

Northern Kentucky Views Presents:

Part 1

The Making of the Kentucky Central Railroad

by

Dr. Joseph F. Gastright

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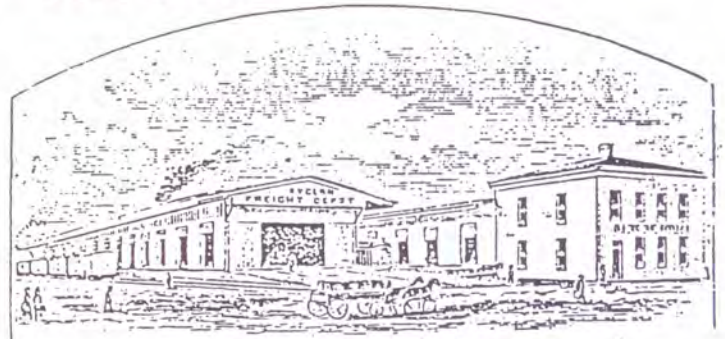
The Making of the Kentucky Central...

On March 1, 1847, the state legislature chartered the Licking and Lexington Railroad. The citizens of Kenton County and Covington were interested in the idea but skeptical. The act specified that the route would include Lexington, Paris, Cynthiana, Falmouth and either Newport or Covington. The formation of Kenton County out of Campbell only seven years earlier had left an enormous amount of bad feeling that had only lessened across the years. Neither county was interested in supporting a route that might end up benefitting the other. Fayette County was the state leader in railroad promotion and voted \$200,000.00 in bonds to support the venture. The City of Covington voted to support the issue with \$100,000.00 but the public sales were disappointing. Only twenty shares were subscribed in the three day sale in Covington.

Opposition to the road said that it would take business from the turnpikes and canals and, that the railroads should be taxed to make up the deficits. The Licking Valley Register which strongly supported the issue argued that the improvement in trade and property would certainly justify the losses.

The issue was probably decided by the uncertain economic situation. The economic decline in the late forties was small compared to the collapse ten years earlier but many investors had learned a lesson. Some old timers remembered that the Lexington and Ohio Railroad chartered in 1830 was rumored to have Cincinnati as the terminus. Later the owners decided on Louisville and this pioneer road had only been completed as far as Frankfort by 1835 as a "horse-line." Louisville like Cincinnati was confident in the future of the river trade and openly opposed to the railroad ambitions of Lexington. The Louisville to Frankfort end of the Lexington and Ohio was rechartered in 1847 and in the meantime the short road to Frankfort was not a profitable enterprise.

Paris had staged a serious effort to organize a Paris to Covington line in 1836. Major John S. Williams, their engineer, had assured them that the road could be completed for as little as \$720,000.00 without the use of "a perch of masonry" if it used the ridge route through Williamstown. The collapse of 1837 ended the plans of this small bluegrass town just as it delayed the start of the Licking and Lexington ten years later. Even prosperous Cincinnati had problems pushing its railroads to profitable markets during the same period. The Cincinnati Sandusky and Cleveland Railroad, chartered in 1837, was still incomplete when the Lexington and Licking died in the late forties.



KENTUCKY CENTRAL RAILROAD DEPOT.

The Licking Valley Register had made a strong case in Kenton County despite the defeat. They agreed that Covington would benefit from the north-south commerce on the road. Further, it would reduce the dependency of Kenton County on the river which was controlled largely by Cincinnati interests. When the rivers were too low for river traffic the county would provide cheap access to the products of the rich bluegrass. The editorial message of the Register echoed in the days after the Lexington and Licking died. "We say again take stock in the railroad - take it if you can pay - take it if you can't pay."

After the defeat the paper admitted that the uncertain northern terminus had been a major obstacle to private investment.

One competitor for investment in a Northern Kentucky railroad was eliminated in February 1847 when the Licking River Navigation Company forfeited its charter. The canal would have been a serious threat to a parallel railroad that would depend on bulky agricultural goods to make a profit. The rural bluegrass region could have taken advantage of the slow but cheap water rate to bankrupt a competitive railroad. The old locks which were virtually complete to Falmouth were abandoned forever and their stone was gradually quarried over the next 20 years to build farmhouses as well as the foundation of the Suspension Bridge at Cincinnati.

In 1849 the Lexington and Licking Railroad was rechartered as the Lexington and Covington Railroad which eliminated the problem of Kenton County funding. In June 1849 the great question in Northern Kentucky was, "Where is the support for this great project at the other end." B.F. Sanford proposed that state support was necessary. He suggested that the legislature issue State Stock to be secured by an equal amount of railroad stock in return for a first mortgage on the assets of the railroad, equal "to half of the total amount loaned." In this way the road would be built by European investors and the limited local capital would be released for objects of local and more private enterprise. Displaying the spirit of optimism of the time, Sanford assured the public that, "The State Bonds would be sold at no more than six percent interest while the road would show dividends of not less than ten percent."

The State did not act in 1849 and newspapers in both Lexington and Covington reported rumors that a New York Company had taken all of the remaining stock in the Lexington and Covington. The report was received with guarded optimism and the register reported that Bourbon, Scott, Harrison, Pendleton and Campbell Counties would benefit as much or more than Fayette and Kenton should the report be true. The Lexington Atlas opined that land on or near the route, "would double in value..." They were also certain that the route would be built with or without Eastern money. Surveying for the line was begun in 1850.

Despite the support from both ends, the road remained short on funds until the State of Kentucky acted in 1851 to allow the further support by the cities. Perhaps the completion of the Lexington and Frankfort Railroad down the cliff into Frankfort in March of 1851 impressed the legislators attending the session. Covington renewed its \$100,000.00 investment and increased it by another \$200,000.00. In any event construction started in earnest in 1852 and the road was completed to Falmouth in October 1853. In the meantime, Maysville which helped block the Cincinnati and Charleston Railroad in the late thirties, secured a Charter for the Maysville and Lexington Railroad in 1851. This route was crucial to maintain the town's old business between the east coast and the bluegrass region. The issue was pushed so vigorously that the line reached Paris on Christmas day in 1853.

Most of the right-of-way had been released free of charge by the owners. Mortimer Murray Benton, President of the Lexington and Covington Railroad reported that the ninety-six mile road would have over 3000 feet of brick arched tunnels, full masonry bridges, and very little grade on its planned route to Lexington. In early 1854, Benton estimated that it would take another \$551,000.00 to complete the roadbed and another \$196,360.00 to purchase equipment. By May 1854 service was opened to Cynthiana and the grade was largely complete to Lexington.

Funding was short and much of the line was built with light weight rails and without ballast. Faced with raising large sums to complete the Paris to Lexington section, the Board of Directors decided on December 20, 1854, to lease the Paris to Lexington line of the Lexington and Maysville for 18 months at \$1250.00 a month provided that the first five months rent be applied to improving the line. By Christmas day in 1854 regular service was in operation from Covington to Lexington. The route to Paris had been completed at a cost of \$2,435,939. During its first year, the road took in \$264,973.66 with net earnings of over half of the amount.

Eighteen hundred fifty-four was a big year in Covington. The short lived \$80,000.00 suspension bridge to Newport opened, a cathedral was under construction for the new Diocese of Covington, and the city was first lighted by gas from the new gas works. More important perhaps was the completion of the Lexington and Covington Railroad which made Cincinnati the market of choice for Central Kentucky

A prosperous ferry and transfer trade developed in Covington to transport produce and merchandise from the Cincinnati water front to the terminus of the Covington and Lexington at Pike Street and Washington. The small town of Covington began to creep south commercially and turn its back on its poorly located public landing. Fourth and Fifth Streets which were largely residential changed very little. Scott and Madison and especially the Lexington Turn-

pike near the proposed depot were destined to become the center of the new Business District in Covington which faced south and not north. The trains stopped in the center of Washington Street because the directors delayed construction of a depot until their finances improved.

(to be continued)