland, on the eastern shore of Lake Washington, opposite Seattle, the execution of which has been suspended for some time, are now consummated. Negotiations which have been quietly progressing for several months have reached a favorable conclusion, so that the erection of the works will begin a mediately. L. S. J. Hunt, who is at the head of the movement, said to an Associated Press correspondent to-day:

We will expend \$1,000,000 within the next twelve months, which will be the beginning of our enterprise, and as to the ending you should be able to draw a pretty safe conclusion from the character of the men interested.

Plans for the erection of iron and steel works at Kirkland, on the eastern shore of Lake Wash. ingtop, opposite Seattle, are now consummated. Negotiations have been progressing for several mooths and are said to have reached a favorable conclusion, so that the erection of the works will begin immediately. The company will expend \$1,000,000 within the next twelve months. Among those who are actively interested in the iron company are: General Russell A. Alger of Detroit. Mich.; Joshua M. Sears of Boston, Mass.; H. A. Noble of Des Moines; J. L. Norton of Chicago: Peter Kirk and W. W. Williams, formerly of England but now of Kirkland, and Edward Blewett, Jacob Furth and Bailey Seattle.

The Kirkland Press, Volume 1, Issue 1, reported that teams were clearing land at Forbes Lake, that the businesses in the Hotel Jackson were open (the Leland Building), the Sears Bank Building and the Campbell building had foundations started. No report of the Peter Kirk building so that was built last. The Kirkland Press also said that 4 brick homes would be built and 4 frame homes. It appears that John Kellett's home was the first built in 1889, followed by Peter Kirk's mansion.



Forbes Lake with railroad and mill. The railroad bed became Slater.



The machine, blacksmith and pattern shops with the foundry building and coal bunkers behind. People not identified by probably the Kirks.



The machine, blacksmith and pattern shops with stacks of railroad ties.

The foundry building is behind.



Side of the pattern shop and the Foundry Building. Looking north from around Piccadilly

Within one year, the steel works was ready for rolling railroad track.

Why did they not open?

The Kellett diaries reported that John Kellett wanted to get started by using reclaimed iron. Mr. Kirk refused.

Proposals were made to the United States Government to make gun metal for military use. Peter Kirk did not sit still and allow failure to simply happen.

It was always be stated that it was the railroad that stopped the steel mill. But with less than 60 miles of rail needed and the vast fortunes of Hunt and Sears, this does not seem likely. You will notice the mill had track and Kirkland had a railroad. Kirkland had a railroad station near Slater and Piccadilly (7<sup>th</sup> Avenue).

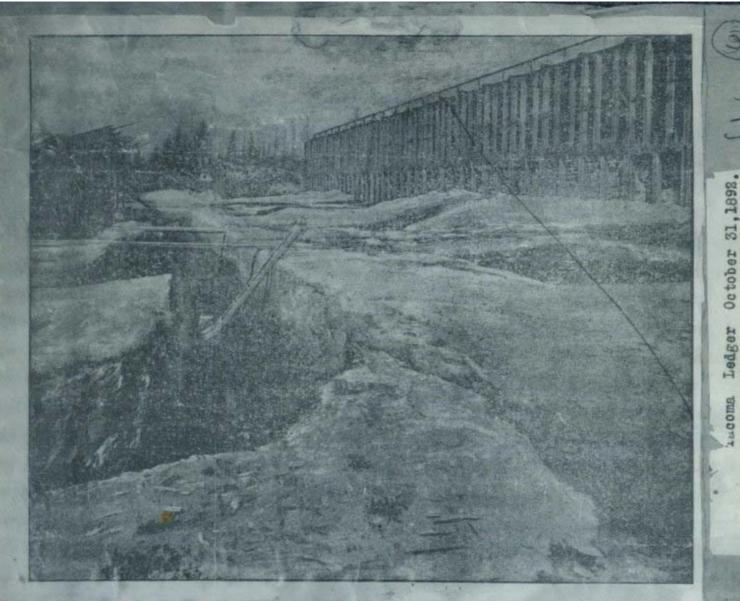


Series of four photos from the October 31, 1892 *Tacoma Ledger*. Days before the election and on Halloween.

# Tacoma had a field day at Kirkland's expense!!!







COAL BUNKERS THAT ARE WAITING FOR . COAL

The Railroad has been blamed for the failure of the steel Mill to open because they refused to build the lines. It has also been stated that they ran out of money.

But this 1890 article clearly states that the Northern Pacific and John Rockefeller each owned \$250,000 in stock.

A. Alger, of Detroit; Joshua M. Sears, Boston; H. A. Noble, Des Moines; J. L. Norton, Chicago; Peter Kirk, W. W. Williams, Kirkland; Edward Blemett, Jacob B. Furth, Balley Gatzert, Seattle, The Northern Pacific company owns \$250,000 stock, as does John Rockefeller, of New York. The company will manufacture iron and steel from the ore of the Denny mine.

Everything points to the Canal as causing the mill not to open. It was promised during the 1888 election.

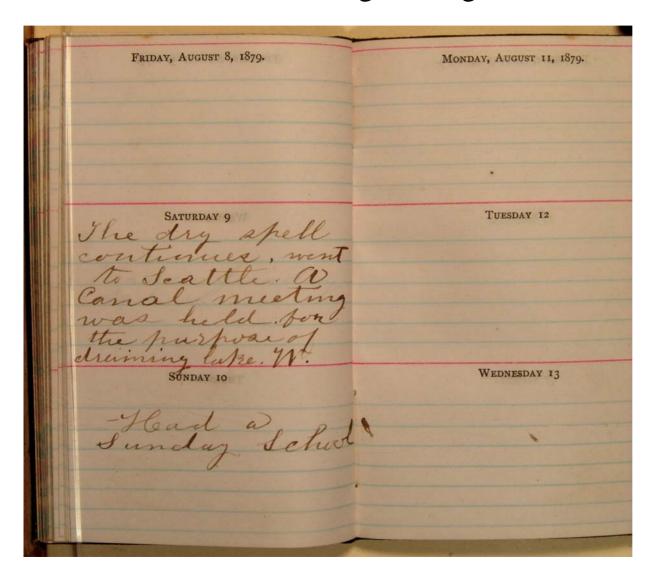
Then it was dropped.

# Why?

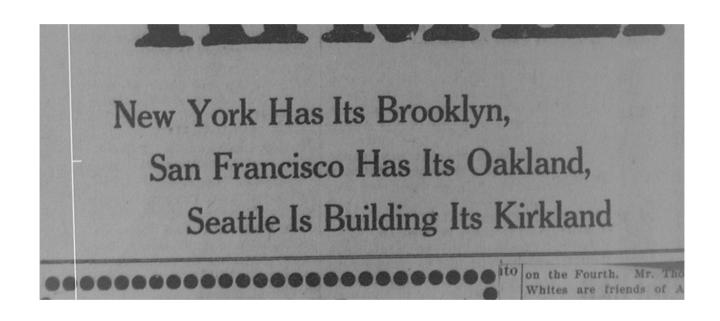
Most likely because of Seattle's 1889 fire. After the fire, Seattle lost interest in the Canal and in Kirkland. Their energies went into the rebuilding of their city. Overnight, they began to resent the money that had been invested in Kirkland.

During the 1892 election campaign, the canal was once again a political point. Without Seattle's support, it would not be built.

The canal was frequently being considered. Here Harry French attended a canal meeting on August 9, 1879.



# Kirkland was the darling of Seattle before the fire



# In March 1890, the canal was indefinitely postponed, but not cancelled.

#### general elections.

Rinehart's bill permitting the Washington Investment Company, of Sentite, to build a ship canal from the head of Salmon bay to deep water in Admiralty inlet was indefinitely postponed in the senate to-day, as was also Wolf's bill regulating charges of physicians; also the bill granting certain tide lands to the Salmon Bay Improvement Company.

# In August 1892, the **Kirkland Canal** is denounced at the democratic convention much to the *Tacoma Ledgers* joy.

The Issue Now Fairly Made.
Tacoma Ledger, Rep.

The democratic convention has denounced the Kirkland canal job, not in as strong language as could have been wished, but in terms that will not be mistaken, and the issue is now fairly made. It is the state of Washington against a few jobbers, who want the government to prepare a new townsite within a few miles of Seattle, provide it with a water power, and redeem a few thousand acres of submerged lands, all for their benefit and at the expense of all the needed improvements of the state,

#### LAKE WASHINGTON CANAL.

An Enterprise for the Benefit of a Cortain Land Syndicate.

Olympia Tribune.

The senate of the United States has receded from its amendment to the river and harbor bill making an appropriation of \$200,000 for the inauguration of work upon the Lake Washington canal.

The position of the Tribune, and what we believe to be the position of all the protestants against the action of the Washington senators, seems to us not to have been clearly understood by the press and people who were supporting this purely local legisla-The proposition to construct a ganal from Lake Washington to the Sound was always presented as and claimed to be an enterprise wholly in the interest of the city of Seattle and the owners of lands on and adjacent to the lake, Seattle and Salmon bay. It was for the benefit of the Kirkland syndicate, Messrs, Kirk, Alger, Clarkson, Leigh S. J. Hunt and others in Seattle, not excepting Watson C. Squire. So far as these gentlemen are concerned, they were in business for themselves, and while benefiting themselves directly, they claimed the construction of the canal would indirectly benefit Seattleand the state.

In July of 1892, the money appropriated for the canal was overturned.

Seen as a special interest by those who would gain shore land and by Kirkland.

#### The Truth About That Canal. Spokane Review, Rep.

The truth has been repeatedly stated. and never denied, about the animus back of this canal project. Leigh Hunt, owner of the Post-Intelligencer, and a number of his business and political associates. own the townsite of Kirkland, upon Lake Washington, and also own large bodies of land contiguous to the proposed artificial harbor. Their purpose is to boom these holdings at the expense of the general government and the people of Washington. No one attempts to deny these facts. When they are advanced only one counter cry is heard-"you are fighting a project that proposes to turn loose millions of dollars in Washington; you are disloyal to your state." Men and brethren, if we have reached that point where lovalty is to be measured by greed and gouging methods, in the name of consistency let us demand \$50,000,000 instead of \$5,000,000 and be 10 times as loyal as the present standard proposes.

In August of 1892, Spokane piled on and denounced the Canal as being of interest only to Kirkland and lake shore owners.

During the 1892 election, the canal was called the Kirkland Ditch.

In 1893, a Pierce County representative refused to visit Seattle for fear of falling in the Kirkland Ditch, suggesting that it was being built with private funds.

Seattle Press-Times.
Victor Hugo's ditch of Obain, at Waterloo, is made the text of comparison by the Tacoma Ledger with the Lake Washington ship canal. It says: "The Ohain way at Waterloo became a mighty sepulcher after the battle. The Kirkland ditch may not remotely resemble it in this respect."

Mayor J. T. Ronald and E. A. Graves, president of the chamber of commerce of Seattle, appeared before the house at the close of the joint session and extended an invitation to both houses to visit the city of Seattle tomorrow and Sunday. The invitation was accepted, Baker of Pierce was the only one who opposed it, giving as a reason that he was afraid of falling into the Kirkland ditch. The party will leave here on a special train after adjournment tomorrow.

From 1890 through 1891, the Moss Bay Steel Mill was in the news allowing us to trace our history.

After the election of 1892 and the loss of any canal support, the Steel Mill was no longer written about.

Kirkland was still viable. Kirkland had the Seattle Woolen Mill which provided jobs to those that stayed. If not for the Seattle Woolen Mill, Kirkland would have been even more of a ghost town.

The Steel Mill investors did try to raise capitol to finance the private building of the ship canal. This was not ideal because the locks would have needed a toll to repay investors. There are reports that the canal had actually been started but then the financial collapse of 1893 put an end to even that hope.

So after all this, it seems that Peter Kirk should have gone ahead with his agreement with the Northern Pacific and Cle Elum in May of 1888.

Or would it have been better?

Certainly, Kirkland should be thankful for Peter Kirk because of the platting that we all enjoy today.

And we have the historic buildings and historic district that survive today.

But what of Peter Kirk and his family owned steel mill and his dream of being the Pittsburgh of the West?

Is everyone convinced that Peter Kirk was acquainted with Paul Schulze?

You need to be convinced that they had met several times and that it was Paul Schulze that led Mr. Kirk to Cle Elum.

So just who was this Paul Schulze?



Paul Schulze was the land agent for the Northern Pacific Railroad. He lived in Portland and then Tacoma. He was a trusted employee in charge of large land deals, mergers, stock trades. He handled a great deal of money.

He accounted to no one.

Mr. Schulze was responsible for the direction of the Northern Pacific Railroad. He selected Yakima, named Yakima, and then started the irrigation system that gave us our current Yakima Valley.

Mr. Schulze started many infrastructure projects such as trolley systems.

Mr. Schulze was well paid, well invested, had many ideas. He was generous to his friends and associates.

But again....no one watched him.



Paul Schulze was engaged to stage star Marie Wainwright.

Miss Wainwright eventually broke their engagement.

#### HE FEELS HOPEFUL

MR. SCHULZE'S FINANCIAL VIEWS

He Thinks the Worst Is Past, and That Congress Will Repeal the Sherman Act.

Mr. Paul Schulze, of the Northern Pacific, was in town yesterday, and talked freely on his favorite topic, honest money. He was asked for his views on the financial situation, with special reference to conditions in his own state, Washington, and the Pacific Northwest generally.

"There is no manner of doubt," he said, "that the troubles we have been subjected to the last two years, not only here, but throughout the United States generally, becoming as they have more burdensome from month to month, are wholly due to the Sherman silver act, which by its attempt to create values

Paul Schulze's views were sought and respected. Here he is talking about the 1893 panic.

Paul Schulze wrote editorials about honesty in business. His views were published frequently.

# PAUL SCHULZE DEAD

Found by His Japanese Servant With a Bullet in His Brain.

HE HAD COMMITTED SUIGIDE

Despondency and His Enforced Resignation From the Northern Pacific the Supposed Causes. April 12, 1895, Paul Schulze is found dead by his own hand.

Friends suspect grief over his love for Marie Wainwright.

He left an estate estimated at at \$2,000,000

# April 19, 1895, Schulze is finally being watched.

#### SCHULZE'S ACCOUNTS ARE EXAMINED

Rumored in Tacoma, Wash., That There is a Shortage.

Tacoma, Wash., April 19.—Sensational rumors are in circulation here of large shortages in the accounts of Paul Schulze, the deposed general Western land agent of the Northern Pacific, who committed suicide last week. Officials of the Northern Pacific are now conducting an investigation, aided by experts.

# Shortage will reach thousands of dollars.

#### SHORT IN HIS ACCOUNTS.

Investigation Shows that Paul Schulze Was a Defaulter.

TACOMA, Wash., April 19. It was ascertained beyond a doubt by an investigation conducted by Narthern Pacific officials that Paul Schulze, late general land agent, who committed suicide last Friday, was short in his accounts. He had just been removed by order of the New York bondholders' reorganization committee. The shortage will reach thousands of dollars.

# Shortages may reach a quarter of a million dollars.

#### PAUL SCHULZE'S SHORTAGE.

Receiver Oakes Says It May Reach a Quarter of a Million.

TACOMA, April 21.—Receiver Oakes, of the Northern Pacific, said tonight, before leaving for the East, that the shortage in the accounts of the late Paul Schulze would probably exceed \$100,000, and may reach \$250,000. Mr. Oakes explained the methods of the dead land agent, saying:

#### Will reach one half million dollars.

WILL REACH HALF A MILLION.
The Shortage of Paul Schulze, Late
General Land Agent of Northern
Pacific Railroad.

NEW YORK, May 22. The Times special from Tacoma, Washington, says: It is now definitely known that the shortage of Paul Schulz, late general land agent of the Northern Pacific Railroad will reach a quarter to half a million dollars. For ten years, General Land Agent Cooper says Schulze had been stealing the railroad's money by pocketing remittances for lands and making no entry of them on the books.

## Now up to \$700,000

HIS DEFALCATION MAY REACH \$700,000.

Discoveries by the Experts Examining the Books of the Late Paul Schulze.

Tacoma, Wash., April 24.—The experts who are examining the books of Paul Schulze, late general land agent of the Northern Pacific Railway, have found that his defalcation amounts to over \$500,000, instead of a few thousand, as was at first supposed. The shortage, it is said, may even reach the enormous sum of \$700,000. The embezzler, who was one of the best-known railroad men in the country and an influential resident of Tacoma, committed suicide a few days ago.

## Now nearly one million dollars

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#### SCHULZE'S DEFALCATION.

Tacema, Wash., May 14.—Facts have come to light which indicate that the late Paul Schulze's defalcation amounted to nearly a million dollars, making his total embezziement the largest known on the Pacific coast.

#### A touch of humor.....

Each fresh disclosure in the Paul Schulze defalcation awakens new surprise that he let the Northern Pacific road keep the track. Undoubtedly the fact that it was spiked down had something to do with this moderation.

## A COLOSSAL SWINDLER

How Paul Schulze Got Away With Nearly \$2,000,000.

#### ENGAGED TO MARIE WAINWRIGHT.

When the Tacoma Speculator's Financial Race Was Run, He Blew Out His Brains, and It Took a Year to Find How Much He Had Stolen.

The greatest swindler of the west.

That's what the people of Tacoma call Paul Schulze, who a year ago was accounted one of the great men of the northwest. People who were proud to know him in the heyday of his prosperity now soon his memory. He was for years a

And invoices show that he had Marie Wainwright watched by a detective.

It is not known if this was a loving gesture for her well being or stalking. So what did Paul Schulze do to swindle so much money?

He simply pocketed all moneys given to him for land purchased and stock deals. With this money he invested in Tacoma and surrounding areas. He lived very well and was generous.

He also kept perfect records of who had paid and how much. These records were discovered in order at his home. His personal records that could cause further embarrassment to his family were burned by him before he died.

It is felt that Paul Schulze was going to play it to the end.

If found out, he would resign and quietly take his life.

If one of his investments made a windfall, it is believed that he planned to repay all the swindled money and file the deeds. Why else would he have kept these records with the dates and amounts neatly recorded?

Even after swindling over one and a half million dollars, Paul Schulze had his supporters because of the trolley systems, irrigation systems etc. that continued to enhance the community. Peter Kirk was an alien caught in the Alien Law that allowed Aliens to own small bits of property for a business and home. But aliens were not allowed to own large parcels of land.

Peter Kirk's land agent for Kirkland was Leigh S.J. Hunt. Peter Kirk's land agent for Cle Elum would have been Paul Schulze. There is absolutely no way to know how this would have played out when the defaults were discovered in 1895. The Moss Bay Iron and Steel Works may have weathered the financial storm because they would have been in operation for several years. Mr. Kirk was no longer an alien in 1895 and had citizen rights.

The Northern Pacific tried to make good on the land contracts if there was proof of payment. Still many businesses floundered. Tacoma blames Paul Schulze for losing the race with Seattle.

#### Schulze vs. Hunt

Schulze embezzled over \$1,500,000 and chose to die rather than face judgment. He was flat broke when he died and had even stolen the meager savings of his driver to meet his daily expenses.

Leigh Hunt left Seattle over \$1,500,000 in debt. He had to borrow money to leave town. Mr. Hunt went to Korea and made a new fortune and returned to Seattle to repay all debts with interest.

These were not just Mr. Hunt's personal debts. He had borrowed money for others and co-signed loans.

## Kirkland should be very proud of all its founders.

Kirk, Kellett, Williams, and Collins were not broke, but they had all lost a personal fortune. They went to work and continued to invest and believe in Kirkland. Kellett's and Kirk's hopes and dreams for their steel mill never truly died.

Hunt lost his wealth, assumed great debt, but worked his way out of it. He no longer believed in Kirkland and the mill. Mr. Hunt was a businessman.

J. Montgomery Sears, Kirkland's largest investor, remained invested in Kirkland until his widow sold to Burke & Farrar in 1910. Sears too was a businessman. He was Kirkland's largest property owner in 1905 when Kirkland incorporated. We can only imagine what Kirkland's history would have been had he lived.

Neither Hunt nor Sears ever lived in Kirkland, but their influences live on.

Are you ready for a little more???

In 1882, there was a mail contract held by the Northern Pacific to deliver mail to Alaska twice a week. It was a great money maker for the Northern Pacific.

Seattle wanted that contract and bid on it, bidding at a loss. Seattle wanted the contract so they could deliver goods to Alaska as they delivered and picked up mail.

Seattle won the bid. Now they needed a boat to get started. There was little time and they could not find a boat. All boats had been leased to someone unknown to them. (Northern Pacific!!!)

They finally found a small steamer called the Yaquina in Astoria. They leased the steamer only to have her burn hours before they could pick her up.

End of story...Seattle lost the contract and the Northern Pacific got the contract back.

I have read the **Sons of the Profits** three times from cover to cover.

On the third reading the name Paul Schulze now means something to me:

# The schmaltz of Schulze

Paul Schulze had the biggest mouth in the world. He had to, otherwise he couldn't have put his big foot in it and changed the course of Seattle's history.

He figured he had it made. Resolutions from the Chamber and the City Council had gone to Congress. And then, after it was all settled and he was lifting a few with the boys he allowed as how this wasn't the only mission he had successfully accomplished on behalf of the Northern Pacific...

Why, only two years before he had gone to Portland and superintended the burning of the steamer "Yaquina"...

Paul Schulze claims he was responsible for the burning of the steamer Yaquina. Peter Kirk, with Leigh Hunt's help, defaulted on a tentative agreement to build the Moss Bay Iron and Steel Works in Cle Elum.

One year later, Seattle burned to the ground.

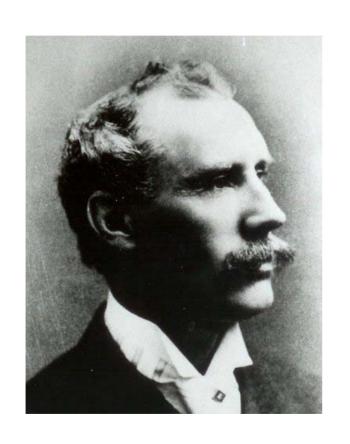
One of the largest losers in this fire was our very own Leigh S.J. Hunt.

One of the results of the Seattle Fire was that the canal was abandoned by Seattle.

Could Paul Schulze had anything to do with the Seattle Fire? With all his varied criminal activity, no one was injured physically. The Seattle fire started during the day and for some reason a grown man could not put it out and waited until it was too far along before asking for help???? The man that started the fire was 24 years old, a carpenter, had been arrested in Portland months before the fire for drunkenness. After the fire he disappeared and, to this time, nothing more is known.

# The End

With special thanks to Kirkland's Foundering Fathers



Peter Kirk, our namesake.

Mr. Kirk's dreams for Kirkland finally died when he died in 1916.

### Walter Williams

Mr. Williams remained in Seattle. His Kirkland property became the Juanita Golf Course.



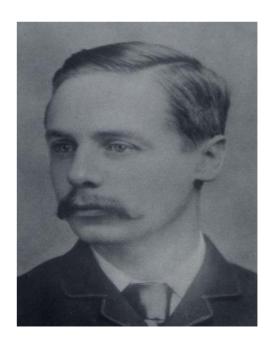
#### John Kellett

Mr. Kellett is credited for the naming Kirkland. He and Martha lived on Rose Hill in England.

Their 1889 home still stands. Their youngest daughter was born in that home in 1901. He died in 1902.



Photo by Bob Ely



## Leigh Hunt

Of Kirkland's founders, Mr. Hunt had the most influence and he was the only one who stopped believing in Kirkland.

And he is probably the most misunderstood.



## J. Montgomery Sears

Mr. Sears was our largest property owner and tax payer. Because he died shortly after Kirkland was incorporated in 1905, we have no idea what his plans may have been. Sarah Sears still owned the Sears building on Market and some lots in Norkirk until at last 1918.



## Reginald H. Collins

Mr. Collins was Kirkland's first mayor. He and Josephine are buried in the Kirkland Cemetery.

Of Kirkland's founders, he was the most beloved.



