

1924.

## NEW ZEALAND.

## HUTT VALLEY LANDS

(PROPOSAL THAT THE GOVERNMENT SHOULD TAKE OVER AND EXERCISE AND ACCEPT CERTAIN  
 (OPTIONS AND OFFERS FOR THE PURCHASE OF).)

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*Laid on the Table of the House of Representatives by Leave.*

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PROPOSAL THAT THE GOVERNMENT SHOULD TAKE OVER AND EXERCISE AND ACCEPT CERTAIN OPTIONS  
 AND OFFERS FOR THE PURCHASE OF LANDS MADE AND GRANTED BY OWNERS OF LANDS ON THE  
 EASTERN SIDE OF THE HUTT VALLEY TO THE MAYOR OF THE HUTT: THE LANDS TO BE ACQUIRED  
 FOR SETTLEMENT PURPOSES.

Letter from the PRIME MINISTER to the MAYOR OF LOWER HUTT.

SIR,—

17th March, 1924.

The subject of the options obtained by you from owners of land on the eastern side of the  
 Hutt Valley was dealt with by Cabinet to-day.

The success of the scheme which you originated for the close occupation of the lands depends  
 upon the provision of new access by railway or tramway crossing the Hutt River at White's line or  
 above the present Hutt Bridge at Petone. The Government finds that it has no power, without  
 special authorization of Parliament, to lay out any new railway or tramway, and is unable to  
 approve the purchase of the lands under your options without prior authorization of the new  
 necessary access.

The decision of Cabinet therefore is that if the owners will extend the options for a period of,  
 say, eight months from the 31st March, when it is understood that they expire, the Government will  
 in the ensuing session submit the whole scheme to the Lands Committee of the House, and if that  
 Committee approves the scheme the Government will introduce legislation to give full effect to it.  
 If the owners refuse the extension, then, with regret, the Government cannot carry the matter further.

I desire to express to you the sense of the Government that you have initiated a scheme which  
 in all probability would make considerable provision for the much larger population which will later  
 be resident in the City of Wellington and in the Hutt Valley, and to thank you for your proposals to  
 the Government in relation to the options you have obtained. It is to be hoped that the owners of  
 the land will, by the necessary extension, enable the scheme to be placed before Parliament for its  
 consideration and approval.

I have, &amp;c.,

F. H. D. BELL,

For the Prime Minister.

W. T. Strand, Esq., Mayor of Hutt, Lower Hutt.

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Letter from the MAYOR OF LOWER HUTT to the MINISTER OF LANDS.

Lower Hutt Borough Council (Mayor's Office),

Lower Hutt, N.Z., 28th July, 1924.

SIR,—

With reference to the proposed suburban railway branch line through the Hutt Valley, and  
 the options to purchase the largest blocks of land in the vicinity of same, the following are the  
 particulars, together with a map of the valley showing them marked thereon.

The two pieces hatched and bordered green [shown on printed plan as Nos. 1 and 2] are  
 Mr. E. Riddiford's blocks of 155 acres, over which I hold a definite option to purchase at £250 per acre.

The piece hatched and bordered black [No. 3 on printed plan] is Mrs. Riddiford's block of 50  
 acres, over which I hold a definite option to purchase at £400 per acre.

The piece hatched and bordered purple [No. 4 on printed plan] is Messrs. Nathan and Reeves's  
 block of 139 acres, over which a firm option is held to purchase at £225 per acre.

The piece hatched and bordered orange [No. 5 on printed plan] is Mr. Eglinton's block of 47  
 acres, held under firm option to purchase at £260 per acre. The piece not hatched, and bordered  
 bronze-green [No. 6 on printed plan] is Mandel's block of 34 acres, which is under offer at £254 per  
 acre.

The piece not hatched in Petone and bordered green [No. 7 on printed plan] is Mr. Sharpe's block, containing 18 acres, and is under offer at £315 per acre.

The piece not hatched and bordered light chocolate [No. 8 on printed plan] is Messrs. Pyne and Boyle's block of nearly 12 acres, and is under offer at £250 per acre.

The piece cross-hatched and covered over purple [No. 9 on printed plan] is Mr. Hannah's block of 25 acres, and is under offer at £250 per acre.

Attached is a complete schedule showing list of properties held and under offer, with total acreage, price, and average price of whole thereon.

The piece broad-hatched purple [No. 10 on printed plan] is the Hutt Park, consisting of 100 acres recreation reserve, the property of the local bodies.

The piece broad-hatched green [No. 11 on printed plan], containing about 140 acres, is the property of the Hutt River Board, and is a proposed industrial area.

The piece broad-hatched black [No. 12 on printed plan], at the estuary of the Hutt River, is free from all floods, and it is also proposed to make an industrial area of that portion of the borough.

The Wilford Settlement, shown with a purple cross [No. 13 on printed plan], is Government land, and only a small portion roaded, although it is shown on the plan as being roaded.

The Hall-Jones Settlement, shown with a green cross [No. 14 on printed plan], is Government land also, and roaded, but only partly settled at present.

For your information I would again say, in handing over these options, that I have no interest in any of them either directly or indirectly, nor have I any property in the vicinity that would benefit by the proposed opening up.

Yours &c.,

W. T. STRAND, Mayor.

The Hon. the Minister of Lands, Wellington.

#### OPTIONS TO PURCHASE.

Name of Owner, and Number on Printed Plan.	Area.			Price per Acre.			Total.		
	A.	R.	P.	£	s.	d.	£	s.	d.
1. Riddiford, E. L. .. .. .	122	0	0	250	0	0	30,500	0	0
2. Riddiford, E. L. .. .. .	33	2	0	250	0	0	8,375	0	0
3. Riddiford, Mrs. E. .. .. .	50	0	0	400	0	0	20,000	0	0
4. Nathan and Reeves .. .. .	139	3	14	225	0	0	31,463	8	9
5. Eglington's .. .. .	47	3	28	260	0	0	12,460	10	0
6. Mandel's .. .. .	34	0	34	254	6	0	8,700	0	0
7. Sharpe's .. .. .	18	0	36	315	10	0	5,750	0	0
8. Pyne and Boyle .. .. .	11	3	20	250	0	0	2,968	15	0
9. Hannah, R. .. .. .	25	0	0	250	0	0	6,250	0	0
	482	2	12				126,467	13	9

Average price per acre, £262 8s.

#### Memorandum from DISTRICT VALUER to VALUER-GENERAL.

Wellington, 22nd February, 1924.

Memorandum for the Valuer-General, Wellington.

#### *Re Hutt Valley Settlement.*

As instructed by you, I visited the lands over which the Mayor of Lower Hutt has obtained options to purchase in connection with the scheme for the opening up and development of the eastern portion of the Hutt Valley, which is described in his letter to the Hon. Sir Francis Bell of January last, and beg to report as follows on the present-day values of the said lands, and incidentally on the scheme generally:—

I have been personally acquainted with the development of the Hutt district for over twenty years, and have therefore a first-hand knowledge of the land-values ruling during that period. In common with other localities, it has had its periods of progression and stagnation, but present prices ruling, which are lower than they were ten years ago, seem to indicate that in the future the progress of the district will be on sound lines. Present settlement largely follows the existing railway-line, and additional means of access will have to be provided either by way of branch railways or motor services to open up a large area towards the eastern and southern side of the borough, which is even to-day relatively sparsely settled. These localities contain the properties over which options have been obtained by Mr. Strand, the Mayor of Lower Hutt. These properties have been for years a source of annoyance to the Crown and local authority through continuous applications for revaluations under section 36, and consequent offers at a lower figure under section 31 of the Valuation of Land Act. In the ordinary course of events at some early date it will be necessary to extend the existing railway system to the vicinity of the projected reclamation at the Hutt River mouth. An extension beyond this point traversing the "optional" land (if held by the Crown for development purposes) will considerably widen the prospects of an early profitable return from a

railway point of view, besides opening up for settlement at reasonable prices the finest building-land in the Wellington district, and providing more convenient railway facilities for the local market-gardeners and the farming community of the Wainuimata Valley.

The bulk of the sections recently sold, and selected by Mr. Strand for purposes of comparison, it will be noticed, are much closer to the present well-settled area than any of the lands comprised in the scheme, and the selection could easily have been made more representative. The Hall-Jones Settlement, roaded by the Crown, and lying to the eastward of the Riddiford Block, has been subdivided into forty-two sections, varying from 1 to 2½ acres, and so far only seven sections have been disposed of, at an average price of £240 per acre. On the western side of the same block the Bellevue Gardens sale realized prices ranging from £400 per acre for vacant land to £700 for lands planted in ornamental trees and shrubs, or a rough average of £550 per acre. This figure is representative in that locality, as the latest sales for quarter-acres in Nikau and Wainui Avenues, in the immediate vicinity, average £140 for quarter-acres. Riddiford's block, therefore, could only reasonably be expected to average under present conditions £400 per acre.

An error appears to have been made in Mr. Strand's letter where he states the available area as 375 acres after the deduction of 80 acres lost in roads. This should be 336 acres, with consequent amendment in values to £573 and £143 in place of £476 and £119 as stated.

Options have been obtained over the two lower blocks at £260 and £225 per acre, prices which I consider are in excess of their present value by £50 and £75 per acre. The other options are, however, all at reasonable prices, and the projected development will considerably enhance the value of the two lower blocks; but in any case I feel sure a little negotiation would result in a lower price being accepted.

As a commercial proposition the block-value should represent 25 per cent. of the realizable value on subdivision to provide for all contingencies and return a reasonable profit on capital outlay. The Crown, however, is in a more favourable position in not having to pay rates and taxes—always a costly item—during development. They have, however, to consider the possibility of strong competition from private owners in the vicinity if, through too generous a development policy, the block-value is so heavily loaded that their selling-price approximates too closely the ruling market rate for private subdivisions.

TOTAL COST OF SCHEME.		£
Acquisition of land—416 acres @ £261 6s. (approx.) .. .. .		118,700
Area lost in roading, say, 80 acres. Roading 800 chains @ £80 per chain .. .. .		64,000
		<u>182,700</u>
Add survey fees and incidental expenses (5 per cent.) .. .. .		9,135
		<u>191,835</u>
Interest at 5 per cent. for five years (approx.) .. .. .		47,960
		<u>239,795</u>
Total area .. .. .	Acres.	
	416	
Deduct—	Acres.	
Roads .. .. .	80	
Reserves .. .. .	36	
	<u>— 116</u>	
Leaving 300 acres available for residential sites at average of £400 per acre .. .. .		120,000
		<u><u>£119,795</u></u>

The above estimate is framed on the present conditions existing, and the estimate of £400 per acre all over realizable on subdivision is distinctly liberal.

Assuming completion of the proposed railway extension to the vicinity of Waterloo Road the position would be—

	£
Total cost of preparing land for market as above .. .. .	239,795
Add cost of railway extension (say) .. .. .	40,000
	<u>279,795</u>
Assume development on above lines doubles value on subdivision (a conservative estimate): 300 acres @ £800 per acre .. .. .	240,000
Deficit .. .. .	<u><u>£39,795</u></u>

Land in Te Mome and Alicetown, adjacent to the present Hutt Station, in 20-perch sections, is selling readily at £150 to £200 per section, or at an acreage rate of £1,200 to £1,600, or an average of £1,400. Assuming, therefore, that railway-extension through the blocks under option would enhance their value and return £1,000 per acre, the above deficit of £39,795 would be converted into a profit of £20,205.

There is one point in connection with the scheme which has escaped consideration, and to which I drew the attention of the Mayor of Lower Hutt. The Hutt River Board are reclaiming 260 acres for industrial purposes, and will profit considerably by the suggested railway-extension and the provision of residential areas adjacent to their property, and they should be called upon to contribute in some way. I suggested that they should guarantee interest on any loss, but the Mayor would not consider such a proposition, but voiced the possibility of a cash contribution of, say, £5,000. If this offer was amplified by the offer of all river-metal required for roading free of cost, and the handing-over of portion of the reclamation for railway workshops, &c., the possibilities of the scheme would be well worth consideration.

It must not be forgotten that the sale of Crown lands in the Wilford, Pitt, and Hall-Jones Settlements would receive a considerable impetus, while the soldiers' settlement at Waddington would benefit appreciably.

The gradual development of the valley, as far as Haywards on present lines will result in continual calls on the State for grants-in-aid to construct bridges and roads giving access to different stations across the Hutt River. The proposed line, and its subsequent extension as necessity arises, will silence these calls, and concentrate a population of sixteen thousand additional people along a four-mile branch railway, besides opening up a manufacturing area of 260 acres. This from a railway point of view is infinitely more profitable than dealing with the same number of people scattered over a distance of twenty miles. It seems to me the scheme is a practicable and sound one commercially, and, although it involves a problematical small initial loss, it must, if adopted, result ultimately in very material public benefit to the community.

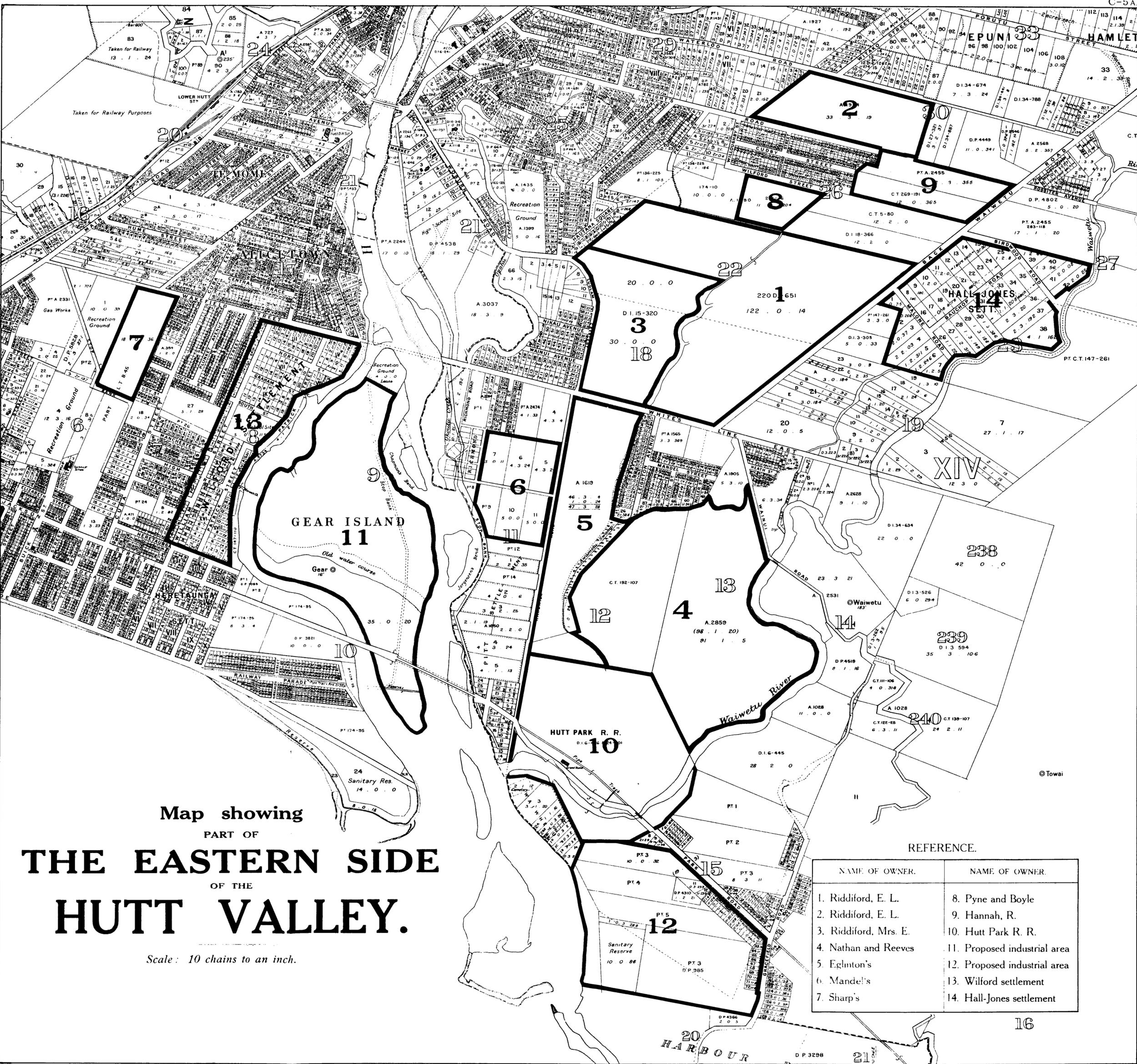
F. N. MARTIN, District Valuer.

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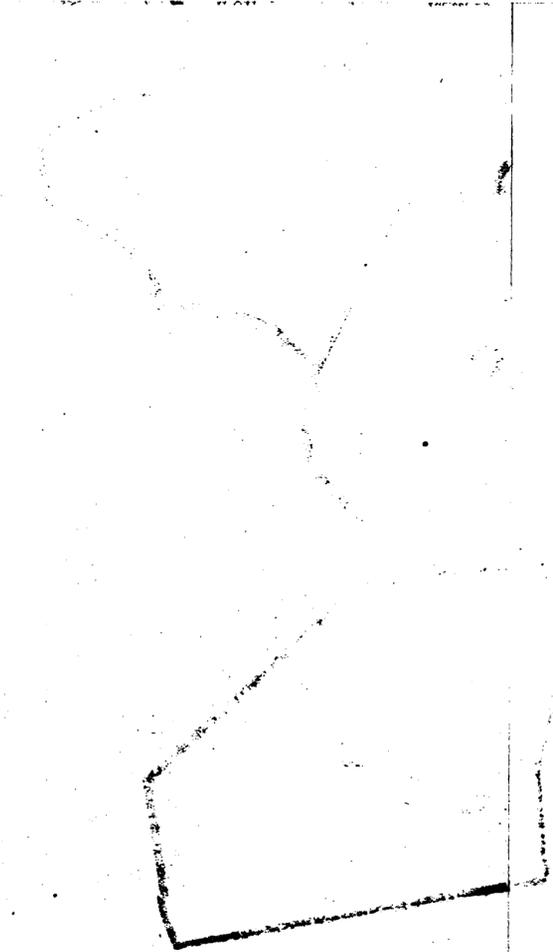
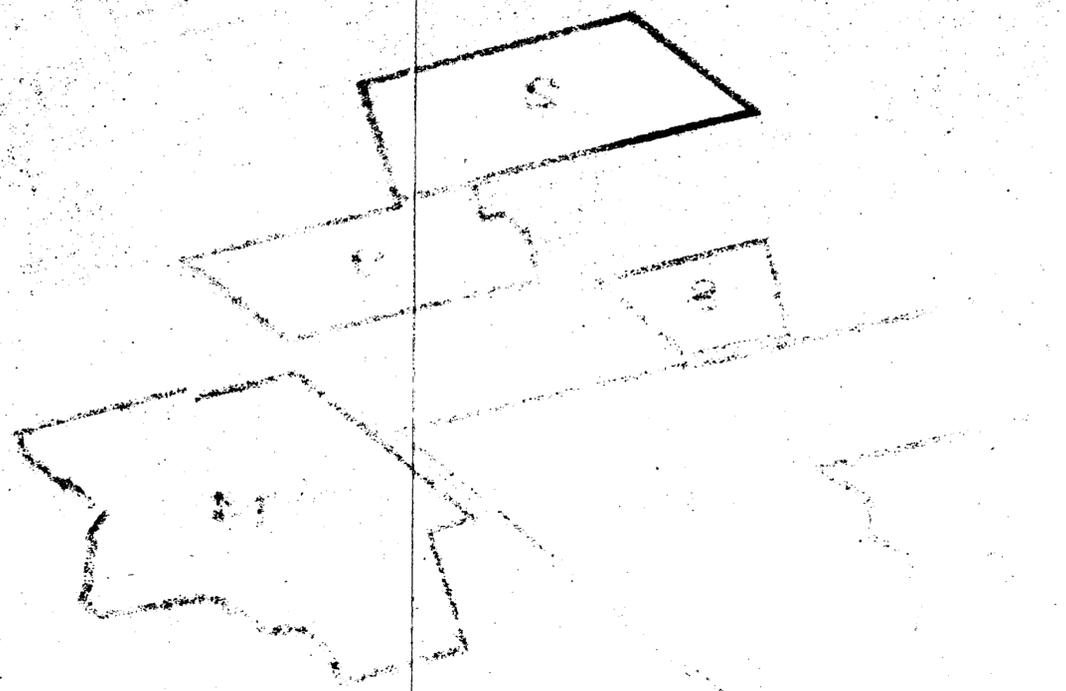
Map showing  
 PART OF  
**THE EASTERN SIDE**  
 OF THE  
**HUTT VALLEY.**

Scale: 10 chains to an inch.

REFERENCE.

NAME OF OWNER.	NAME OF OWNER.
1. Riddiford, E. L.	8. Pyne and Boyle
2. Riddiford, E. L.	9. Hannah, R.
3. Riddiford, Mrs. E.	10. Hutt Park R. R.
4. Nathan and Reeves	11. Proposed industrial area
5. Eglinton's	12. Proposed industrial area
6. Mandel's	13. Wilford settlement
7. Sharp's	14. Hall-Jones settlement

MAP OF THE DISTRICT OF COLUMBIA



THE BUREAU OF THE DISTRICT OF COLUMBIA

DISTRICT OF COLUMBIA  
 BUREAU OF THE DISTRICT OF COLUMBIA  
 DISTRICT OF COLUMBIA