

## **Founder Paul Shoup's home now listed on the National Register of Historic Places**

After years of planning, restoration, and application to the Department of Interior, the Jennings's learned officially last Friday that their home, the "Paul Shoup House" on University Avenue has been listed in the National Register of Historic Places. This is the first property in Los Altos to be recorded in the National Register – it is appropriate that it is the home our town's founder, Paul Shoup.

It is fitting in preparation for celebrating sixty years as an incorporated town next year, that we dive into some history of the formation of our town: and learn more about one of our Founders, Paul Shoup.

### **Family**

Paul Shoup was born in San Bernardino, California on January 8, 1874. He was the third of five children of Timothy and Sarah Sumner Shoup. His siblings included two older twin brothers, Carl and Guy, a younger brother, Fred, and a younger sister, Faith. Paul's father was a well-respected attorney in San Bernardino who relocated the family from Iowa in 1872. After Timothy's death in 1877, Sarah moved back to Iowa with her children. Carl died in 1898 while still in his early 20s. Guy and Fred joined Paul in careers with Southern Pacific, with Guy becoming an influential company attorney and Fred working for the Pacific Electric Railway Company in Los Angeles. Paul married Rose Wilson on December 1, 1900 and eventually settled in Los Altos with their three children – Carl Sumner, Jack Wilson, and Louise. Son Carl went on to become a highly respected economist, responsible for drafting the post-World War II Japanese tax structure, forming the modern Value Added Tax (VAT); he also taught economics as a professor at Columbia University. Brother Guy became a business partner with Paul in various Los Altos-focused businesses. Paul Shoup died on July 30, 1946 in Los Angeles.

### **Southern Pacific**

After Paul's father died, his mother returned to her family in Iowa. However, in 1888, when Paul was 14, she returned with her children to San Bernardino. Around this time, while still in high school, he worked as a paperboy for the Los Angeles Express. His talent for writing led to him becoming a reporter for the Express a short time later. In 1891, he graduated from San Bernardino High School having already become a published author.

While writing would become a life-long passion for Shoup, he turned from it to start a career in the railroad industry by becoming a clerk in the mechanical department of the Atchison, Topeka & Santa Fe Railroad in San Bernardino. This job was short lived, as he moved into the Southern Pacific Railroad ranks in 1891 as a ticket clerk in San Bernardino. While there he began learning first-hand the business of running a railroad. In between shifts, tutoring individuals in mathematics, and learning telegraphy and stenography, he continued to pursue his love of writing, submitting short pieces to eastern magazines. From San Bernardino, Shoup was given a position in San Francisco in the Passenger Department, thus beginning his personal relationship with the San Francisco Bay area. It is here that he supposedly began creating promotional materials for local fruit and agricultural products that were distributed by Southern Pacific on the east coast. Around 1901, Shoup was given a substantial promotion and was named District Freight and Passenger agent for the San Jose district. While in San Jose, Shoup was impressed with the many business, social, and political gains that could be made by settling in the Santa Clara Valley and began to foster long-standing relationships with civic organizations, social institutions, and business interests between San Jose and San Francisco. However, his talents within the Southern Pacific Railroad company were tapped for a promotion to Assistant General Freight and Passenger Agent, and Executive of the Line, a position that relocated him to Portland, Oregon. On April 11, 1906, just one week before the 1906 San Francisco earthquake, it was announced that Shoup was being transferred back to San Francisco as part of his promotion to Assistant General Freight and Passenger Agent in the region. This placement put him at the forefront of the rebuilding of Southern Pacific's northern California interests in the aftermath of the earthquake and fire. His success in this endeavor accelerated his already rapid rise through the management ranks. This began in earnest when he resigned from the passenger department

in San Francisco to accept a newly created position overseeing all of Southern Pacific's non-railroad, California business interests. The broad scope of this new job brought Paul in contact with the major power brokers in business and politics throughout the rapidly developing state of California. As part of this promotion, Paul was unofficially in charge of the development of the electric lines in the City of Los Angeles. Building on Paul's experience with electric interurban service in San Jose, Southern Pacific purchased Pacific Electric Railway Company in 1910 and made Paul Vice President of the new acquisition. He was given the responsibility for overseeing the complete integration and conversion of the newly combined interurban system from steam to electric trains. In 1920 he was made Vice President of Southern Pacific and assistant to the President. In 1925, he was again promoted, this time to Executive Vice President of the company. Four years later he was made President of Southern Pacific, a post he held until his retirement in 1938. Other executive positions included Vice Chairman of the Board (1932) and President of the Pacific Electric Railway Company (1933). After Shoup retired in 1938, he became President of Southern Californians, Inc., later the Merchants and Manufacturers Association, a pro-business, anti-labor political group that was highly influential in Los Angeles and Southern California. His active interest in politics continued as well with a strong supportive role in the presidential campaign of Republican Alfred Landon against Franklin D. Roosevelt in 1935.

Beyond Southern Pacific, Paul Shoup was very active in other social and business interests. Early in his career these interests focused on the development of Los Altos as a residential commuter community. He became a founding member of the San Jose Chamber of Commerce and worked to promote the Santa Clara Valley as an ideal place to live and establish business interests. He joined all the influential social clubs of the time, including the Pacific Union Club and the Bohemian Club in San Francisco, as well as the Bankers Club in New York. In 1924, during a Bohemian Club meeting, Herbert Hoover urged the leading western businessmen of the club to consider starting a first-rate business school on the west coast to limit the siphoning of talent to the eastern seaboard. As a result, in 1925, Paul became a founding board member of the Stanford Graduate School of Business.

These social connections, combined with Paul's eloquence and sharp business acumen, gave him the ear of prominent politicians and businessmen of the time. Both as a representative of Southern Pacific and as a private citizen, he corresponded with Congress regarding labor and management issues. These two issues were the focus of Paul's energy in his post-Southern Pacific professional life, as evidenced in his assumption of leadership at the Merchants and Manufacturers Association in 1935.

Throughout a lifetime of tough corporate business dealings and powerful personal friends and acquaintances, Paul maintained his family at their home in Los Altos, never forgetting the strong connections he had helped to establish - both for and within the community. For all of the influence he had in the wider world, it is at home, in Los Altos, that his legacy remains most tangible.

### **Los Altos**

Paul Shoup is considered the founder of Los Altos because of his personal and professional contributions to the ongoing economic health of the fledgling settlement. It began in 1907 when Paul and several business associates formed the Altos Land Company to develop the former Winchester and Merriman ranches as a residential enclave along the Southern Pacific Railroad's Los Gatos cutoff, then under construction. This rail line would allow residents to have a direct rail connection to both San Jose (30 minutes) and San Francisco (60 minutes). Paul sold his interest in the company only to buy back the company in 1913 to prevent it from going into bankruptcy. Beyond this direct involvement, he played a large role in bringing businesses and people to the town. It was his business connections through his roles at Southern Pacific and his involvement in the influential social clubs of the time that gave legitimacy to the enterprise, drawing in an influential and well-heeled group of early residents to bring his vision of a bucolic residential commuter community to light.

Only months after the 1906 San Francisco Earthquake and Fire, the Interurban Electrical Railroad purchased a 160-acre tract of ranch land in the Santa Clara Valley owned by Sarah Winchester and her

sister, Isabelle Merriman, and Isabelle's husband. The Interurban Electrical Railroad was a subsidiary of Southern Pacific. In 1906, Paul Shoup was named Assistant General Manager of Southern Pacific's local municipal and interurban lines. When Southern Pacific wanted to purchase a right of way through the Winchester property, Sarah realized that the section the railroad wanted would cut her property in two, separating her cattle barn from her grazing lands. It would render her ranch ineffective therefore she demanded that the railroad purchase the entire property. This left the railroad with an excessive amount of land. Shoup gathered his business associates, including Walter A. Clark with whom Paul was in business elsewhere in the region, and purchased the excess property from Southern Pacific. They incorporated as the Altos Land Company for the purposes of developing the area as a residential community marketed to executives and businessmen working in San Francisco. As many of these well-to-do families were trying to leave the earthquake and fire-ravaged city, Clark and Shoup were able to spark a significant amount of initial interest. Clark marketed Los Altos as the "Crown of the Peninsula."

To show potential customers he was serious about the viability of the town, Shoup purchased one of the largest and most expensive lots 1910 for his family and constructed a large California Bungalow-style home along Adobe Creek (500 University Avenue). Shoup encouraged his relatives and other Southern Pacific employees to invest during this first wave of settlement and move to Los Altos. This included Paul's sister, Faith, and her husband Albert Robinson (580 Orange Avenue, 1910), Paul's brother Guy (452 University Avenue, 1915), and mother Sarah (exact date and address unknown). Shortly thereafter, John Mansfield, Southern Pacific's Los Altos station agent, and Sunset Magazine editor Charles Sedgwick Aiken were also listed among the early Los Altos residents. While the prospects for success were bright, settlement of the new town-site was rather slow. Promotional events included special trains from San Francisco to Los Altos to bring prospective buyers to the area. Free barbeques were also offered. In 1909, Shoup served as a founding board member of the Altos Building & Loan Association, as well as the Los Altos Water Company and the University Land Company in addition to his continuing roles with the Altos Land Company. Using his connections and keen business sense, he was a guiding force for the early promotion of the town while still carrying out his growing district-wide duties for Southern Pacific. In 1913, Shoup and the initial investors in the Altos Land Company sold their shares to a group of San Francisco businessmen calling themselves the Union Trust Company. However this change in ownership was short-lived. Union Trust sought to expand water service and promote a resort-style hotel by floating a \$100,000 bond. However, financial difficulties ensued. Rather than let the land company go into receivership, Paul Shoup and George Herbert, two of the original Altos Land Company investors, almost single-handedly bought out the bondholders. They formed the Los Altos Company with George Herbert as president and Fred Shoup (Paul's younger brother) as vice president, and Albert Robinson (Paul's brother-in-law) as treasurer. It was this company that continued to promote and develop Los Altos through the 1920s. By 1930, the town was approaching 3,000 residents. It is uncertain when the Los Altos Company dissolved its partnership. But by the advent of World War II, great change was coming to the San Francisco Bay Area with an influx of millions of military personal and wartime workers. Many stayed during the post-war period. It was this period that filled in the gaps where the early residential development waned, however, the original plats, architecture, downtown structure, and character of the community remained true to the vision of Paul Shoup and his contemporaries. Today the town continues to express its relative small-town nature in the scale of its architecture, the aesthetics of its downtown and adjacent residential neighborhoods, and the tight-knit community that resides there.

### **500 University Avenue**

Paul and Rose Shoup purchased the property in the early days of Los Altos when the area still resembled ranch lands and pasture. The lot at 500 University Avenue was one of the larger available lots in the original Altos Land Company plat, backing up to Adobe Creek and covering several acres. Its proximity to the fledgling downtown and the Southern Pacific depot made it an ideal choice. Shortly after construction in 1910, quarters for a Japanese gardener and his family were built in an area closer to the creek. The 1926 Sanborn maps actually show two servant's dwellings as well as two small garages. Paul listed the dwelling as his primary residence although his job kept him on the road, particularly in Los Angeles, a great deal of the time. His wife Rose lived in the house most of her adult life, eventually passing away in

the house that she loved in 1945. She raised their three children, Carl, Jack, and Louise at 500 University, with the children attending local schools and eventually the local universities (Berkeley and Stanford). Rose was active in the women's social clubs and an avid supporter of the local arts. Part of the park that the Shoup family and other early residents deeded to Los Altos in 1955 (Shoup Park) is named for her (Rose Wilson Shoup Garden). The Shoup family is responsible for commissioning the design of 500 University Avenue and for the major addition to the south in the 1920s. The house was one of the largest constructed in these early years and influenced subsequent architectural design in the area by establishing a level of quality, scale, and refinement by which new construction would be judged. Indeed, through the Altos Land Company, Paul insisted that homes built in the new town meet at least a minimum value threshold of \$1000, a sizable sum for the time. It was during the 35 years that they lived at 500 University Avenue that Paul climbed to the meteoric heights within the Southern Pacific Corporation. It was also during this time that he shaped both the local community and national policy through his many business ventures and political connections. He straddled two worlds – national policy maker and small-town community supporter. At the local level, he put in place the mechanisms for the town to survive and entrusted and enabled his family and friends to complete the task of building a place worth settling in for life. No matter how far he had to travel or how important his friends may have been, he always came back to his home at 500 University Avenue in Los Altos.

### **Conclusion**

Paul Shoup is an important national figure for the various roles that he played during the expansion of the Southern Pacific Railroad throughout California and the western United States. He was a keen businessman who had the ear of politicians in Sacramento and in Washington, D.C. He was a firm promoter of California and of the western way of life through his development of *Sunset Magazine* and his various professional and social organizations. He is also credited with being the founding father of Los Altos. It was his insight that saw an opportunity for a new community where only ranches and orchards existed in 1907. It was his connection to Southern Pacific and to influential local businessmen that resulted in the formation of the first development company, the Altos Land Company, which in turn was responsible for laying out the new town of Los Altos. His family, his money, and his direction all served to bolster the early efforts to promote the area as a discerning commuter residential district. When these efforts were in jeopardy, he invested more time, money, and personal effort to re-acquire the company he had sold only a few years before. This began a new wave of promotions and development for Los Altos that would continue until Great Depression. It was because of Paul's vision, financing, and business savvy that Los Altos survived the first few decades of its existence. His efforts laid the foundation for the community that exists today. His home in Los Altos, at 500 University Avenue, was his home base during these years. It best represents what he wanted for the residential community he was striving to build. It was where he staked his reputation on the viability of the town by settling his family there and raising three children there. He brought his siblings and mother, his business associates, and his friends. They set the standard for architectural excellence, for commitment to community, and for generosity to their community that became a hallmark of living in Los Altos.