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GOVERNMENT HOUSE

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Sir.

In continuation of my telegram of the 27th of May, 1913. I have the honour to inform you that the Commissioners when I appointed in January, 1913, to enquire into and report upon the manitary condition of Mairebi have again appreached me with a proposal similar to that which percent to you under my telegram above specified.

- 2. I gave the Commissioners an audience at their special request on the 28th ultime, when they laid their proposals fully before me, and I must admit that I was favourably impressed with the way in which they stated their case, the history of which is as follows.
- 3. The preposal previously submitted to you, was that this Government, in view of an impending sale for Asiatic occupation of part of the plet in Mairebi, belonging to Mr Grogan, known as the Cross Estate and shown on the emplesed map, measuring in all about eighteen seres, should take ever the whole plot if satisfactory

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DOWNER STREET, LOYDON S

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satisfactory terms of sale of least sents be selected with Mr Grogan. The latter at this time was on the point of departure for Europe.

- Before your instructions on the subject had been received the Commissioners had further communications with Mr Grogan, the result of which was that he restricted his proposals to a lease of the Gross estate to Government at a rent of £3,000 per annum.
- 5. This proposal was considered by the Commissioners on the 4th of June, 1913, at a meeting at which the Chief Secretary attended, when it was decided that the Commission sould not see their way to accept Mr Grogan's proposal and to recommend such heavy expenditure the facts and figures submitted to them, and within the limited period before Mr Grogan's departure.
- 6. Immediately thereafter Mr dagan wold 44 plets on this estate. The average the plots was 3,300 square feet, and the average price realised was Rs.3,943 (say £263) per plot.
- of subdivision into 500 small plots of 800 square feet each, so that on the basis of the results of the sale in June, 1913, the selling value of the state, less acreage reserved for reads and passages, would be as follows:-

Plots sold, 44 6 2s.3943 . Rs.173,492 . 11,559
500 new plots 6 2s.985.87 . Rs.477,935 . 51.862

Capitalised at 20 years us. en. 245 or 2616

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Bs. 12 per

Capitalised as above Rs.120,000 = 8000 Total value

5% of which is 22,711.

- These results encouraged the Commissioners to reconsider the whele question, and it was finally ascertained that Mr Grogan would accept the following terms.
 - A. Governmentto pay Mr Grogan an annual rental of £2,500.
 - B. Mr Gregan to hand ever to Government
 - (1) All that portion of the Cross Estate still available for leasing.
 - (2) The ground rents due on the plats already sub-leased from the date at which Government takes over.
 - (3) Any premia due to Mr Grogan which are payable after the date at which Government takes over.
 - C. Mr Grogan to allow no sublettings of his adjoining property which would in any way compete with the Government alienation of Cross Estate plots until the 31st of December, 1918.
- After careful and exhaustive consideration the Commissioners decided to recommend the proposed transaction, if possible at a west of 22,000, which it was thought probable that In rose o specific us out as he to know to be and being the property of the second section of the second section of of real agreement to your transfer and the second

much as 22,500.

this transaction but for the fact that the Commissioners ratisfied me that it constitutes a vital and integral portion of the town planning scheme which they are about to recommend. I enclose with this despatch an extract from their report, now in the press, dealing with the whole matter and I now proceed to recapitulate the arguments which they adduced in support of their advice.

11. After hearing the evidence before them the Commissioners were unable to resist the conclusion that their first duty was to formulate a scheme of town planning giving effect to the principle of segregation of races.

They found that the hesidential and commercial areas for Europeans were already fixed beyond the possibility of substantial alteration: the African area also was a matter which presented little difficulty.

There remainded the problem of finding residential and trading areas for Asiatics and it is for the latter purpose that the acquisition of the Cross Estate is proposed.

mentioned that the Commissioner have found themselves obliged to face the possibility of the Razaar being left on its present site, in view of the heavy expense which expression would entail. They admit that if a site of the site of t

Report.

considerations are regarded as paramount, to the extent of over-riding considerations of finance and political expediency, then the entire Asiatic population should be removed across the River, and the Bazaar should be demolished. It is understood that this is what Professor Simpson recommends: but it has to be noted that the expense of expropriating the Bazaar would only be a comparatively small part of the cost of such a scheme, to which the Asiatic population would moreover be bitterly and not unreasonably hostile. (This, the Commissioners state, is shown by the swidence of the Indian witnesses before the Commission, if indeed any proof is required. These were in favour of having an area for shaps and dwellings on the other side of the river, but only on condition that the existing Basaar should not be removed.

- 13. The congestion and consequent insertitary condition of the Bazaar is due unquestionably in the first instance to the lack of accommodation elsewhere, and could be at least mitigated to a very considerable extent if new residential and trading areas were opened up.
- 14. For a residential area the Commissioners have selected the locality which the Asiatio, . witnesses all preferred that lying between .

 Ngara and Fort Hall Roads.
- 15. Their reasons for selecting the Cross
 Estate for a trading area are as follows:
- trade. To the native, generally speaking, Mairobi

means.

off the native route.

good sits well aloped and of good red will, and is probably superior to any other outside the European area. I am personally acquainted with it and consider it well adapted for the purposes proposed. The surrounding area is practically entirely in Asiatic occupation.

- 20. But the weightiest argument in favour of this site is that, unless practically confiscatory legislation is to be introduced (for the restriction of the site to European occupation would be almost tentamount to confiscation in the complete absence of any European demand for land in this quarter except with the view of letting it to Asiatical, the site will be developed for the very purpose recommended by the Commissioners but under non-official control. With its natural advantages as detailed above it will prove a successful rival to any other trading area for Asiatics that Government may inaugurate and an insuperatle obstacle to any town planning scheme of which it is not an integral part.
 - 21. It is true that it is open to Government to leave it to develop on these lines without attempting to institute any rival scheme, but the Commissioners urged with great force that if this were done the advantages attending upon Government contgol would be lost. These advantages they detailed as follows:-
 - (a) Compulsons sullding clauses could be inserted in the leases.
 - The married would be the best to meter

the size of the plots.

- (a) Subletting could be prohibited;
- medical witnesses before the Commission laid great stress.
- (e) The number of plots to be held by any one person could be restricted, thus checkmating the speculator and preventing non-development.
- (f) The area could be absolutely restricted to Asiatic occupation.
- (g) Special clauses dealing with sanitation ventilation and rat-proof construction could be inserted in the keases.
- (h) If necessary it could be insisted on that the shops should be detached.
- instituting a new bazaar of lock-up shops on the Cross estate would be that the native trade would be gradually as it were entired by natural processes estateards along the line of the native route. The effect on the existing taxaar would be that the larger merchants there would find it their best policy to put up high class business houses in order to attract a better class of customer. If and in so far as they failed to do so, site values in the lazaar would depreciate to such an extent that the problem of dealing with it would be immeasurably simplified.
 - of the matter, I have already shown that on the basis of the table in June the selling value of

the land in question would be 204, 237, ou which sum the maximum rent proposed to be accepted represent 4.61 per cent. The assumption that the balance of the estate is as valuable as the part already sold is well founded, as the whole plot is of good configuration.

24. In order to show what return the plets let out would produce the Commissioners gave me two estimates, one based on leases at a small rent but with a comparatively high stand premium, the other, on leases at a higher rent out with the premium reduced, the plots being taken at 40 feet by 20 feet each, which are the dimensions retommended by the Commission for the class of shopkeepers for whom they desire to provide, and the five per cent table being adopted in reducing capital value to rental:-

per plot rental and a stand premium of Rs.1180 per plot a total rental value is produced of Rs.42,002, or £2800.

Per plot rental and a stand premium of Rs.150 per plot a total rental value is produced of Rs.35,804, or £2367,

as compared with Mr Grogan's offer of 22500.

25. With reference to Estimate 2, a rental of Rs.6 per month per plot and a stand premium of Rs.200 per plot would give nearly exactly the came rental value as Estimate 1.

ne. In both these estimates the expendes

Collection 74 per cent, Suction and

Allowance for deferred payment, pariod of fire years in which to dispose of the plots, bad debts, legal expenses, etc. 10 per cent.

- 27. The Commissioners maintain that the advantages which would accrue from the scheme proposed cannot be measured in cash and would be more than sufficient to dutweigh a substantial financial loss, but that there is a reasonable if not sure prospect of the proposed bargain with Mr Grogan being actually profitable to Government appears to be established by the figures which I have given.
- 28. The Commissioners represent that their proposal is an integral part of the general scheme which they are putting forward, and the keystone of the whole fabric. They claim for it that taken in conjunction with the African location scheme it is the only scheme yet put forward which even professes to deal effectively with the Bazaar problem otherwise than at a ruinous cost.
- the strength of their case; and unless Government are prepared to spend vast sums on the Asiatic housing problem I see no other way of effectively dealing with the situation. I therefore recommend that sanction should be given for the Protectorate Government to enter into an Agreement with Mr Grogan on the terms above set forth, the rent to be a sum not exceeding £2500 payable annually during the currency of the lease, which expires on the 1st of Reptember, 2003.

- negotiations are sanctioned, as Mr drogan is so situated that, unless approached at once, he will be tempted by develop the property independently and so render abortive the whole scheme which the Commissioners have prepared.
- report from Professor Simpson remarking Mairobi town I understand that his recommendations will include the entire removal of the Indian Bazaar and various other improvements which though excellent in principle are beyond our means to effect. I would suggest that the financial difficulties might be explained to Professor Simpson and that he might be asked to consider as an alternative the adoption of the proposals now put forward.

I have the honour to be,

Your humble, obedient servant,

GOVERNOR.

INTLOSURE NO 2 73
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Entract from Report of
National Saintary Commission

B. As a ARIA

Some Mr. Bransby W. care at assect the recovered the Bazaar tre question has been the subject of constant disease in and the principles an versal or the European estimator that ten oval is in the reghest disease of set by . With this opinion all the expert medical withcomes examined to be a conductive. Common oriers have no bestation in agreeing with them. A some extense if the planning for Nairobi should follow the main times to did out to Mr. Branch, Wisconse, and since accepted and acted upon, and it is impossibly to regard one applicit to a scheme, which is ease a large block of Asato property in the conduction of the flatent act at

at. It is instance open to generalisate of the establishment on an expect of the standard capital garage for the standard and the standard capital garage.

Thom such information as they share more than a procure togard in recent developments in rown planning in Great lateral at a Commissioners gather the the to respect a minute intravolution of the wholesate expropriation of slain property even by the available corporations of the ground of excessive or and an view of the lacilities expring for forcing and an all the profession operations reconstruct a management of the expression of the supervisor reconstruct at management.

There has not a soul and the sound of the sound of the soul as soul as a sou

Laby careful and exhaustive Report of the Special Committee of 1912 that the careful and exhaustive Report of the Special Committee of 1912 that the careful and caref

The Commissioners recognise that this expense might star not unreasonably regarded by Government as prohibitive if any other scheme would be devised eceby the overcrowding and insanitary conditions of the Bazaar could be abolished a moderate cost.

The opinion of the various witnesses upon this subject may here be samma sed. All the Medical enablesses agreed that removal of the Herme was the seal but none went so far as to state that it was apperative. All agreed in recommend githat the Bazaar should be made a surely commercial area with residence obsided. With this view Mr. Abdina Verani to whose evidence the Commissions attach much weight concurred. The other Asiar environses were not averse on the probabilition of residence by all except the actual shop keep is and their

The Commissioners however at our spinson that the local and himself and models attendant upon the execution, fairly such scheme in the Bazzar would be insuperable, and that it is expressed exprepriate news of be taked the scalar most be dealt with by the strict enforcement of saintary mass. Following the thosphic at of other Assity are as is pro-1.11 at meeting to:

Meantime trained are steps should be taken to prolubit the accompanient as a same quarter of the imbinition Bazari plots ising to the north of the Joesannee areas. The Commission of care satisfication with steps of placing the last well for the highest degree extendent.

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Apart from the question of the existing B on the per construction belonged man for Youth, to a received value of interests account only a dependence deather than the Location.

In alloring an area for A area, the Commissioners her a to be of the most importance that the softments of the Vogeresche as less stimild be considered. It is therefore with much satisfaction that the Committee in find the activities better agreement with the Asatur witnesses in preferance the facea trying between the Protectorate Subordinate Quarters and Fort Hall Road, on the west side of Sambin Road. At least 100 incres are available here and can be occupied as some the necessary roads and drains have been made, and the Native Willige's have cen dismantled. The land average to the east of the road should be a serve to sture requirements.

The Commissioners therefore recommend that plots and roads should be

her of plots should thereafter be put up to auction for sale to Asiatics only.

Trading Area.

A separate trading area loss Asiatics is also considered a prime necessity. The alk of the Asiatic trade is with natives and is on a comparatively small seale. What consultradesman requires therefore is a small plot at a low rental, situated not too afform the heart of the township and on the route most frequented by natives.

Unfortunately no Crown land is to be found fulfilling these requirements, nexceedingly similable area does exist: but it is the property of Mr. Grogan. It possess of the unsold balance of the Cross. Estate as shown on the map unnexed to is Report, in all about 36 acres capable of subdivision into about 500 plots of 800-stare feet each. It is situated on well sloped ground. The land is good red soil, lies on the principal native route leading into Nurshi, whe road from Fort Hall.

The Commissioners have reason to believe that 'b' Gorgan - arilling to negoale with Government for a lease of the Cross Estate. They have carefully considered
equestion of its value and are of opinion that if it can be seemed at a central of
1000 it could profitably be taken over and leased out as casy terms to Asiatic
agers. They therefore recommend that negotiations be outered into with this
bectand that if the transaction is completed the area be developed on the same
has as recommended above for the new residential area, except that the lessees
wild be taken bound to erect suitable shows and to maint on them as shops only,
of prohibited from using the premises for domestic purposes. In 1407, the area
based be developed on the lines replicated in the evidence of Dr. Brekett for a
skip bazaar.

The adoption of the above recommendations regarding the Bizaar and the exposed residential and trading areas should be made parts it a more compressive scheme providing for the division of the article township into European, pains and African areas. The division to immeride, by the Commission two shown in the map annexed to the Report.

- The African area shown is that recommended above.
- The Asiatic-residential area is roughly that Iving to the vorth cast of the top of the County Street. Its western boundary raps along Swamp. Road and it western line of the Goan Subordinates Quarters produced up to the Fatt Hall and
 - 3. The Asiatic commercial area is as show and the map

The present Bazaar area must be treated separately

4. It is recommended that the rest of the town should be reserved for intopean occupation. It is not considered desirable, even if it were practicable, to not all Asiatics from this area forthwith—but Asiatics could gradually be eliminated whout hardship by the refusal of consent by Government to transfer to non-Europe.

Similarly transfer to non-Asiatics in the Asiatic area should be presented.

Assignation of Mand 1914 Sama to transmit to for your observations, em af Simpson and, mo, then? The accompanying copy y a desp. from the fore. Mr. Harper 3/3/14 Ar. Portonly 3/5/14 6 y the East, with its Sir G. Fiddes. enclosures in original Sir H. Just. Sir J. Anderson. for return, on the subject ord Emmott. hand the little and y Town Klanning at Margines of the procedure will be glad if you can furnish a very early reply on he malles