

Decision No. 22627

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
 BAY CITIES TRANSIT COMPANY for a
 certificate of public convenience
 and necessity to operate an automobile
 passenger service for the transportation
 of passengers between Venice and San
 Fernando and intermediate points.

) Application,
 No. 16480.

ORIGINAL

Richard T. Eddy, for Applicant.
 Frank Karr and R. E. Wedekind, for Pacific
 Electric Railway Company, Protestant.
 Capt. Jas. Gunn, for Board of Public Utilities
 and Transportation, City of Los Angeles,
 Interested party.
 Rex W. Boston, for Original Stage Line,
 Interested party.

BY THE COMMISSION -

O P I N I O N

Bay Cities Transit Company, a corporation, has petitioned the Railroad Commission for an order declaring that public convenience and necessity require the operation by it of an automobile stage line as a common carrier of passengers between Venice and San Fernando and intermediate points.

Public hearings on this application were conducted by Examiner Handford at Los Angeles and San Fernando, the matter was duly submitted and is now ready for decision.

Applicant, by its application as amended, proposes to extend its present service by consolidating its present operations as now conducted under the authority contained in Decision No. 9646, on Application No. 7235, as decided October 26, 1921, and Decision No. 21819 on Application No. 15883 as decided on November 26, 1929, with rights conferred by the Board of Public Utilities and Transportation of the City of Los Angeles on September 4, 1929, covering operation between the intersection of Santa Monica and Sawtelle Boulevards, on the one hand, and the intersection of Gilmore Street and Van Nuys Boulevard, Van Nuys, on the other hand, and for an extension of route from the intersection of Gilmore Street

and Van Nuys Boulevard, Van Nuys, along Van Nuys Boulevard to San Fernando Boulevard, thence along San Fernando Boulevard to Porter Avenue, San Fernando, thence to the station of the Original Stage Line at 726 Porter Avenue, San Fernando. A portion of the route of the proposed extension, between San Fernando and Pacoima, is already served by the Original Stage Line, operating between Los Angeles and San Fernando, and applicant does not propose to do any local business over such portion of the route. Applicant proposes to charge rates in accordance with a schedule marked "Exhibit A" as attached to the application and to operate ten round trips daily in accordance with a schedule marked "Exhibit B", also filed with the application, using as equipment Type W Yellow Coaches, each of 21 passenger capacity.

Applicant relies as justification for the granting of the desired certificate upon the following alleged facts; that the opening of Beverly Glen Boulevard across Munholland Drive to Ventura Boulevard has considerably reduced the distance required to travel between Venice and San Fernando, the distance via the route of the Pacific Electric Railway being approximately thirty four miles and requiring transfer at Highland Avenue, Hollywood, while the distance via applicant's proposed route is 26.3 miles; that there is considerable travel between San Fernando and the University of California and to the beach area between Venice and Santa Monica, especially during the summer months; that travel between the Soldiers' Home at Sawtelle and the Veterans' Tubercular Hospital near San Fernando will be facilitated and can be accommodated with less change and indirect route than now available; and that the granting of the proposed extension will permit of through and direct service between Venice and San Fernando, serving the University of California as an intermediate point, and also making possible transfers to other lines of applicant operating between the University and the end of the

Los Angeles Railway Corporation's Pico Street Line, and from the University to Culver City.

J.E. Anderson, president of applicant corporation, testified regarding the present service now operated by his company and that frequent inquiries had reached him respecting the establishment of the proposed extension. Service has been operated between Venice and the University of California since December 11, 1929, and between Sawtelle and Van Nuys since September 23, 1929. Under the proposed service through stages will be operated between Venice and San Fernando, thus eliminating any transfer or change of stages enroute.

Capt. Jas. Gunn, Chief Motor Vehicle Inspector for the Board of Public Utilities and Transportation of the City of Los Angeles, testified that his Board had considered and favored the granting of the application for the proposed service. Witness was personally of the opinion that the direct service was desirable for the residents of Van Nuys and San Fernando in that it proposed a faster direct service, operating in part through a territory not now served by public transportation.

Edgar E. Parsons, President of the San Fernando Chamber of Commerce, and business manager of the U.S. Veterans' Hospital, testified that the Veterans' Home was now caring for 229 patients and had a staff of 213 employees. Many of the veterans made frequent trips to the Soldiers' Home at Sawtelle and were frequently visited by veterans from the Sawtelle institution, and the direct service proposed would be a great convenience. The proposed service was also approved by the directors of the Chamber of Commerce of San Fernando who considered its establishment to be a necessity for the community.

Otto J. Fehling, a resident of Santa Monica, a member of the Transportation Committee of the Santa Monica-Ocean Park Chamber of Commerce and also of the Santa Monica City Planning Commission, testified as to the satisfactory service now rendered by

applicant on its presently authorized lines. Witness is of the opinion that the proposed extension as sought by the applicant would meet a necessity and would be beneficial for both the San Fernando Valley and the Santa Monica Bay Districts.

W. A. Robinson, a resident of San Fernando, engaged in the banking business, and a director and member of the transportation committee of the San Fernando Chamber of Commerce, testified that the proposed service would be advantageous for his community, especially for students attending the university.

Albert G. F. Stroming, a resident of San Fernando for 18 years, testified as to his desire for the proposed service which he would use if established.

Mrs. E. J. Thatcher, residing two miles from San Fernando, and one block from the route of the proposed stage line, testified that she would use the proposed service on her trips to San Fernando and also to the beach points in the Santa Monica Bay District.

Mrs. C. Scheneidermend, E. S. Frolich, E. Nall, Mrs. C.H. Smith and Mrs. Fulkins, witnesses residing along or near the proposed route, all testified as to their desire for the inauguration of the proposed service and that it would receive their patronage, if established.

By stipulation it was agreed that the testimony of nine other witnesses, if called, would be similar to that of witnesses residing in San Fernando and points along the route whose testimony has been outlined above.

The granting of the application is endorsed by the City Council of the City of San Fernando, the Board of Directors of the Santa Monica-Ocean Park Chamber of Commerce, the Ocean Park Business Men's Association, the Ocean Park Boosters Club and the Venice, San Fernando Valley, and West Los Angeles Branches of the Los Angeles Chamber of Commerce, each of the foregoing organizations presenting resolutions or other documents endorsing and favoring the granting of the application.

The application states that a portion of the route between Van Nuys and San Fernando, along Van Nuys Boulevard, will parallel the rails of the Pacific Electric Railway Company and that in the service rendered to Pacoima the route of the Original Stage Line will be paralleled between Pacoima and San Fernando. No local business is contemplated by applicant in the areas where parallel operation will result. By stipulation agreed upon at the hearing applicant is not to handle any passengers locally between the intersection of Rita Street (Magnolia), and Van Nuys Boulevard and Rayen Street and Van Nuys Boulevard in the City of Van Nuys, and intermediate points, or to or from points between Rita Street and Van Nuys Boulevard, on the one hand, and the City of San Fernando, westerly of Ilex Avenue, on the other hand. The stipulation is not intended to prohibit applicant from handling passengers to or from points between Rita Street and Van Nuys Boulevard and Rayen Street and Van Nuys Boulevard in the City of Van Nuys when such passengers are destined to or from points south of Rita Street or points between Rayen Street and Ilex Avenue on San Fernando Boulevard.

By reason of the foregoing stipulation the Attorney for Pacific Electric Railway Company withdrew the protest of his company against the granting of the application.

Our consideration of the record and exhibits in this proceeding results in the conclusion that applicant has fully established the fact that public convenience and necessity require the establishment of the proposed service, subject, however, to the restrictions as regards local service in certain parallel territory as set forth in the application and as covered by the stipulation entered of record at the hearing.

Applicant Bay Cities Transit Company, a corporation, is hereby placed upon notice that "operative rights" do not constitute a class of property which should be capitalized or used

as an element of value in determining reasonable rates. Aside from their purely permissive aspect, they extend to the holder a full or partial monopoly of a class of business over a particular route. This monopoly feature may be changed or destroyed at any time by the state which is not in any respect limited to the number of rights which may be given.

O R D E R

Public hearing having been held on the above entitled application, the matter having been duly submitted and the Commission being now fully advised,

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY DECLARES that public convenience and necessity requires the operation by Bay Cities Transit Company, a corporation, of an automobile stage line as a common carrier of passengers between Venice and San Fernando and intermediate points over the following described route and in accordance with the conditions and restrictions as appearing in the following order:

Route

Commencing at the intersection of Seventeenth Avenue and Speedway, Venice; thence via Speedway to Pier Avenue; thence via Pier Avenue to Main Street; thence via Main Street to Pico Boulevard; thence via Pico Boulevard to Ocean Avenue, thence via Ocean Avenue to Santa Monica Boulevard; thence via Santa Monica Boulevard to Westwood Boulevard; thence via Westwood Boulevard to La Conte Avenue; thence via La Conte Avenue to Hilgard Avenue; thence via Hilgard Avenue to Beverly Boulevard; thence via Beverly Boulevard to Beverly Glen Boulevard (or South Sherman Way); thence via Beverly Glen Boulevard (or South Sherman Way) to Valley Vista Street; thence via Valley Vista Street to Van Nuys Boulevard (or South Sherman Way); thence via Van Nuys Boulevard (or South Sherman Way), to San Fernando Boulevard; thence via San Fernando Boulevard to Porter Avenue, and to a terminus at 726 Porter Avenue, San Fernando. Returning over the same route in the reverse direction.

IT IS HEREBY ORDERED that a certificate of public convenience and necessity be and the same hereby is granted to Bay Cities Transit Company, a corporation, for the operation of an automobile stage line as a common carrier of passengers between Venice and San Fernando and intermediate points and over the route as

specifically set forth in the opinion which precedes this order, said route including the service heretofore authorized by this Commission in its Decisions Nos. 9659 on Application No. 7284, as decided October 27, 1921, and 21819 on Supplement Application No. 15883, as decided November 26, 1929, and an extension of routes covered by the foregoing decisions to include the territory between Sawtelle and San Fernando, provided, however, that no authority is hereby granted for the transportation of passengers locally between San Fernando and Pacoima, nor locally between the intersection of Rita Street (Magnolia), and Van Nuys Boulevard and Rayen Street and Van Nuys Boulevard in the City of Van Nuys, and intermediate points, or to or from points between Rita Street and Van Nuys Boulevard, on the one hand, and the City of San Fernando, westerly of Ilex Avenue, on the other hand. Through passengers may be handled to or from points between Rita Street and Van Nuys Boulevard and Rayen Street and Van Nuys Boulevard in the City of Van Nuys when such passengers are destined to or from points south of Rita Street or points between Rayen Street and Ilex Avenue on San Fernando Boulevard.

This order is subject to the following conditions:

- 1- Applicant shall file written acceptance of the certificate herein granted within a period of not to exceed ten (10) days from date hereof.
- 2- Applicant shall file, in duplicate, within a period of not to exceed twenty (20) days from the date hereof, tariff of rates and time schedules, such tariffs of rates and time schedules to be identical with those attached to the application herein, or rates and time schedules satisfactory to the Railroad Commission, and shall commence operation of said service within a period of not to exceed thirty (30) days from the date hereof.
- 3- The rights and privileges herein authorized may not be discontinued, sold, leased, transferred nor assigned unless the written consent of the Railroad Commission to such discontinuance, sale, lease, transfer or assignment has first been secured.

4- No vehicle may be operated by applicant herein unless such vehicle is owned by said applicant or is leased by it under a contract or agreement on a basis satisfactory to the Railroad Commission.

For all other purposes the effective date of this order shall be twenty (20) days from the date hereof.

Dated at San Francisco, California, this 3d day of July, 1930.

Samuel H. ...
Leon ...
...

Commissioners.