

The Holland Purchase: Pioneer Settlements in Western New York State

By Marian S. Henry

At the close of the Revolutionary War, a major focus of the new country was westward expansion. Land speculation became a fever. Pioneers into western New York purchased their land not from the state, but by a contract with the Holland Land Company. This consortium of Dutch bankers purchased 3.3 million acres comprising present-day Allegany, Cattaraugus, Chautauqua, Erie, western Genesee, Niagara, Orleans, and Wyoming counties. (View a map of this area [here](#).) The first contracts were written in 1801. In 1810 the population exceeded 23,000, and by 1820, when approximately half of the land had been sold, it exceeded 100,000. In this article we look at the Holland Land Company, the Holland Purchase, and the men who administered it. A subsequent article will discuss the genealogical information available in the archives of the Holland Land Company and how to access those records.

The Formation of the Holland Land Company

At the close of the Revolutionary War, John Adams helped to negotiate sufficient financial backing from Dutch investors to stabilize the fledgling government of the United States. By 1796 the Dutch held the entire foreign debt of the new country – about twelve million dollars. In 1789, a joint venture was proposed by four Amsterdam banking houses with experience in American investing – Pieter Stadnitski and Son, Ten Cate & Vollenhoven, Nicholass and Jacob Van Staphorst, and P. & C. van Eeghen. Later, in 1795, two other firms – W. & J. Willink and Rutger Jan Schimmelpenninck – were added to form the *Hollandische Land Compagnie*.

The Holland Purchase

On November 30, 1789, the company hired Theophilus Cazenove as their General Agent. He was to manage all of their U.S. investments, one of which was to be a 3.3 million acre tract west of the Genesee River. This transaction became known as the Holland Purchase. Unlike Pennsylvania, where the company also made large purchases, New York State law forbade aliens from owning land.[1] Thus, for the New York purchases Cazenove created a board of trustees to hold the land for the company. In a series of five deeds in 1792 and 1793, Robert Morris sold this land to Herman LeRoy, John Linklaen, Gerrit Boon, William Bayard, and Matthew Clarkson.[2] Although the sale included an agreement by Robert Morris to assist in the extinction of Indian rights to the land, this was not accomplished until the Treaty of Big Tree on September 15, 1797. Several tracts, ranging in size from one to seventy square miles, were not part of this treaty, and these were the reservations of Cannawagus, Little Beard's and Big Tree, Squakie Hill, Gardeau, Canadea, Oil Spring, Allegany, Cattaraugus, Buffalo, Tonawanda, and Tuscarora. The larger reservations may still be located on a current state map.

The Survey

Before the land could be sold, this vast territory had to be mapped and surveyed. Cazenove had engaged Joseph Ellicott as principal surveyor in 1794. This was a logical choice considering that Joseph Ellicott's older brother Andrew, who became Surveyor General of the United States, trained Joseph and made him his assistant in surveying the city of Washington. Joseph Ellicott served the Holland Land Company at other locations, principally in western Pennsylvania, until the Treaty of Big Tree was signed. He then began the task of surveying the boundaries of the New York land and subdividing it into townships and ranges. He and his crew of about one hundred fifty men began in March 1798 and finished in October 1800, at a total cost to the company of close to seventy-one thousand dollars. He employed the transit method to avoid the types of errors that plagued the eastern boundary of the Phelps-Gorham purchase. This method required line-of-sight measurements, which in turn required the crews to cut clear swathes along each line. The survey was slow, labor intensive, and accurate.

The company needed the survey in order to describe the land involved in each sale. When the state later created towns and counties, the political boundaries often, but not always, followed the existing township and range boundaries. Thus the present-day boundary between Cattaraugus and Erie counties divides ranges 5, 6, 7, and 8 of township 6 between the two counties.

Land Sales Begin

In 1799 Theophilus Cazenove resigned as General Agent of the Holland Land Company. His successor was Paul Busti[3]. Busti had worked for the company since 1796, and continued to do so until he died in office on July 23, 1824. His chief clerk, John J. Vanderkemp, succeeded him. It was Busti who suggested the name of Batavia for the community in which the first local land office was located, taking it from the republic in which Amsterdam was located. On November 1, 1800, the company named Joseph Ellicott as their local agent, in charge of the sale of the land he had surveyed. Settlement was initially slow but picked up from about 1807 until the outbreak of the War of 1812. Some settlers in present-day Niagara and Erie counties were devastated by that war. O. Turner, in his *Pioneer History of the Holland Purchase*, speaks of “the smoking ruins of the once pleasant, delightful and flourishing village of Buffalo”[4] and describes refugees streaming into Canandaigua.

The Middle Years

Recovery from the war seems to have been speedy. Even so, lack of access to markets and the resulting shortage of cash meant that the majority of settlers became delinquent in their payments. Economic depression in 1819 further slowed sales and payments. Joseph Ellicott became involved in local politics, leading to difficulties for the company. In 1821, Paul Busti demanded, and received, Ellicott’s resignation.

Ellicott’s successor was Jacob S. Otto, who served until his death in 1826.[5] During his tenure the company began to accept payment in kind from farmers who had little cash, an idea originally proposed by Joseph Ellicott and resisted by the company. Cattle and grain were delivered to depots that the company established. Each year agents advertised the time, place, and price for accepting cattle.

Upon Otto’s death, his assistant (and Ellicott’s nephew) David E. Evans became the last local agent in Batavia, and he remained in office until 1837, when company business ceased. In September 1827, the company decided to refinance contracts, rather than begin foreclosure proceedings. The following year they sold sixty thousand acres of lands in Chautauqua County to the Cherry Valley Company[6].

Lands Sold to Cherry Valley Company in 1828

Location	Town	Location	Town
T1R10	Carroll	T1R11	Kiantone & Busti
T2P10	Poland	T2R11	Ellicott
T3R10	Ellington	T4R11	Charlotte
T4R10	Cherry Creek	T5R11	Arkwright
T5R10	Villanova	T6R11	Sheridan
T6R10	Hanover	T1R12	Busti & Harmony

End Game

In spite of all efforts to avoid foreclosures, relations between the company and settlers went from bad to worse, although the completion of the Erie Canal contributed to growing prosperity. In 1833 the legislature passed a law taxing the company for debts still owing to it upon land sales. Efforts to collect arrears were largely ignored. Newspaper articles were published painting the company as composed of evil, grasping foreigners. The settlers tried, unsuccessfully, to challenge the company’s title to the land, and soon the company carefully began to divest itself of its holdings in New York.

In 1834, some mortgages newly subject to taxation were sold to the New York Life Insurance & Trust Company. Evans recommended selling a few of the more troublesome townships in order to demonstrate that the new landlord would not be an improvement. In the summer of 1835 three townships were sold: Orangeville in Genesee County (T9R2), Charlotte in Chautauqua County (T4R11), and Boston in Erie County (T7R8). In the same year, men interested in a projected Erie Railroad[7] bought reverted and unsold land in Allegany and Cattaraugus counties, and

the towns of Java and China in Genesee County. The Farmers Loan & Trust Company of New York bought out the interests in Erie, Orleans, Niagara, and Genesee counties.

Paul Evans describes the settlers' change of heart. "When it became known early in 1835 that the Company was making preparations to sell out its interest to native landlords, the news was greeted by the settlers with something like consternation. Though they had been quick to criticize the faults of the Company, most of them realized perfectly well that it had been extraordinarily lenient in its treatment of backward debtors. Petitions poured into the Batavia office from the settlers praying the Company not to 'sell them out'. ... Had it not been so serious it would have been comic. Those who had protested most loudly in the past years were now rushing to get deeds before the Holland company should turn them over to the tender mercies of the native landlords.[8]

Remaining lands and securities in Chautauqua County were sold to Trumbull Cary and George Lay of Batavia. Company agents Evans and Vanderkemp could scarcely believe the favorable terms they were offered and readily agreed. These new proprietors made the same demands – that back interest and deferred payments be paid. They also offered, like the Holland Land Company, to renew expired, unpaid contracts. However, the new contract would be based on then-current land prices, not the price at the time of the original contract. They threatened to evict the current occupant and sell the land to a new tenant if payments were not made.

The settlers refused and on February 6, 1836, they destroyed the land office in Mayville, Chautauqua County. This led to the fortification of the land office in Batavia, which staved off a similar mob attack. Some leniency on the part of the new proprietors, a new local agent in Mayville, and the passage of time eventually restored calm. The estimated profit to the Holland Land Company shareholders was five to six percent per year.

Bibliography

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[1] Later the state would pass a series of acts making the use of trustees unnecessary. The first, passed April 11, 1796, was titled "An act for the relief of Wilhem Willink, Nicholaas Van Staphorst, Christiaan Van Eeghen, Hendrick Vollenhoven, Rutger Jan Schimmelpenninck, and Pieter Stadnitski, being aliens."

[2] Robert Morris's wife, Mary, received an annuity from the Holland Land Company of fifteen hundred dollars for release of dower on lands sold. Although a seeming pittance at the time these deeds were executed, the sum became crucial some five years later when Morris's financial position collapsed and he found himself facing debtors' prison.

[3] Paul Busti was born October 17, 1749, in Milan, Italy, and was employed in his uncle's counting house in Amsterdam. He was a brother-in-law of Ten Cate, one of the bankers in the Holland Land Company, and had no children. The town of Busti in Chautauqua County bears his name.

[4] *Pioneer History of the Holland Purchase* ; O. Turner; G.H. Derby Co, 1850 (reprinted by: James Brunner; Geneseo, 1974, p. 605

[5] Otto attended the celebration of the completion of the Grand Canal in Lockport on October 26, 1825. He caught cold and died May 2, 1826. The town of Otto in Cattaraugus County bears his name.

[6] James O. Morse, Levi Beardsley, Alvan Stewart

[7] E. Lord, S. B. Ruggles, Nicholas Devereaux of Utica

[8] *The Holland Land Company*; Paul D. Evans; Buffalo Historical Society, 1924, p. 394