

**"The Grand old Man of Santa Cruz County."**

**F. A. Hihn**

**Founder of**

**The City Bank and The City Savings Bank**

*Later known as*

**The First National Bank of Santa Cruz, Cal.**

**The Bank of Italy**

**and**

**The Bank of America**

**With a History of the Banks**

**by**

**Frederick Douglass Baldwin**

**President of the Bank**

[The second Baldwin to be President of the Bank]

**1928**

**Introduction**

The following transcription of a photocopy of a manuscript in the Collection of

Margaret Koch (which she obtained from Tanner Wilson), at the Archives of the Museum of Art and History, McPherson Center, Santa Cruz.

It is appropriate to set the stage for this essay with a biography of its author.

Frederick Douglass Baldwin, on July 22, 1871, registered to vote in Santa Cruz County, he was a 24-year-old "School Teacher" and resided in Santa Cruz. Soon after, his registration was cancelled, on October 8, 1872, when he removed to Ophir, in Placer County, California. Martin's biography explains why — he was a school teacher, no doubt following the job availability. When he returned to Santa Cruz County, he registered to vote again. The 1882 Great Register of Voters gives his age as thirty-three on the date of this registration, June 19, 1880. His residence then was Watsonville, and his occupation was listed as Farmer (note that he lists himself as "Fruit grower" at the time of the sale of the banks to The Bank of Italy in 1927). He was elected a Member of the Board of Supervisors for eight years. His public service is outlined by Martin.

The other Baldwin, Levi Karner Baldwin, was the first President of the banks — the same banks for which F. D. Baldwin became President. There are similarities in their biographies: both were involved in dairying, and both were Members of the Santa Cruz County Board of Supervisors. But, apparently, they were not directly related. L. K. was born in 1820, in Berkshire County, Massachusetts, while F. D. was born in 1847, in Plymouth County, Mass.

### **Biography of F. D. Baldwin by Edward Martin**

*History of Santa Cruz County, with*

*Biographical Sketches...* 1911. pp. 146 ff.

The earliest recollections of Mr. Baldwin are of his boyhood New England home in Plymouth county, Mass., where he was born April 18, 1847. There it was his privilege to receive good educational advantages for the times, and he made the best use possible of his opportunities, to the end that while still quite young he was thoroughly equipped for the teacher's profession, for which he had a natural adaptation. At the age of nineteen years he went to West Stockbridge, Mass., taking charge of a school there, and in 1867, came to California.

Thus far in his life Mr. Baldwin had had no practical experience outside of the school room, but this proved a valuable asset, for his knowledge and ability were soon recognized and put to good account in Marin county, where he taught for two years. During this time he was also interested in dairying, but at the end of this time he gave up his interests in Marin county and for the following year was

located in Monterey county. It was at this time that he was seized with a desire to visit his old home in the east, but a stay of a few months sufficed to satisfy him that the west was the place for a young man of push and determination, and he therefore returned and once more took up the struggle with conditions that existed at that early day. For him, as for many others, mining with its alluring possibilities of sudden wealth, had its attractions, and for one year he experienced all of the hardships, joys and hopes of the miner, but at the end of that time he gave it up to engage in something with more dependable returns. It was therefore with considerable satisfaction that he resumed teaching and for three years he followed it in Placer county, the scene of his mining experiences. Going to Monterey county once more, he secured a position as teacher in the public schools, where he taught for two years, and in addition to his professional duties also engaged in the dairying business on his own account. This proved to be a business well chosen and one for which he was well adapted, for he not only followed it successfully in Monterey county, but also for twenty-three years in Santa Cruz county, five years of this time being passed in Watsonville, and sixteen years in Santa Cruz.

In 1896 Mr. Baldwin retired permanently from dairying and in its place took up apple-raising, an undertaking which has proved eminently successful and one in which he has engaged for fifteen years in the fertile Pajaro valley. Personal affairs, however, have not absorbed all of Mr. Baldwin's time and abilities, as those know who are familiar with his life and accomplishments. In the year 1890, as a candidate on the Republican ticket, he was elected supervisor of Santa Cruz county, a position which he filled with efficiency for four years, and in 1898 he was again the successful candidate for this position, and during both terms of four years each he gave his time and energy conscientiously to forwarding the best interests of the county. In 1904 he was chosen chairman of the Republican central committee of Santa Cruz county. He was a member of the board of freeholders who framed the present city charter, as he was also of the former board, which drafted the preceding charter. Wise, conservative judgment has made Mr. Baldwin's opinion in financial matters command the consideration of all with whom he is associated in the banks with which his name is identified. In 1900 he was made a director of the City Bank of Santa Cruz and also of the City Savings Bank, and in 1902 he was elected president of both institutions, the City Bank having since then been changed from a state bank to the First National Bank of Santa Cruz. That Mr. Baldwin is giving satisfaction as the head of these institutions is amply attested in the long list of satisfied depositors and patrons.

In 1873 Mr. Baldwin was united in marriage with Mary A. Baldwin, a resident of Santa Cruz and the daughter of James and Lydia (Race) Baldwin. She is a native

of Massachusetts. Four children were born to the marriage of Mr. And Mrs. Baldwin, but one is deceased. Those living are Grace, a teacher; Arnold, the present county surveyor; and Roscoe, an orchardist of the Pajaro valley.

[Transcriber's Note: Frederick Douglass Baldwin died in Santa Cruz at the age of 92, about January 22, 1940. His interment is at Santa Cruz Memorial Park, Block H, Lot 33, C-1/3, NE-1/4. Another Frederick Douglas Baldwin, a 3d generation Santa Cruzan, is also interred at Santa Cruz Memorial Park in Block H, Lot 33, N-1/3, SE-1/4, he was born Aug. 2, 1910 and died in Santa Cruz on Christmas Day, 1987. He was 77. He used the name "F. Douglas Baldwin", he married Pauline Ratzman Baldwin in 1941, they lived at 140 9<sup>th</sup> Ave., Santa Cruz. His brother was Robert Baldwin.]

A bronze plaque, embedded in a rock, alongside Schwann Lake, at Twin Lakes State Beach, near today's Santa Cruz Small Craft Harbor, reads:

"Arnold Merritt Baldwin donated this land to the State of California in 1955, in memory of his parents: Frederick Douglass Baldwin and Mary Augusta Baldwin, both of Massachusetts."

Frederick died Jan. 24, 1940 @ 92, Mary died Aug. 3, 1918 @ 73.

Arnold M. Baldwin was County Surveyor.

I obtained a photocopy of the photocopy on April 5, 2000, at the Archives of the Museum of Art and History, Santa Cruz. Its copy was brought to my attention by David Heron, University Librarian Emeritus, UCSC, and volunteer at MAH's Archives. It was copied through the courtesy of Archivist Rachel McKay.

The titles of this transcription, and Baldwin's essay, are supplied by the Transcriber:

Stanley D. Stevens

Librarian Emeritus

Coordinator, The Hihn-Younger Archive

University Library

University of California at Santa Cruz Completed April 20, 2000

## **History of the Banks**

**by**

**Frederick Douglass Baldwin**

pg. 1. The founder of the two financial institutions, which originally were City Bank and City Savings Bank in the City of Santa Cruz, and which were absorbed by the Bank of Italy [later named Bank of America] in January, 1927, and now known as Branch No. 176 of Bank of Italy, National Trust & Savings Association, was **F. A. Hihn**, one of the early Pioneers of California. A man of great energy, foresight and determination, productive of conspicuous business achievements, beneficial not to his town alone, but county-wide and State as well.

This writer, having resided in the City and County of Santa Cruz for the past sixty years, barring an interval of three years, and having had business relations, both officially and privately for more than forty years with Mr. Hihn, thinks it quite pertinent to make a brief résumé of the events of his busy life.

Born in Germany, one of a family of nine children, after serving an apprenticeship of three years in a mercantile house, at the age of 20 years, disliking the German form of government, and longing for political liberty, and hearing the news of the discovery of gold in California, he with sixty others, sailed in a brig from Bremen, bound for San Francisco via Cape Horn. After two months sail they reached Rio Janeiro. To them, with its tropical beauty, it seemed a paradise, but they were disenchanted as they saw gangs of slaves passing by loaded down with heavy burdens.

pg. 2. After five days stay they sailed on passing around Cape Horn and later on, making a four day stay at Valparaiso, finally passing through the Golden Gate, Oct. 12th 1849.

Immediately Mr. Hihn with six others proceeded to the mines along the Feather River. The rains were very heavy and great hardships followed. After two weeks they returned to Sacramento. Mr. Hihn here engaged in the manufacture of candy. He prospered, but later the flood from the American and Sacramento Rivers swept away the entire plant.

In the summer of 1850, he worked in the mines below Auburn, but later returned to Sacramento. There he became one of the proprietors of two hotels. Times getting dull, he sold out and opened a drug-store in San Francisco. The great fire of May, 1851, took nearly all of his stock, and what was left was consumed in another fire a month later. He then contemplated returning to his native land. However, instead, he formed a partnership to enter into business in some place out of San Francisco, where there was less fire and water risk and life more agreeable.

In October, 1851, they came to Santa Cruz, where they located at the junction of Pacific Avenue and Front Street. The partnership was soon after dissolved. Having the advantage of a good mercantile education, speaking English, German, French and Spanish fluently, he soon established a large and

pg. 3. prosperous general merchandise business. Two years later he erected what was then considered a fine two-story building, which is at this time, 1928, still standing, in good condition, and used for commercial purposes. Then came hard times. Wheat sold for a cent a pound, potatoes were allowed to rot in the fields, and lumber dropped from \$55. to \$12. per thousand feet.

Instead of selling his goods on credit, he exchanged them for the products of the County. Wheat was ground into flour, and large quantities of lumber and shingles were shipped to Monterey and Los Angeles. In 1857, Mr. Hihn considered himself worth \$30,000.

Soon after arriving in Santa Cruz he directed his attention to real-estate operations, his method being to buy large tracts, grade and open streets and roads, plant shade and other trees and improve the lands in various ways. He subdivided these tracts into lots to suit purchasers, selling on terms to suit the buyers. In his Contract of sale was this provision to wit: "In the event of the death of the buyer, all matured installments having been paid promptly, the heirs of such deceased buyers are entitled to a deed without further payment."

Mr. Hihn's real estate operations extended to many parts of Santa Cruz County. Capitola, one of the most pleasant watering places on the Coast, was founded by him. Here he built the large hotel which still carries on, and many other features.

He was the leading spirit in the construction of the first wagon road across

pg. 4. the Santa Cruz Mountains, instrumental in connecting Santa Cruz with the outside world by telegraph, the construction and operation of the railroad from Santa Cruz to Pajaro, and the opening of the Cliff Road in front of Santa Cruz to Capitola.

In 1860, when even San Francisco had no Spring Valley Water-works, Mr. Hihn made water-pipes from redwood logs and supplied Santa Cruz with water for domestic purposes and fire protection. Later, he enlarged these works & built similar works in other parts of the County, aside from the southern end, so that finally, at one time, practically all the water used in Santa Cruz, East Santa Cruz, Capitola, Soquel & Valencia for domestic purposes was supplied by him.

In 1880 [sic], he caused to be organized the "Society of California Pioneers of Santa Cruz County," in which there was a membership of over one hundred persons, and of which he was the President for a period of over 30 years, terminated only by his death.

In public office Mr. Hihn served as School Trustee when there was but one teacher in the City of Santa Cruz. He served as County Supervisor for six years.

Times were dull then, money scarce, and the county in debt. He distinguished himself by bringing County warrants to par when they had been selling at sixty cents on the dollar. The County Courthouse and Jail were both built under his management. In 1869, he was elected to the State Assembly. Here he accomplished much. He secured a new Charter for the City of Santa Cruz, [and] a new financial system for the County.

pg. 5. Also the passage of a bill authorizing levy of taxes in districts for building schoolhouses; and for supervisors to grant aid in construction of railroads in their respective Counties. He also originated an important measure which was the refunding, at that time, of the State bonded indebtedness of \$4,000,000, thereby saving a large amount of interest to the State. He also was largely interested in the Spring Valley Water Works of San Francisco while under construction.

He owned large blocks of stock in San Francisco Gas Co., Stockton Gas Co., and the Donohoe Kelly Banking Co. In 1892 he built in his timber land belt – above Aptos, a saw-mill with a capacity of 70,000 feet of lumber per day. To transport this product to market, which was mainly in the Salinas Valley, he constructed eight miles of railway in the mountains to connect with the main line.

Thus far I have, in this paper, referred almost solely to matters entirely outside of the history of our banks.

As time goes on, I am more and more impressed with the remarkable personality of this person who has been the subject of most that I have thus far written.

I think that he above all others in this City and County is entitled to the distinction, "The Grand old Man of Santa Cruz County."

Mr. Hihn was married on November 23d, 1853, to Miss

pg. 6. **Therese Paggen**, a native of France, of German parentage. The issues of this union, were three sons and three daughters. All but one of whom now deceased, there are a number of grand-children remaining. In 1872, Mr. Hihn built a new residence, the finest mansion in the County. The grounds connected with the mansion, beautified by trees, shrubbery, lawns, flowers, hedges and walks, constitute the principal beauty spot of the City, and its recent acquisition by the City as its seat of government is a fitting tribute to the memory of its illustrious pioneer.

City Bank was organized in Santa Cruz in 1887, and City Savings Bank in 1888, each having the same Board of Directors, as follows: L. K. Baldwin, F. A. Hihn, W. T. Cope, Jackson Sylvar, W. G. Nash, A. A. Russell and W. C. Parker Jr., none of whom are still living. The officers of the bank then, were, L. K. Baldwin, Prest., F. A. Hihn, Vice Prest., Geo. Trust, Cashier, W. C. Hoffman, Book-keeper.

Under authority of the State Bank Superintendent (Bank Commissioner of Calif. [?]), City Bank with an authorized capital of \$100,000, \$20,000 paid up, opened its doors for the transaction of business on the 20<sup>th</sup> day of January, 1887, at the corner of Pacific Ave. and Cooper Street.

President L. K. Baldwin was a native of Berkshire County, Massachusetts. Coming to Cal. in 1858, he entered into the dairy business at Olema, Marin County, also at Point Reyes later, altogether for a period of 15 years. The product of

pg. 7. his dairy was converted into butter of the finest quality which was marketed in San Francisco, with a very high rating. While residing in Marin County he served his district on the County Board of Supervisors for several years. Disposing of his dairy interests in Marin County, he formed a partnership with an old time friend. Coming to Santa Cruz, where they purchased a tract of over 4,000 acres, one mile north-west of the City limits, carrying thereon dairies of 400 milch cows. Ten years later, the partnership was dissolved. During this



period he resided in the City of Santa Cruz, serving a portion of the time on the City Council and two terms as County Supervisor.

As President of the two banks, Mr. Baldwin served until January, 1900, retiring at the age of 80 years. He, however, continued as an active director until within a few days of his death, August 23d 1904, aged 84 yrs. 12 days, caused by an accident. A man of nimbleminded character, esteemed and loved by all

The death of Vice-President Hihn occurred Aug. 23d 1913, at the age of 84 years.

These two men were, from the bank's formation, to the time of their deaths, its heaviest stockholders. A few years before President Baldwin's death, Mr. S. H. [Henry Seth] Deming, a man of large wealth & business capacity, became a director and succeeded Mr. Baldwin in the Presidency, serving for two years. Severing

pg. 8. his official connection with the bank for several years, he again resumed the position of director, which he held until his death several years later.

Mr. Frost served as Cashier but six months and was succeeded by W. C. Hoffman, serving two years in that capacity. Following him came Charles Steinmetz, serving for six months, with W. D. Haslam as Assistant.

In 1890, T. G. McCreary took the position of bookkeeper, Haslam succeeding Steinmetz as Cashier, McCreary in 1891, becoming his assistant. Haslam continued as Cashier until his death, in May, 1902, a period of 12 years. McCreary assumed the position thus made vacant, continuing in the bank's service for 37 consecutive years, a competent, faithful, untiring, resourceful, and conscientious official. Mr. C. D. Hinkle's connection with the bank as a director, began in Jan. 1907, and has been continuous to this date, a period of 20 years, filling the post of Vice-President the greater part of that time, and prominent as a business man functioning in public affairs officially and otherwise, for a period of over 40 years in Santa Cruz.

Succeeding Mr. McCreary as Asst. Cashier came Mr. Ed Daubenbis, retiring after several years of faithful service. Mr. A[lbert] H. Foster entered into the service of the bank in 1902,

pg. 9. and has continued in the bank's employ for more than a quarter of a century, filling most efficiently the office of Asst. Cashier for a long term of years.

There are others that I need not here enumerate who have served faithfully many years and are still serving as the requirements of the bank's increasing business

has demanded.

No story of City Bank and City Savings Bank would be complete without mention of what I am about to write. As already stated, business was begun in January 1887, in rented quarters, at the corner of Pacific Ave. and Cooper Street, with all the accessories that, at that time, constituted the outfits of small town banking. Seven years later in the night of April 14, 1894, Santa Cruz experienced the most disastrous conflagration in its history. The entire block in which the bank was located, with the exception of one building, was burned to the ground. All that remained standing of the bank was its concrete vault, the contents of which were practically uninjured. The County Courthouse, in an adjoining block, was also completely destroyed. The City of Santa Cruz, about 7 years prior to this

pg. 10. fire, had installed a water system at a cost of \$360,000, but for some cause on this occasion it was not efficient, and the local papers at that time stated that but for the old Hihn system, of which mention has hereinbefore been made, the fire would have crossed Pacific Ave., and been doubly disastrous. However, City Bank and City Savings Bank, within 48 hours, losing but two days' time, were carrying on in rented quarters on Pacific Ave. where they continued to function for 12 years, until 1906.

After the fire, as time went on and business increased, the necessity of more room to properly carry on, became very pressing. The sites upon which the present building stands, was secured, and on Oct. 11<sup>th</sup>, 1904, the Directors voted to build. Construction was not begun, however, till late in 1905. The contracts, covering cost of building, including vaults and doors, amounted to \$28,890.85. The work was well along on the 18<sup>th</sup> of April 1906, and then came the earthquake.

The stone front had been in place but a short time & while it did not fall, it was found necessary to raze it from top to bottom and re-set it entire[ly]. This caused delay as additional precaution was taken in further strengthening the structure against possible future quakes. And it was July 30<sup>th</sup> 1906, when the doors opened for banking, on the premises.

pg. 11. After due consideration, a change of "City Bank," from State jurisdiction to National, was decided upon, and the necessary authorization was received from the Comptroller of the Currency, and dating from Oct. 16<sup>th</sup> 1906, "City Bank" became "The First National Bank of Santa Cruz, Cal.", it being the first bank in the County to nationalize, all other commercial banking institutions since then adopting the same course.

As the City was fast growing, business rapidly increasing, it was apparent, that

sooner or later more room would be necessary for its transaction. Opportunity to secure what was deemed by a majority of the directors, a most desirable site for new quarters in the future, presented itself, and the property at the corner of Pacific and Soquel Aves. was purchased.

In 1922, a survey of conditions in what is known as the "Eastside" of Santa Cruz, convinced the entire Board of Directors, that the establishment of a branch office in that section of the City would meet with success.

The result has justified the action taken. The bank site, building, vaults and the furnishing entire [sic], represent an outlay of around \$25,000. The Branch was opened for business on October 29<sup>th</sup> 1923, with Mr. W[alter] C. Carmean as Manager in Charge, he having previously been in the bank's service for 17 years.

Its present force is three in number, and the service given is much appreciated by the entire community which it serves.

pg. 12. While the establishment of this Branch served to alleviate the congestion in the main office to some extent, yet the public demand for more and better modern conveniences became more and more insistent, in fact, an absolute necessity if we were to maintain our position as the leading banking organization of the County. Fully realizing this for two or three years before the sale to Bank of Italy was effected, the subject of building new offices had been under serious discussion, and doubtless before this, would have been consummated had the sale not been made.

The sudden and unexpected sale of the two banks in January, 1927, was preceded by the final sworn statement of their officers of the date of December 31<sup>st</sup>, immediately preceding, showing in part, as follows:

Combined Capital paid in \$ 230,000.

" Surplus 230,000.

" Undivided Profits 236,267.53

A combined total, Capital, Surplus and Profits \$ 696,267.53

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Combined Individual Deposits \$ 3,825,249.64

" Resources 4,790,333.51

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[p. 13] In conclusion, the writer of this sketch desires to state that for the facts of & concerning the early days in Cal. Of the founder of this bank, he is indebted to E. Harrison's history of Santa Cruz County. As to his personal connection with the banks concerned, he may be pardoned for saying that he was a stockholder from the time of the banks organization, and the only one remaining of the original stockholders at the time of the sale to Bank of Italy.

[Transcriber's Note: After the above data ends, there are nine leaves attached which, based on their context, appear to be a rewrite of the above. However, since the phrasing is slightly different, they are transcribed here in full:]

p. 1 The Founder of the two financial institutions which originally were City Bank and City Savings Bank in the City of Santa Cruz, which were absorbed by the Bank of Italy in January 1927, and now known as Branches Nos. 176 and 177 of Bank of Italy, National Trust and Savings Association, was Mr. F. A. Hihn, one of the early pioneers of California, a man of great energy, foresight and determination, productive of conspicuous business achievements with which he was actively connected for a full half century. Born in Germany, at the age of 20 years, lured by the discovery of golden Cal, he with 60 others, sailed from Bremen in April, and passed through the Golden Gate Oct. 12<sup>th</sup> 1849.

Engaged in mining briefly, he entered into business after in Sacramento, where the floods swept away his entire business. He then went to San Francisco opening a drug store. The great fire in May, 1851, followed by another soon after wiped out his entire stock. In October following, looking for a place where there might be less risk from fire and flood, he came to Santa Cruz.

Having a good mercantile education, and speaking English, Spanish, German and French fluently, he established a prosperous general merchandise business. He dealt largely in agricultural products, lumber in many forms, shipping to outside settlements, until in 1857 he considered himself worth \$30,000. He now entered into large real estate operations, buying large tracts of land laying out roads and streets and selling on easy terms to purchasers. He was the leading spirit in the establishment

p. 2 of the first wagon road across the Santa Cruz Mountains, instrumental in connecting Santa Cruz with the outside world by telegraph, and foremost in connecting his home City with Watsonville by rail. He founded Capitola, perhaps the principal minor Coast resort of Northern California. There he built the large hotel which still carries on and scores of minor buildings. He built the first

gravity supply water system of Santa Cruz and other nearby communities.

In public office he served as school trustee when there was but one teacher in the entire city. He served as County Supervisor for 6 years, and distinguished himself by bringing County warrants to par, when they had been selling for 60 cents on the dollar. The then County Courthouse was built under his management. In 1869 he was elected to the State Legislature. Here he secured a new Charter for the City, a new financial system for the County, a bill authorizing the levying of taxes in districts for building of schoolhouses and permitting Supervisors to grant aid in the construction of railroads in their respective Counties. He also originated a measure which resulted in the refinancing of the State's bonded indebtedness of \$4,000,000. He held large interests in the Spring Valley Waterworks, also in San Francisco & Stockton Gas Co's and Donahoe, Kelley Banking Co.

His timber holdings were very extensive, building a saw mill of 70,000 ft. per day capacity, which involved the building of a branch R.R. 7 miles in length for the transportation of its output.

p. 3 In 1880, Mr. Hihn promoted the organization of the "Santa Cruz Society of California Pioneers" in which there was a membership of over 100 persons, and of which he was President for a period of over 30 years, terminated only by his death. He was married Nov. 23d 1853, and the issue of this marriage were three sons and three daughters, but one of whom, a daughter survives.

In 1872, Mr. Hihn built a new home residence, the finest in the county at that time. The grounds connected with this mansion, beautified by trees, shrubbery, lawns, flowers, hedges and walks, constitute the principal and only publicly owned, beauty spot of that type, owned by the City, together with the mansion constituting the City Hall, a tribute to the memory of its illustrious pioneer.

City Bank was organized in 1887 and City Savings Bank in 1887, each having the same Board of Directors, to wit: L. K. Baldwin, F. A. Hihn, W. T. Cope, Jackson Sylvar, W. G. Nash, A. A. Russell and W. C. Parker, none of whom now survive. The officers of the Bank were, L. K. Baldwin, Prest, F. A. Hihn, Vice-Prest, Geo. Trust, Cashier, W. C. Hoffman, Bookkeeper.

Under authority of the State Banking Supt., City Bank with an authorized capital of \$100,000, \$20,000 paid up, opened its doors for the transaction of business on the 20<sup>th</sup> day of January 1887 at the corner of Pac. Ave and Cooper streets.

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15 years. The product of the dairy

p. 4 was converted into butter which was marketed in San Francisco with a very high rating. While residing in Marin County he served his district on the County Board of Supervisors for several years. Disposing of his interest in Marin County, he formed a partnership with an old-time friend, coming to Santa Cruz where they purchased a tract of 4000 acres one mile northwest of the City, carrying thereon dairies of 400 cows. During this period he resided in the City of Santa Cruz serving at different periods upon both the City Council and several terms as County Supervisor. As President of the two banks, Mr. Baldwin served until January 1900, retiring at the age of 80 years. He however, continued as a Director, actively to the time of his death, Aug. 23, 1904. Vice President Hihn's death occurred on Aug. 23d 1913, precisely 9 years after. These two men were from the time of the bank's foundation its heaviest stockholders. Previous to Mr. Baldwin's death, Mr. S. H. Deming, a man of large wealth and business capacity, became a director and succeeded to the Presidency retiring two years later, resigning as director but subsequently resumed the position, serving until his death. Mr. Frost served as Cashier but 6 months and was succeeded by W. C. Hoffman, serving 2 years in that capacity, and who was succeeded by Chas. Steinmetz, serving but 6 months with W. D. Haslam as Assistant. In 1890 F. G. McCreary took the position of book-keeper, Haslam succeeding

p. 5 Steinmetz as Cashier, McCreary in 1891 becoming his assistant. Haslam continued as Cashier until his death in May 1902, a period of 12 years. McCreary assumed the position thus made vacant, continuing in that position for 37 consecutive years, a competent, faithful, untiring, resourceful and conscientious official.

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As hereinbefore stated, business was begun in Jan. 1887, seven years later in the night of Apr. 14th 1894, Santa Cruz experienced the most disastrous conflagration in its history. The entire block in which the bank was located with the exception of two buildings was destroyed. All that remained standing of the bank quarters was its concrete vault, the contents of which were practically uninjured. The Court-house in an adjoining block was also destroyed. Seven years prior to this

fire, the City had installed a water system, which upon this occasion

p. 6 for some reason, failed to function. The local press stated the following day, that but for the Hihn Water system hereinbefore mentioned, the flames would have crossed the main street and losses would have doubled.

However, City Bank and City Savings bank within 48 hours were carrying on in rented quarters, where they continued to function for 12 years, until 1906.

After the fire, as time went on with increasing business, the necessity of more room to carry on properly became very pressing. The site upon which the present building stands was secured and upon Oct. 11th 1904, it was voted to build. However, construction was not begun until late in 1905. The contracts covering cost of building, including vaults and doors amounted to \$23,890.75. The work was well along on the 18th of Apr. 1906, when came the earthquake. The stone front had been in place but a few days and while it did not fall, it was found necessary to raze the upper front and reset it entire [sic]. This caused delay as additional precaution was taken in further strengthening the structure against possible future quakes, and it was July 30th 1906, when the doors opened for business. Soon after, upon due consideration, it was decided to enter into the "National" system and the necessary authorization was received from the Comptroller of the Currency and dating from Oct. 16th 1906, City Bank became the First National Bank of Santa Cruz, Cal., it being the first bank in the county to nationalize,

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As the city was fast growing, business rapidly increasing, it was apparent that sooner or later more room would be necessary for its transaction. Opportunity to secure what was deemed by the directors a most desirable site for new quarters in the future presented itself, and the property at the corner of Pacific and Soquel Avenues was purchased and held for possible future action in that direction.

In 1922 a survey of conditions in what is known as "East Santa Cruz," convinced the entire Board of Directors that the establishment of a branch office in that section would meet with success. The result justified the action taken. The bank site, building, vaults, and furnishing entire [sic] represent an outlay around \$25,000. The "Branch" was opened on Oct. 29 th 1923, with Mr. W. C. Carmean as Manager in Charge, he having already been in the bank's service for 17 years. Its present working force is 3 in number and the service given is much appreciated by the entire community served. While the establishment of this Branch served to some extent to alleviate the congestion in the main office, yet the public demand

for more and better modern conveniences became more and more insistent, in fact an absolute necessity, if we were to maintain our position as the leading banking institution of the County. Fully realizing this, for two or three years before the sale

p. 8 to Bank of Italy was effected, the subject of building new offices had been under serious discussion and doubtless before this, would have been consummated had the sale not been made.

The sudden and unexpected sale of the two banks in January, 1927, was preceded by the final sworn statements of their officers of the date of December 31st 1926, immediately preceding, showing in part as follows,

Combined Capital paid in \$ 230,000.

" Surplus 230,000.

" Undivided Profits 236,267.53

Combined total, Capital, Surplus and Profits \$ 696,267.53

\_\_\_\_\_.

Combined Individual Deposits \$ 3,825,249.64

" Resources 4,790,333.51

\_\_\_\_\_.

These resources showing an amount in excess of any other banking institution in Santa Cruz County.

"Here insert contents of page 9"

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The following named persons, together with their occupations given, constituted the Board of Directors at the time of sale.

F. D. Baldwin, President, Fruit grower

C. D. Hinkle, Vice-President, Capitalist



F. R. Howe, Vice-President, Postmaster

T. G. McCreary, Cashier.

Geo. H. Cardiff, Agt., Cowell Lime & Cement Co.

W. S. Moore, Dealer in Meats

E. C. Rittenhouse, Atty. At Law.

It is quite proper to add that the late Mr. F. O. Hihn, a son of the founder of these institutions, was for many years a director and large stockholder therein, serving to the date of his death.

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In conclusion, the writer of this very incomplete sketch of the bank's history, desires to state that for the facts given concerning the founder of the banks, Mr. Hihn, he is indebted largely to Harrison's History of Santa Cruz County, of the vintage of 1892. As to his personal connection with the banks concerned, he may be pardoned for mentioning that he was one of the original stockholders and the only one remaining when the banks were taken over by Bank of Italy, having served as President a quarter of a century.

Resp'ly submitted,

/s/ F. D. Baldwin

Advisory Board of Directors

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