

"Railroad Loan" Newspaper Article, June 6, 1857

Railroad Loan.

Council Bluffs, June 6th, 1857.

To E. Lowe, L. W. Babbitt, J. B. Stutzman, P. J. McMahon and others:

Gentlemen:--As requested by you, I will state the proposition of our Company in relation to the Loan to the Mississippi & Missouri Railroad Company, which is to be voted upon on Saturday the 13th inst.

We ask Pottawattamie County to subscribe to the Capital Stock of the Mississippi and Missouri Railroad Company, \$300,000, for the payment of which, the County issues County Bonds for \$300,000 payable in twenty years from the time they are issued, and bearing interest not to exceed ten per cent per annum. The Bonds to be delivered to the Company, when the road is building to the East Line Of and through Pottawattamie County, and the proceeds for the Bonds to be expended in the county. The interest accruing on the Bonds, after they are issued, and while the Road is building through the county, and until it is finished and running into Council Bluffs, will be returned to the County in Stock. For instance--the Bonds will be called for, about one year before the road is finished, and about three years from this time; the interest, at 10 per cent. for that year, will amount to \$30,000, which the Company will issue their Stock to the County for, as well as the \$300,000 for the Bonds, making the County a Stockholder to the amount of \$330,000, on which, it will receive dividends from the earnings of the Road, from the time it is finished, of from ten to fifteen per cent, while the county will only pay interest on \$300,000 Bonds, at not exceeding ten per cent per annum--a clear gain to the County of at least \$3,000 per annum.

Scott, Johnson and Muscatine counties, issued Bonds to our Road, and since the first Division of the Road was completed, and turned over by the contractors to the Company, the dividends on fifty-five miles of road has more than paid the interest on their Bonds; so that those counties are today reaping the benefit of the Road, without paying one cent in the way of tax to provide for the interest on their Bonds.

A favorable response by this County, to the proposition, will bring the road into Council Bluffs from three to four years sooner than it otherwise would come.

I am very Respectfully,

Your ob't Serv't,

G. M. DODGE,
Assistant Engineer M. & M. R R.