

ORIGINAL

Decision No. 20231

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.

Application No. 14516.

In the Matter of the Application of KEY SYSTEM TRANSIT COMPANY, a corporation, for Permission to Abandon its Haight Street Motor-bus Line and High Street Car Line, Franchise Rights, and Tracks, in the City of Alameda, County of Alameda, State of California.

Application No. 14933.

In the Matter of the Application of KEY SYSTEM TRANSIT COMPANY, a corporation, for Permission to Abandon Certain of its Street-car Service, Franchise Rights, and Tracks, in the City of Alameda, County of Alameda, State of California.

Application No. 14934.

Brobeck, Phleger & Harrison, by Herman Phleger and F. S. Richards, for Applicant,
 Wm. J. Locke, City Attorney, for City of Alameda,
 A. N. Nelson, for the City of Oakland,
 Harrison S. Robinson, for Oakland Business District Association,
 Crosby & Crosby, by Peter J. Crosby, for Harrison Boulevard Association,
 A. R. Linn, for the Alameda Chamber of Commerce,
 George E. Sheldon, for the Uptown Association.

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DECOTO, COMMISSIONER:

O P I N I O N

Application No. 14516 was filed on March 19, 1928, and after hearing, a decision was rendered (Decision No. 19589) granting to the applicant a certificate of public convenience and necessity 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 and permitting the applicant, upon the commencing of this bus service through the tube, to 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 was rendered. The order further provided that the route over which the busses would run in Oakland and Alameda should, prior to the beginning of operation, be submitted to the Commission for its approval by supplemental order.

Subsequent to Decision No. 19589, the Key System Transit Company filed Application No. 14933 and Application No. 14934 to abandon the following lines:

- a. Haight Street Bus Line operating on Webster Street from Santa Clara to Central Avenue, thence along Central Avenue to Fourth Street, thence along Fourth Street to Haight Street, thence along Haight Street to Webster, thence along Webster to Santa Clara.
- b. The High Street Line operating from Santa Clara and High Street along High Street to San Jose Avenue and along San Jose Avenue to Park Street.
- c. San Jose Avenue Line, West of Park Street, beginning at Ninth Street and Santa Clara Avenue, thence along Ninth Street to San Antonio Avenue, thence along San

Antonio Avenue to Morton Street, thence along Morton Street to San Jose Avenue, thence along San Jose Avenue to Park Street.

- d. San Jose Avenue Line - along Park from San Jose Avenue to Santa Clara Avenue.
- e. Santa Clara Avenue Line, Santa Clara Avenue from High Street to Park Street.
- f. Santa Clara Avenue Line, Santa Clara Avenue from Park Street to Webster Street.

Applications Nos. 14933 and 14934 were consolidated with the further hearing on Application No. 14516 and all of them were heard together and one decision will be rendered covering the three applications.

The matters now before the Commission logically group themselves into three divisions, (1) the bus route in Oakland, (2) the abandonments sought in Alameda and if the abandonments are granted in whole or in part, (3) the route for busses in Alameda. The Commission will discuss them in this order.

Oakland Bus Route.

Three separate routes have been advocated by as many groups of property owners and business men, i.e., the Harrison Street route advocated by the Harrison Street Boulevard Association; Washington Street route, advocated by the members of the Oakland Business District Association, who own property or operate stores on Washington Street and westerly from it; and, the Broadway route advocated by the members of the Oakland Business District Association who own property or operate stores on Broadway above Fourteenth Street, which route was also urged by the Uptown Association.

It was the consensus of opinion of all the witnesses who testified for each of these routes that the City of Oakland was growing to the North and to the East. In fact, by far the major amount of new buildings erected in the last five years

has been located in this direction. During the last few years there has been a marked tendency on the part of business houses to open stores on Broadway and Telegraph, North of Fourteenth Street. This tendency has been also shown by the theaters. This movement has been greatly accentuated by the consolidation of the large stores of H. C. Capwell Company and Taft and Pennoyer with the Emporium of San Francisco and the beginning of the erection of an extremely large store on the space between Telegraph Avenue and Broadway and Twentieth Street.

If the bus is routed on Washington Street, parking on that street must be prohibited as it is not wide enough for proper bus operation. On the other hand busses are now operated on Broadway without inconvenience and, on account of the width of the street, without the necessity of prohibiting parking.

Considerable controversy arose at the hearing as to whether the bus route in Oakland should be put on Washington Street where many stores are located or should be routed so as to meet the convenience of those who would travel from Alameda. It seems to the Commission that the answer to these contentions is self evident. The bus should be routed to meet the convenience of those who use it. Under this theory the Harrison Street route must, for the present, be abandoned as there is not yet developed a sufficient desire on the part of the traveling public to use that route. The route hereinafter set forth will, to some extent, meet the needs of the Harrison Street district as it will be nearer to this district than the present car route. Only two women from Alameda testified before the Commission, each being prominently identified with

some of the women's organizations in Alameda. In reply to questions by the Commission, each one testified that when the new Capwell-Emporium store was opened on Broadway, Telegraph and Twentieth Street that she desired the Alameda bus be routed out Broadway to that store. It seems to the Commission that these women fairly represent the opinion of the shopping public of Alameda and that the bus should be routed up Broadway to Telegraph. This routing will take the Alameda car users within one block of the street on which the cars now run. All the merchants testified that shoppers would walk from two to three blocks to do their shopping, so this route will impose no hardship or loss upon the stores on Washington and Clay Streets and would make the district to the North of Fourteenth Street more accessible to the people who use the bus. The Commission is of the opinion that the people who will use the bus, and those people are the residents of Alameda, will be served best by a temporary route North on Harrison Street to Tenth Street; thence West on Tenth Street to Broadway, thence North on Broadway to Sixteenth Street, thence West and in front of the Federal Building to the West side of Broadway or Telegraph Avenue, thence South on Broadway to Tenth Street, thence East on Tenth Street to Harrison Street, thence South on Harrison Street to the tube. Upon the completion and opening of the Capwell-Emporium store on Twentieth Street, between Telegraph and Broadway, the route shall be changed so that the bus shall cross Broadway at Fifteenth Street, and run thence Northwesterly on Telegraph Avenue to Twentieth Street, thence East on Twentieth Street to Broadway, thence South on Broadway to Tenth Street, or it may be consolidated with the present Telegraph

Avenue bus line and run out and back on Telegraph Avenue to any point beyond Twentieth that the Key System Transit Company may desire.

Abandonments Sought in Alameda.

a. The Haight Street Bus Line.

This line has been in operation for four years and has shown a steady loss. The number of people now riding has not increased since 1924 and has in fact decreased very materially from the number who used it in 1925. The operation for the year 1927 shows a net loss, after taxes, based on the receipts of the line of \$10,963.01 and based on the average fare per passenger of \$7,850.54. This loss has steadily increased from year to year.

b. The High Street Line - between Santa Clara Avenue and Park Street.

Travel on this line also shows a decrease each year, having been 170,937 passengers in 1924, and 146,844 in 1927, a decrease of 24,093, and also shows a decrease for the first six months of 1928, when compared with the first six months of 1927, of 13,036 passengers. This line has also been run at a net loss after taxes each year, showing in 1927 based on receipts of the line a loss in the amount of \$6,863.42, and based on average fare per passenger a loss in the amount of \$4,811.39. The loss on this line has also steadily increased each year.

c. San Jose Avenue Line - west of Park Street.

The number of passengers carried on the entire San Jose line in 1924 was 2,918,776, and in 1927 was 2,430,117, a decrease of 488,659. The number of passengers carried on this

line for the first six months of 1928, when compared with the number of passengers carried for the same period in 1927 shows a decrease of 175,557. The net loss after taxes for the year 1927 based on receipts of the line was \$34,545.39 and based on average fare per passenger was \$32,407.85. This line for several years has shown a steadily increasing loss in patronage and a steadily increasing operating loss.

d. San Jose Avenue Line - along Park Street
from San Jose Avenue to Santa Clara Avenue.

This line runs through the central business district and should not be abandoned but should continue as a portion of the present No. 9 line operating on Twenty-third Avenue and Park Street.

e. Santa Clara Avenue Line - from High Street
to Park Street.

f. Santa Clara Avenue Line - from Park Street
to Webster Street.

The number of passengers carried on this entire line in 1924 was 5,156,949 and in 1927 4,012,475, a decrease of 1,144,474. The revenue from this line has decreased each year and 1927 showed \$6,635.45 net after taxes based on receipts of the line and \$10,354.77 based on average fare per passenger.

This line also has shown a steadily decreasing patronage and steadily diminishing earnings.

The combined bus and rail service in Alameda showed in 1927 a net loss after taxes of \$45,736.37 based on receipts of the lines and \$34,715.41 based on average fare per passenger. These are out of pocket losses and do not include any return on the investment. The whole street car operation of the Key System Company has shown a loss during the year ending June 30, 1928. This company can not continue to stand this steadily increasing loss and the cities of the East Bay must

permit some rearrangements of service and show a spirit of co-operation with this company if the operations of this applicant are to continue.

From the showing made herein, the Commission will permit the abandonment of the following lines: (a) the Haight Street bus line, (b) the High Street line between Santa Clara Avenue and Park Street, (c) the San Jose Avenue line West of Park Street to its junction with the Santa Clara Avenue line, (d) the Santa Clara Avenue line from High Street to Webster Street. The application to abandon service on Park Street between Santa Clara Avenue and San Jose Avenue will be denied. The granting of the above mentioned abandonments are conditional upon the Key System Company installing a modern bus line upon the route hereinafter specified.

Bus Route in Alameda.

A survey of the streets of the City of Alameda shows only one route over which a bus line can be properly operated. Santa Clara Avenue is built of oil macadam and is very rough and in poor condition; Alameda Avenue is also of oil macadam and Encinal is too narrow from its junction with Central Avenue to permit the safe operation of both the Southern Pacific local trains and the busses of the applicant. Experience has shown that oil macadam streets do not stand up well under the heavy bus traffic that a proper service in Alameda will require. Central Avenue has a concrete base and from inspection seems to be the most suitable street upon which to operate the new bus service. It is "boulevard stopped" and contains less hazards and dangers. With the abandonment of service on the Santa Clara Avenue line and the San Jose Avenue line, it is the

most central street in the city and is the most convenient in distance for the present car users. The Commission is of the opinion that the bus service should run South on Webster Street to Central Avenue, thence East on Central Avenue to the neighborhood of Ferriside and back along the same route, and the order herein will so provide.

The Commission recommends to the people of Alameda, and to their City Council, that a revocable permit be issued to the Key System Company to operate its cars on peak days on Santa Clara Avenue from Park Street to Webster Street. The Commission also recommends to the applicant that the equipment on the No. 1 line be substituted for the equipment on the No. 9 line as it is of better quality and more suited to present day needs.

The applicant shall remove the rails, ties, overhead wires, poles and all its equipment from the streets of Alameda over the routes abandoned, except that portion of its car line on Santa Clara Avenue between Park Street and Webster Street, within six months from the effective date of this order and shall place the portion of said streets now occupied by its equipment in the same condition as the remainder of the streets. If the City Council of Alameda grants to the applicant a revocable permit to operate its street cars on peak days or other times upon Santa Clara Avenue, the applicant shall enter into a fair and equitable agreement with said city to maintain, in proper condition, that part of the street occupied by its tracks. If the City Council does not grant to the applicant such revocable permit, then said tracks and equipment on Santa Clara Avenue, between Park Street and Webster Street, shall be removed within six months from the effective date of this order and the street replaced as

above specified for the other lines.

The operation of busses on such a large scale has never been attempted by applicant and every effort should be made by it to meet the needs of the City of Alameda. This operation is largely experimental and there should be the closest cooperation between the officials of the Company, the people of the City of Alameda and their duly elected and appointed officers and agents.

O R D E R

These matters having been fully heard by the Commission and having been submitted, and the Commission having before it all the evidence and exhibits therein, therefore

IT IS HEREBY ORDERED that the application of the Key System Transit Company, a corporation, to abandon its franchises, tracks and service on the following described lines be and the same is hereby granted: (a) the Haight Street bus line as described in the application, (b) the High Street car line between Santa Clara Avenue and Park Street as described in the application, (c) the San Jose Avenue car line West of Park Street to its junction with the Santa Clara Avenue line as described in the application, and, (d) the Santa Clara Avenue car line from High Street to Webster Street as described in the application. These abandonments are made upon and subject to the following conditions:

(1) A bus line equipped with modern busses and running upon a headway sufficient to meet the needs of the people of Alameda and operated in Oakland upon the route hereinafter described, shall, upon the completion of the tube under the Oakland estuary and the opening thereof for automobile traffic, be im-

mediately put in operation upon the following described route in the City of Alameda, i.e., through the tube southerly on Webster Street to Central Avenue, thence East on Central Avenue to the neighborhood of Fernside Boulevard and thence returning over the same route.

(2) The applicant shall remove all rails, ties, overhead wires, poles, and all its equipment from the streets of Alameda over the routes abandoned, except that portion of its car line on Santa Clara Avenue between Park Street and Webster Street, within six months from the effective date of this order and shall place the portion of said streets now occupied by its equipment in the same condition as the remainder of the streets.

(3) If the City of Alameda grants to the applicant a revocable permit to operate its street cars on peak days, or other times, upon Santa Clara Avenue, the applicant shall enter into a fair and equitable agreement with said city to maintain in proper condition that part of the street occupied by its equipment.

(4) Should the City of Alameda fail or neglect to grant to the applicant herein such revocable permit, then the tracks, ties, overhead wires, poles and all equipment of applicant shall be removed by it within six months from the effective date of this order and it shall place the portion of the street now occupied by its equipment in the same condition as the remainder of the street.

IT IS HEREBY FURTHER ORDERED that the route of the bus in Oakland, until the completion and opening of the Capwell-Emporium store on Twentieth Street between Telegraph Avenue and Broadway, shall be North on Harrison Street from the tube under

the Oakland Estuary to Tenth Street, thence West on Tenth Street to Broadway; thence North on Broadway to Sixteenth Street, thence West and in front of the Federal Building to the West side of Broadway or Telegraph Avenue, thence South on Broadway to Tenth Street, thence East on Tenth Street to Harrison Street, thence South on Harrison Street into the tube under the estuary and thence through the tube to Alameda. Upon the completion and opening of the Capwell-Emporium store on Twentieth Street, between Telegraph Avenue and Broadway, or sooner if deemed advisable by the Key System Company, the route of the busses shall be as follows: North on Harrison Street from the tube under the Oakland Estuary to Tenth Street, thence West on Tenth Street to Broadway, thence North on Broadway to Telegraph Avenue, thence North on Telegraph Avenue to Twentieth Street, thence East on Twentieth Street to Broadway, thence South on Broadway to Tenth Street, thence East on Tenth Street to Harrison Street, thence South on Harrison Street through the tube to Alameda. This bus route in Oakland may be consolidated with the present Telegraph Avenue bus route if the Key System Company so desires and be operated North on Telegraph Avenue and return over the route now used by the present Telegraph Avenue bus. This bus line shall be operated in Oakland and Alameda as an integral part of the Key System Company and with all the transfer privileges now in force on the present street car lines.

IT IS HEREBY FURTHER ORDERED that the application to abandon service and franchise on Park Street, between Santa Clara Avenue and San Jose Avenue be and the same is hereby denied and that the service on Park Street, between Santa Clara Avenue and

San Jose Avenue be continued as a part of the present No. 9 car line.

The effective date of this order shall be ten (10) days from the date hereof.

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.

Dated at San Francisco, California, this 18th day of September, 1928.

Leon White
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W. J. ...
 Commissioners.