

Decision No. 10589

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of

KEY SYSTEM TRANSIT COMPANY,
a corporation,

for a certificate declaring that public convenience and necessity require the operation of motor-bus service from the City Hall, in the City of Oakland, thence along Broadway and Tenth Streets to the Oakland Estuary Tube, thence through said Tube to Webster Street and Santa Clara Avenue, in the City of Alameda, and return over the same route, all in the County of Alameda, State of California, and for permission to connect said motor-bus service with its existing motor-bus and street car lines and to unify the same, and for an order authorizing applicant to discontinue and abandon its street railway service over the Webster Street Bridge and on Webster Street, and its franchises authorizing such operation.

ORIGINAL

Application No. 14516.

Erobeck, Phleger and Harrison, by Herman Phleger and
Frank S. Richards, for the Applicant.

William J. Locke, for the City of Alameda.

A. N. Nelson, for the City of Oakland.

A. R. Linn, for the Alameda Chamber of Commerce.

DECOTO, COMMISSIONER.

O P I N I O N .

There is now being constructed and nearing completion by Alameda County under the Oakland Estuary, sometimes called the San Antonio Estuary, and between the Cities of Alameda and Oakland, a tube and subway. The approach to this tube on the Oakland side is at Sixth and Harrison Streets and on the Alameda side at Webster Street.

The Key System Transit Company, hereinafter referred to as the "Key System", now operates the cars of its Santa Clara Avenue Line over the estuary on the Webster Street Bridge. This bridge will be removed upon the completion of the tube. The Key System has filed its application to abandon its street car service across the Webster Street Bridge and along Webster Street in Alameda and substitute therefor a bus service from Fourteenth and Broadway in Oakland through the tube to the intersection of Webster Street and Santa Clara Avenue in Alameda, with the same transfer privileges as are, at present, in effect upon street car lines and with a transfer to the Santa Clara Line at its junction with Webster Street in Alameda.

The Key System for some years has been faced with a steadily decreasing net return and during the year 1927, according to the testimony in this case, suffered a loss on all its operations of \$682,428.17. The evidence shows that on its Alameda Lines for 1927, it suffered a loss of \$108,000., of which \$62,000. was loss of return on invested capital and \$46,000. an operating loss.

The cost of installing street car facilities through the tube and making the necessary rearrangements of the tracks so as to operate through the tube is estimated to be \$310,000. This amount includes the paving of the area occupied by the track on Webster Street.

In view of the peculiar financial and operating problems facing the Key System at the present time, it would seem unwise to throw upon it any great additional financial burden.

A ballot by mail was taken in Alameda between January 18th and 25th, 1928, at which time the people were given an opportunity to express their preference for either a bus operation or a continuation of the street car operation. William Varcoe, the City Clerk of Alameda, mailed out 14,882 return post card ballots, that number being

the entire vote registration in the City of Alameda. Of these 1669 were returned undelivered, leaving 13,213 delivered. Out of this number 6639, or less than half, were returned. Of the ballots returned 3498 were for street car operation and 3141 for bus operations, there being a difference between the two of 357.

George A. Posey, County Surveyor of Alameda County and Chief Engineer in charge of the planning and construction of the tube, who is probably the person most conversant with its possibilities, testified that in his judgment bus operation through the tube was the safest and best from every point of view. Standard clearances, as required by the rules of this Commission, cannot be maintained if street cars are operated through the tube.

Twenty-one members of the Board of Directors of the Alameda Chamber of Commerce were and are now in favor of bus operation and fifteen out of the eighteen clubs, which were represented at the meeting of the Community Council of Alameda, held on March 30, 1928, were in favor of bus operations throughout the City of Alameda.

Mr. Vargas, Vice-President of the applicant, testified that the transportation needs of the City of Alameda can be adequately handled with less cost by means of a bus operation than by means of a street car operation.

The officers of the Key System at the hearing expressed a willingness to put into the proposed bus operation the most modern and suitable equipment and testified further that the route proposed in the application was tentative only and that the permanent route would be determined after the consultation with the officials and other representative organizations of both cities.

It appears to the Commission that the proposed bus operation should not terminate at Santa Clara Avenue in Alameda, but should be continued

along Santa Clara Avenue to High Street and, in fact, wherever necessary in Alameda, to insure the people thereof adequate transportation.

The City of Oakland is growing to the North and to the East. Traffic, instead of being confined to Broadway and Washington Streets and the area between Twelfth and Fourteenth Streets, should be spread out to meet the growing needs of wider distribution of this fast growing city. It is, therefore, suggested that the route of the busses in Oakland be North on Harrison Street to Twentieth Street, West on Twentieth Street to Telegraph Avenue, South on Telegraph Avenue and Broadway to Ninth Street and East on Ninth Street to Harrison Street and thence South on Harrison Street to the entrance to the tube. Should Twenty-second Street be opened and widened between Broadway and Telegraph the route might then be extended on Harrison Street to Grand Avenue; thence West along Grand Avenue and Twenty-second Street to Telegraph Avenue and thence South along Telegraph Avenue as above indicated.

From all the evidence, it appears that public convenience and necessity require the operation of busses through the Oakland Estuary Tube by the applicant.

ORDER.

A public hearing having been held in the above entitled proceeding, the matter having been duly submitted, the Commission being fully advised, and basing its order on the findings appearing in the opinion preceding this order,

IT IS HEREBY ORDERED that a certificate of public convenience and necessity be and it is hereby granted to the Key System Transit Company to operate bus service from points in the City of Oakland to points in the City of Alameda through the tube or subway under the Oakland Estuary, sometimes known as the San Antonio Estuary, which tube or subway has its approach on the Oakland side at Sixth and Harrison Streets and on the Alameda side at Webster Street.

IT IS FURTHER ORDERED that upon the commencing of this bus service, through the tube, that applicant may abandon and discontinue its street car service over the Webster Street Bridge and Webster Street in Alameda and abandon the franchise under which such service is now rendered.

IT IS FURTHER ORDERED that the route, over which the busses shall operate in Oakland and Alameda shall, prior to the beginning of operation thereover, be submitted to the Commission for its approval by supplemental order in this proceeding.

The foregoing opinion and order are hereby approved and ordered filed as the opinion and order of the Railroad Commission of the State of California.

For all other purposes, the effective date of this order shall be ten (10) days from the date hereof.

Dated at San Francisco, California, this 13th day of April, 1928.

Leon Whittell

Edmund J. [unclear]

W. J. [unclear]

W. J. [unclear]

Commissioners.