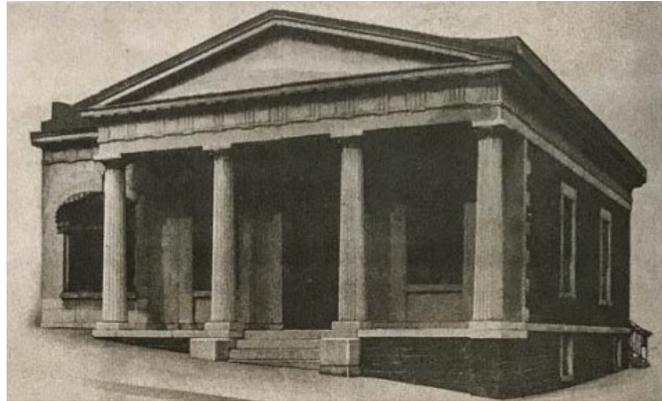


2. Keeping it Safe with the Little Falls Stone Bank

The Little Falls stone bank building at 319 S Ann St.

ALEX LIEN



The Little Falls stone bank building, located at 319 S Ann St., has witnessed the Little Falls community grow for the last two centuries while serving it in multiple ways, building on its story and importance. We tend to learn about the importance of banks at a young age but do not truly understand it until we are older. Banks provide financial stability for the residents of the area by housing our savings, providing checks and debit cards for instant access to our money, and even loan out money for our ambitious projects such as obtaining a house, going to school or starting a business. Now imagine if there was not a bank in your town. In the 19th century, settlements throughout the newly formed United States often did not have established financial institutions like banks. Eventually the American Industrial Revolution sparked an economic boom throughout the country, leading to a need for banks to support our finances and projects. This is why the Little Falls Stone Bank was built in 1833 and begins its service to the Little Falls community over the next two centuries. The building had its ups and downs throughout its history, growing in character as it was used in a variety of ways, from its original use as a bank, to being a simple storage building, to eventually becoming the home and keeper of Little Falls' history.

Industry and Money- 19th century

As the United States entered the 19th century, it began to shift from exporting its resources and importing manufactured goods, to manufacturing its own goods. As an agricultural community near the Mohawk River, Little Falls began manufacturing and selling their own products throughout the Industrial Revolution which helped the town grow in people and financial assets. The Mohawk River provided a vital resource, as its elevation changes 40 feet within a mile, providing a major source of waterpower. This combined with the natural resources of the area, and some creative ideas of local businessmen, helps Little Falls flourish in the 19th century.

While many European countries started their industrial revolutions between 1790 and 1830, the United States was lagging behind. This was because the United States had only been a country for a short period of time and focused on mercantilism, which had it exporting its natural resources, because the lack of a strong labor force meant the country only had the ability to harvest the resources, but not manufacture them. The country focused on exporting raw materials to Europe, who would then manufacture the goods and sold them to other countries or back to America. Samuel Slater, an American industrialist, was ahead of the curve and used pirated designs from Britain to start his own industrial mill in 1790. His mill became a leader in the area, as he was able to use machinery to turn cotton into yarn and a much faster rate than hand spun yarn¹. Slater helped start the American Industrial Revolution, but much more needed to be done before it truly gained traction. At first, products were made using the “outwork system” which had workers making parts of a product in their homes and eventually bringing it together to be sold. However, this quickly switched to the “factory system” that we know today, which was popularized by the Boston Associates, creating one of America’s first textile mills at the beginning of the 19th century².

Mills and factories began popping up all over the New England area throughout the middle of the 19th century, especially near areas with an abundance of resources that can be manufactured. Little Falls housed a variety of mills throughout the 19th century. Simpler mills that utilized the river, like lumber and stone mills, moved into the area first up until the 1820s. While they remained in the operation, more complicated mills, like textile mills, took the spotlight towards the middle and end of 19th century. Textile mills used the newly created machinery of the industrial revolution with the power from the Mohawk river to mass produce clothing but were rather expensive to start. This was the start of the need for a local financial institution like a bank to provide those investments of money, and then house the incoming assets. Eventually the Erie Canal built in 1825, which allowed the community to bring in more materials for the mills. It also allowed them to ship their goods down the Mohawk river until it connected to the Hudson River, which could bring the newly made goods all the way down to New York City and even over the Atlantic Ocean to Europe.

By June 1825, around 50 boats would pass by Little Falls every day carrying flour, wheat, stone and other merchandise from the east. Locals would often be seen walking along the canal bank to watch the packet boats float by with all sorts of goods, providing entertainment via the mystery of what each boat was shipping. By November 1828, packet boats were traveling through Little Falls from Schenectady to Utica in about 24-28 hours, which is about an 80-mile trip³. The canal was the equivalent to the internet of its time, as it not only transported goods and people, but also information and ideas.

The Ellice Estate was prominent within the Little Falls community, known for the large amounts of land north of the town and on the edge of the Mohawk River. The Ellice Estate was created before the Revolutionary War and acquired more land during it, making the Ellice family a lot of money as it rented out the land for multiple generations. Owned by Alexander Ellice, who was a hands-on owner, the estate’s land was rented to businesses for decades. It was sought after because of its prime location on the river, perfect for mills or factories. The estate was eventually inherited by his son Edward Ellice, who resided in England most of his life, putting others in charge of maintaining the estate, but retaining his father’s ideals to only rent the land, and refusing the sell it. This limited the amount of businesses that could reside along the river and served as an obstacle for the community’s growth. The community had an anti-rent war against Ellice, via town meetings and petitions to local legislation, until a clause was found in the local land ownership laws, allowing Ellice’s heir to take over the property and break up the commonwealth⁴.

In 1831, the Ellice Estate was purchased and dispersed, allowing mill companies to buy up the land around the

1. “Economic Growth and the Early Industrial Revolution,” *U.S. History Online Textbook* (Independence Hall Association) <https://www.ushistory.org/us/22a.asp>

2. *Idib.*

3. *What Happened Today in Little Falls*, Little Falls Historical Society Records, 1820-1860.

4. Arthur T Smith, *PAPERS READ BEFORE THE HERKIMER COUNTY HISTORICAL SOCIETY: during the Years 1899, 1900, ... 1901, to July 1, 1902* (Classic Reprint), version ebook, vol. 1-2 (FORGOTTEN Books, 2016).

canal and bring in more business to the town. It is worth noting that the land was situated around an outdated canal that was eventually removed after the Erie Canal was finished. The property lines and buildings needed to be updated and reestablished for new mills and businesses to begin operating on the new land. In the same year, a man named Mr. Buxton hired over 500 men to work and prepare stone for sale⁵. This was the start of many new businesses within the community, which led to an increase in residence and revenue.

After overcoming various obstacles and figuring out how to utilize their resources during the industrial revolution, Little Falls continued to become a bustling economy over the years. In order to meet the demands of the rapidly growing economy and incoming businesses and mills, the community moved to establish a bank to house their assets and provide financial investments. After years of planning and legislative debate, as “the business-doing citizens of this country... and the proper amount of capital to ask for... it seems to be the general consent... that an early and vigorous effort should be made for a Bank in this county at the ensuing Legislative session”⁶ was declared in 1830. It took three years to get approval for the bank in Little Falls due to the Herkimer County Seat wanting the bank in their community instead of Little Falls. Meetings were held until they reached an agreement received approval from NY legislation to establish a bank and commissioners for it. The Herkimer County Bank was established in the summer of 1833.

The Herkimer County Bank was originally located in a commissioner’s house, where the commissioner would store the bank’s assets under his bed in the second level of the house. He did not even keep a pistol or club near him to defend himself or the bank’s resources⁷. It is hard to imagine a bank with valuable assets to not have a vault and a pistol to help guard them. This was only for a short period of time, as the stone bank building was finished on August 30, 1833. The community celebrated with fireworks, balloons and many speeches as it was a sign of financial success for the town, along with providing financial benefits to citizens and businesses of the area.

The bank was constructed out of a limestone from the Little Falls Gorge. The Gorge was created by the Mohawk river’s precursor, the Iromohawk river, which was a larger version of the Mohawk river but connected to the Iroquois glacier lake during the Wisconsin Glacial Stage⁸. The Little Falls Gorge has provided literal tons of stone to be used for construction materials over the years⁹. This allowed the stone to be relatively cheap but also sturdy, which is why the building’s exterior is still in good shape after almost standing almost 200 years. Being a symbol of security, the bank had to be made of stone, since wood was a liability back in the days when house fires were a semi-regular occurrence, and metal manufacturing was not yet available.

The building uses the newly popular Greek-Revival style, sporting four Doric columns on the front of the building, with stone stairs leading up to the door. The windows have stone frames carved into the rock that make up the front outside wall, and a front facing gable brings the façade together, giving the appearance of a small Greek temple. The Greek-Revival style started after Greece was reintroduced to Europe and their styles were spread via books. It was popularized in the United States by Benjamin Henry Latrobe, who was a government official appointed by Thomas Jefferson to build public buildings like the United States Capitol Building and the Bank of Pennsylvania. The stone bank building was heavily inspired by the William Strickland’s Second Bank of the United States of Philadelphia, but on a smaller scale¹⁰.

5. What Happened Today in Little Falls, Little Falls Historical Society Records, 1820-1860.

6. “The People’s Friend” Thursday, August 26th, 1830.

7. Idib

8. Herman Le Roy Fairchild, “The Iromohawk River”, <https://www.vizettes.com/kt/upstateny-history/historical/iromohawk.htm>

9. “Little Falls Gorge Geology,” The Old Mohawk-Turnpike Book, Little Falls (Charles B Knox Gelatine Co. Inc.) <https://fulton.nygenweb.net/Turnpike/LFalls.html>

10. Herkimer County Trust Company Pamphlet on their establishment and history; Press of Journal & Courier Co.



*Second Bank of the United States in Philadelphia. Image by Beyond My Ken, CC BY-SA 4.0
<https://creativecommons.org/licenses/by-sa/4.0>, via Wikimedia Commons*

The adoption of the Greek-Revival style by the US government, encouraged others to use it as well. It stood for the growing sense of democracy that United States citizens have come to be proud of. So, the bank's style was a way to show the prestige of the community, because not only did they have a successful bank, it was made of stone and resembled the culture of Greece and supported American Democracy. Located a block off Main Street, this building was something the community was proud of and wanted to show off when it was first built. It was also something that needed to be close to the businesses and people it was serving, so it had to be near the center of Little Falls.

The building has two doors, one being the front door facing west, while the other is a currently an emergency exit in the back of the building facing east. The bank has windows on the south and west side but none on the north side, as the bank used to be connected to another building on that side. Something to note about the stone bank is how it is built into the hill. The ground level is flush with the hill on the north side of the building, while the hill continues to slope downward, revealing a three to four feet of the basement on the south side. Since it is built into the bedrock of the hill, the basement is about $\frac{2}{3}$ the size of the main level, with the bedrock making up the north wall. Four windows are located on the south side with two of them being regular sized windows on the main level, and two smaller windows for the basement, bringing in light and allowing for an exit if needed.

Because of the economic boom throughout the 19th century, Little Falls and its bank flourished. However, the more money the bank brought in, the bigger the risk. The Federal Deposit Insurance Corporation, which insures the money in banks through government support, was not started until 1933, shortly after the Great Depression as a response to people withdrawing their money and not trusting public banks after Black Tuesday¹¹. This

11. "Birth of the FDIC," History of the FDIC (Federal Deposit Insurance Corporation), <https://www.fdic.gov/about/history/>

meant that throughout the 19th century and 33 years into the 20th century, the Herkimer County National Bank had to worry about patrons withdrawing all their money, leaving the bank without funds to continue operating. The bank survived the “darkest period in American banking” which was 1836-1863, when many banks failed in the task of serving the prosperous and rapidly growing pre-civil war society. 1857 was a particularly hard year, being recorded as a year that many withdrew money fearing the rumors of counterfeit money, especially the possibility of counterfeit money getting into the bank. The commissioners of the bank were an audacious group, with the first president, Colonel Standish Barry and Watts Sherman as the first cashier. The bank started with a capital stock of \$200,000. Given how new the bank was, this was considered over-subscribed for the time but it showed the dedication the community and commissioners had for the bank¹². And the commissioners vowed to keep the bank open through any struggles they may face to continue serving the community.

Since the community was thriving at the time, there were very few problems the bank had to face, but that did not exempt them from a bank’s worst enemy, robbers. According to their records, on September 25, 1841, one of the bank’s clerks, Anson Brown, “borrowed the key to the bank from Albert Story, a cashier, allegedly to draw some money on two small checks. However, Brown and two accomplices removed \$72,857 in bank notes, gold, and silver and fled to the Albany area. Caught within 30 hours, all but \$810 was recovered.”¹³ A trusted employee was able to escape the area with money equal to 2.2 million dollars in the present day. That would have been quite the heist if Brown and his accomplices had not been caught.

Contributing to the economy in the end of the 19th century and is ongoing today, the Little Falls cheese industry also contributed to the economy and the town’s notoriety. The industry started after the “summerless years” which were known for the incredibly warm Januarys but cold summers in the late 1810s caused a shift in local agriculture production. Citizens of the area reported not having to use their in-home fireplaces during these winters, but the summers had snow reported. This hurt the grain industry in the area, as the grain would not ripen properly, and led to farmers switching over to raising dairy cows. This led to a prominent dairy industry within the community towards the middle of the 19th century and was the start of Little Falls’ cheese markets that would draw international attention. The cheese industry had its ups and down, reaching record sales in 1878 according to the Herkimer County News. Many cheese producers and mills continued to send cheese, textiles and other goods down the canal and bringing money into the Herkimer County Bank into the 20th century and still has a few companies producing cheese today.

Towards the end of the 19th century, the bank went through a few changes. In 1865, the bank relinquished its power as a state institution and entered the national banking system in response to the shift to more federal unity after the Civil War. It became known as the “Herkimer County National Bank.” The only change in this was a 10% federal tax on all notes issued by state banks. In 1878, the capital stock was increased, and the name changed to “The National Herkimer County Bank.” The bank then kept pace with the growth caused by successful industrial and economic factors as the county moved into the 20th century and focused on building itself up. In 1917, the bank was forced to change back into a state institution, renaming itself the “Herkimer County Trust Company.” This also resulted in a need for new bank notes and larger quarters, as it had been 84 years since the bank was built, so the bank moved from the building into the ground floor of the new Burrell Building to accommodate for the growth of Little Falls and its businesses. This marks the end of the stone bank building’s years as a bank and the beginning of its forgotten years.

Forgotten But Not Lost- Early 20th Century

While the stone bank building was no longer a bank, it still served the community. In 1917, it was used as a center

12. Herkimer County Trust Company Pamphlet on their establishment and history; Press of Journal & Courier Co.

13. What Happened Today in Little Falls, Little Falls Historical Society Records, 1820-1860.

for the Red Cross. This was most likely due to its central location within Little Falls and its age. The building was 84 years old and had not received any major updates to bring it in line with modern expectations. While the building was still sturdy, in the age of electricity becoming relatively common, this building couldn't provide modern amenities, and it was much easier to build a new building than to completely renovate an old one. Being a community service organization with less revenue than a big business, the Red Cross was ecstatic to receive the building when most organizations was looking for newer buildings. The Red Cross used the building until 1918, when the Little Falls National Bank moved in after a fire moved them out of their previous location in the Cronkhite Building, continuing the stone bank's lineage as a bank until 1922.

The stone building begins to be tossed around between owners after the Little Falls National Bank passes it on to Dineen's Mortuary Parlor in 1923. In 1928, it becomes the Railway Express Office, and remains an important building for travel until 1943. It was bought and used as storage for Lovenheims' linoleum in 1943. While the interior was in poor shape the building stood strong, providing a sealed building for the linoleum. In 1964, an urban renewal program purchased the building from Lovenheims', aiming to give the historic building a new purpose. This was recommended by the New York State Council on the Arts to save the building with acquisition and restoration funds. The building was registered on the National Registry of Historic Places in 1970. After this initial support, the building started being seen as an important landmark in the eyes of Little Fall's citizens again. While it was obtained to be restored and revitalized, it sat empty, which was hard on the interior, for another thirteen years¹⁴.

A New Purpose- Late 20th Century to the Present

The stone building was acquired by the Little Falls Historical Society in 1977 to be the new home for Little Falls' history. But to do so, a lot of work was needed to get the interior back in shape. In 1978, the building need \$95,000 in renovations to be able to store historic documents and artifacts, as well as be a safe space to display them for the public. The vault within the bank was locked shut and needed to be literally cracked open, since the combination was lost over the years. Most of the work was done by volunteers of the community and the Historical Society, and after eight long years the museum opened on May 12, 1986, with the stone bank building as its new home. The Little Falls Historical Society raised \$63,000 themselves, with local donors and other foundations donating funds like the Utica Foundation, America the Beautiful grant, and the Gannett Foundation¹⁵.

The building is still being used as the Little Falls Historical Society, which sees regular attendance and events to draw locals and tourist into it's historic building to show off the history, objects and photos from within its vault. Exhibits are updated by the volunteers that run the society, who work diligently to continue collecting and preserving the history of the community. Most of the building is used as display space, while the back rooms are used as document storage and an office. The basement houses the artifacts and tools needed to maintain the museum. Everything has a home within this building, and it fits just right.

14. Little Falls Historical Society, Museum Data and History, pdf.

15. Idib.



The Bank building houses now the Museum of the Little Falls Historical Society. Images by Erik Stengler (left) and courtesy of the Little Falls Historical Society (right).

Safe Keeper of the Past

The Little Fall's Stone Bank building has had a rollercoaster of a life throughout the past two centuries. It started as a key community institution, being used to protect the citizens' and businesses' important assets. It was eventually abandoned and used as simple storage. And finally, it became the home to Little Falls' history and culture. Not only does it house the community's history, but it is a part of that history. Without a proper financial institution, Little Falls might not have become the bustling canal town that it did. Without a bank, who knows what businesses might not have started or which residents might not have moved into the area. But that's not what happened. The Herkimer County Bank opened and built the stone building to protect the goods the citizens of Little Falls trusted them with, overcoming financial instability, robbers, the eventually relocation of the bank and eventually the History of the areas, allowing the Little Falls Historical Society to continue telling the stories of the community and protecting the evidence that supports those stories.