

Shaniko

By Ulrich H. Hardt

No town in Oregon has seen more rapid growth and decline in a single decade than Shaniko. From 1901 to 1911, the town went from being the Wool Capital of the World to the liveliest ghost town in the state. Shaniko, incorporated in 1901, was at one time the fifth largest city in Wasco County, shipping millions of pounds of wool and carloads of grain and livestock to market each year.

With the passage of the Homestead Act in 1862, many EuroAmericans settled in central Oregon. That same year, gold was discovered in Canyon City, attracting thousands of miners into the canyons 190 miles southeast of The Dalles. Pack trains carried supplies to camps named Bakeoven and Cross Hollows. By 1869, some thirty homesteads had been issued to applicants in central Oregon counties.

As the gold played out, settlers took up land claims in the area, among them August Scherneckau, who arrived in Cross Hollows from Germany in 1874 and established the post office there in 1879. The January 1, 1901, edition of the *Shaniko Leader* praised the city "in the midst of a fine stock country...that will soon be known everywhere as a city of first importance."

In 1897, the Columbia Southern Railway Company filed papers to build a railroad from Biggs on the Columbia River to Wasco, Moro, and Grass Valley, originally with a plan to extend the line to Prineville. Businessmen from The Dalles and Moro formed the Townsite Company in 1899 to create a rail terminal between Grass Valley and Prineville. They laid out streets and a water system for a town, near the site of Cross Hollows. The incorporated town was named Shaniko, after the Wasco Indians' pronunciation of the name Scherneckau. By 1900, the year the railroad came to town, Shaniko's population was 172.

The land around Shaniko was not good farmland, but it was adequate as sheep and cattle country. Many homesteaders sold their 160 acres to ranchers, who increased their herds. Incoming freight in 1901—primarily farm equipment, building materials, fence posts, and coal and wood fuel—amounted to 1,400 railroad cars, making Shaniko one of the largest inland shipping center in the world. From April to October 1900, the railroad shipped 230 railroad cars of sheep, 5 cars of horses and mules, 31 cars of cattle, and nearly 3 million pounds of wool from Shaniko.

The January 1, 1901, *Shaniko Leader* boasted: "As a shipping and distributing point, Shaniko is second to no city in Oregon (except Portland)," servicing "the vast inland territory of varied resources, extending into California." Shaniko, the paper wrote, was the mecca of the inland territory. Columbia Southern Railway backers built huge warehouses for building supplies and farm products—large enough, for example, to hold 4 million pounds of wool.

Wool sales occurred as many as three times a year, depending on the arrival in the spring of freight wagon trains from Burns, Bend, and Condon, or from Bridge Creek, Fossil, and Maupin. One day's sale in 1903 recorded over a million dollars for the Moody Warehouse Company. In addition to the 2,229 tons of wool, 1,168,866 bushels of wheat and numerous carloads of stock were shipped out of Shaniko on the Columbia Southern Railroad, making it one of the most productive short lines in the nation. In 1904, over five million dollars' worth of wool was sold.

The boom lasted ten years, until railroad magnates Edward Harriman and James J. Hill opened a rival rail line along the Deschutes River Canyon to Bend. Shaniko's population—600 in the 1910 census—began to decline, helped along by two fires that destroyed much of the business district in 1910 and 1911.

One constant in Shaniko since 1902 has been the Columbia Southern Hotel, now known as the Shaniko Hotel. Built in the Italianate style, it has been a hotel, bank, stage stop, saloon, dance hall, and general gathering place and is the most imposing building in town. The building was listed on the National Register of Historic Places in 1979; the Shaniko Historic District was designated in 1982. Other historic buildings are the Sage Museum, Shaniko School, City Hall and Jail, Wedding Chapel, and the Wool Warehouse.

Oregon businessman Robert B. Pamplin Jr. purchased the hotel and a few small businesses and city lots in 2000. He renovated some buildings and planned to build thirty-five new houses for workers who served tourists. But in 2008 the Shaniko City Council, in consultation with the state, denied Pamplin an easement from a well on one of his lots to supply water to the hotel and restaurant. He closed the hotel and cafe, capped the well, and put up "for sale" signs. The *New York Times* reported that the asking price was \$3.1 million and that "the market for ghost towns is limited, particularly expensive ones." As of 2016, the Pamplin property is not for sale.

Shaniko won temporary reprieves when it headquartered workers and their families during the building of Highway 97, the grading and improving of roads in Wasco County in the 1920s and 1930s, and the building of a gas pipeline from California to Washington in the 1950s. A more lasting reprieve came in 1959 when the Oregon Centennial Commission designated Shaniko Oregon's Ghost Town of the Year. Each year in August, Shaniko Days attracts as many as four hundred people on a weekend. The Shaniko Preservation Guild, organized in 2004, operates a museum, hosts an annual Wool Gathering, and sponsors the annual Tygh Valley Bluegrass Jamboree and the Ragtime and Vintage Music Festival. In 2010, Shaniko had thirty-six residents.

Sources

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