

Decision No. 23053.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

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In the Matter of the Application of  
THE PACIFIC ELECTRIC RAILWAY COMPANY,  
a corporation, to consolidate opera-  
tions of the Hollywoodland-Beverly  
Hills and Hollywood-University-  
Santa Monica-Ocean Park Motor Coach  
Lines.

Application No. 16847.

*EXAMINED*

C. W. Cornell, for Applicant.

Harry Barratt, for West Hollywood Chamber of  
Commerce, Protestant.

H. Scofield, for Fairbanks Studios and  
Educational Pictures Corporation, Protestants.

C.A. Adams, for Hollywood State Bank, Protestant.

F. F. Ball, for Board of Public Utilities &  
Transportation of the City of Los Angeles,  
Interested Party.

BY THE COMMISSION:

O P I N I O N

The Pacific Electric Railway Company filed the above entitled application requesting authority to consolidate the operation of its Hollywoodland-Beverly Hills and its Hollywood-University-Santa Monica-Ocean Park motor coach lines.

A public hearing was conducted by Examiner Gannon, at Los Angeles, on September 24, 1930, at which time the matter was submitted.

Applicant now operates its Hollywoodland-Beverly Hills motor coach line under a certificate of public convenience and necessity granted by this Commission's Decision No. 19999,

dated July 9, 1928, on Application No. 14837, over<sup>and</sup> along the following route:

Commencing at the intersection of Beachwood Drive and Westshire Drive, Hollywoodland; south on Beachwood to Franklin Avenue; west on Franklin to Argyle; south on Argyle to Yucca; west on Yucca to Vine Street; south on Vine Street to Hollywood Boulevard; west on Hollywood Boulevard to Laurel Canyon Road; south on Laurel Canyon Road to Sunset Boulevard; west on Sunset Boulevard to Canon Drive; south on Canon Drive and Beverly Drive to Santa Monica Boulevard; East on Santa Monica Boulevard to Canon Drive; south on Canon Drive to Wilshire Boulevard.

Applicant also operates its so-called Hollywood-University-Santa Monica-Ocean Park motor coach line under a certificate of public convenience and necessity granted by this Commission's Decision No. 21765, dated November 7, 1929, on Application No. 15894, over and along the following route:

Commencing at the intersection of Vermont Avenue and Hollywood Boulevard; west along Hollywood Boulevard to Highland Avenue; south on Highland Avenue to Santa Monica Boulevard; west along Santa Monica Boulevard; Hollywood Drive, Sunset Boulevard and Beverly Boulevard to Hilgard Avenue; south on Hilgard Avenue, University Drive, Le Conte Avenue, and Westwood Boulevard to Wilshire Boulevard; thence westerly along Wilshire Boulevard to Ocean Avenue; south on Ocean Avenue to Pico Street; east on Pico Street to Main Street; south on Main Street to Marine Street.

Applicant now proposes to consolidate the operations of these two lines and operate them over and along the following route:

Commencing at the intersection of Beachwood Drive and Westshire Drive, south on Beachwood Drive to Franklin Ave., west on Franklin to Argyle Street, south on Argyle to Yucca Street, west on Yucca Street to Vine Street, south on Vine Street to Hollywood Boulevard, west on Hollywood Boulevard to Laurel Canyon Road, south on Laurel Canyon Road to Sunset Boulevard, west on Sunset and Beverly Boulevard to Hilgard Avenue, south on Hilgard, University Drive, Le Conte Avenue and Westwood Boulevard to Wilshire Boulevard, thence west on Wilshire to Ocean Avenue, south on Ocean to Pico Street, east on Pico to Main Street, south on Main Street to Marine Street, Ocean Park.

Alternate trips will operate via the above route to Canon Drive and Sunset Boulevard, Beverly Hills, thence south on Canon Drive and Beverly Drive to Santa Monica Boulevard, thence east on Santa Monica Boulevard to Canon Drive, thence south on Canon Drive to Wilshire Boulevard.

In addition to the operation over the consolidated route, applicant proposes to operate the following tripper and shuttle service:

Commencing at the intersection of Vermont Avenue and Hollywood Boulevard, west on Hollywood Boulevard to Highland Avenue, south on Highland to Santa Monica Boulevard, west on Santa Monica Boulevard, Holloway Drive, Sunset Boulevard and Beverly Boulevard to Hilgard Avenue, south on Hilgard Avenue and University Drive to Entrance to University of California.

Commencing at the intersection of Canon Drive and Sunset Boulevard, thence south on Canon Drive and Beverly Drive to Santa Monica Boulevard, east on Santa Monica Boulevard to Canon Drive, south on Canon Drive to Wilshire Boulevard.

Commencing at the intersection of Highland Avenue and Hawthorne Street, west on Hawthorne to Orange Drive, north on Orange Drive to Hollywood Boulevard, east on Hollywood Boulevard to Highland Avenue, south on Highland to Santa Monica Boulevard, west on Santa Monica Boulevard to Crescent Heights Boulevard.

The principal changes to be effected in service by the consolidation of these lines are as follows:

(1) Elimination of motor coach service (with exception of tripper service to University of California) on Hollywood Boulevard between Vermont Avenue and Vine Avenue.

(2) Operation of 30-minute shuttle service, alternating with 30-minute through service, instead of 15-minute through service between intersection of Sunset Boulevard and Canon Drive and intersection of Wilshire Boulevard and Canon Drive via Canon and Beverly Drives, Santa Monica Boulevard and Canon Drive.

(3) Operation of 30-minute shuttle service between intersection of Highland Avenue and Hollywood Boulevard, and intersection of Crescent Heights Boulevard and Santa Monica Boulevard via Highland Avenue and Santa Monica Boulevard in lieu of present 30-minute through service.

(4) The elimination of through motor coach service to the University and West Coast Beaches (except tripper service to the University) between the intersection of Highland Avenue and Santa Monica Boulevard and the intersection of Holloway Drive and Sunset Boulevard.

(5) The establishment of through motor coach service to the University and West Coast Beaches on Hollywood Boulevard west of Highland Avenue, and on Laurel Canyon Road and Sunset Boulevard now traversed by the Hollywood-Beverly Hills motor coach line.

(6) The establishment of through motor coach service to

to the University and West Coast Beaches along the line now traversed by the Hollywoodland-Beverly Hills Motor Coach Line north of the intersection of Vine Street and Hollywood Boulevard.

The territory along Hollywood Boulevard between Vermont Avenue and Vine Street, on which motor coach service is to be eliminated (except University motor coach tripper service) is adequately served by Pacific Electric Railway Company's rail line on said Boulevard.

Hollywood Boulevard, west of La Brea Avenue, at the present time has neither through rail nor motor coach service to the west coast beaches. However, if this application is granted, such service will be provided. Pacific Electric Railway Company operates a through rail service to the west coast beaches on Santa Monica Boulevard through Hollywood.

The record shows that the total operating loss during the annual period ending July 31, 1930, on the Hollywoodland-Beverly Hills motor coach line, was \$14,010.76; that the total operating loss on the Hollywood-University-Ocean Park Motor Coach Line during the period September 23, 1929, to July 31, 1930, was \$21,631.20; and that the consolidation of the two motor coach lines as proposed would result in an annual saving in operating expenses of approximately \$30,000.00. It is apparent that the poor revenue showing of the two lines proposed to be consolidated is largely due to duplication of rail and motor coach lines along Santa Monica Boulevard, Hollywood Boulevard and Sunset Boulevard.

O. A. Smith, Passenger Traffic Manager for Pacific Electric Railway Co. testified that consideration has been given to the possibility of rerouting part of the rail service

on Hollywood Boulevard south on Highland Avenue to Santa Monica Boulevard, and thence west on Santa Monica Boulevard. Such rerouting will provide direct rail service between the district on Santa Monica Boulevard west of Highland Avenue and the main business section of Hollywood on Hollywood Boulevard. The lack of such a service has been the source of many complaints during the past few years.

To accomplish such rerouting will require the installation of rail curves at the intersection of Hollywood Boulevard and Highland Avenue and also at Santa Monica Boulevard and Highland Avenue, the cost of which is estimated at \$26,000.00.

Some objection was voiced at the hearing relative to the rerouting of rail service as described above, due principally to the possibility of added traffic congestion at the intersections of Santa Monica Boulevard and Hollywood Boulevard respectively with Highland Avenue.

From the evidence in the record, it would appear that such a plan for the rerouting of the rail service, by the Pacific Electric Railway Company should be given further consideration, as it will provide a service long sought by residents along Santa Monica Boulevard west of Highland Avenue.

If such a rail service were provided there would be no necessity for the maintenance of the shuttle motor coach service proposed between the intersection of Hollywood Boulevard and Highland Avenue, and the intersection of Santa Monica Boulevard and Crescent Heights Boulevard.

The West Hollywood Chamber of Commerce opposed the granting of the application, on the ground that the proposed service would adversely affect transportation service on

Santa Monica Boulevard where there has existed for many years a need for better service, particularly between Highland and Fairfax Avenues; that the proposed consolidation would deprive the residents along Santa Monica Boulevard west of Highland of a motor coach service which they have enjoyed since September 20, 1929; that the proposed shuttle motor coach service along Santa Monica Boulevard would not provide adequate service west of Crescent Heights Boulevard, and also that it would not provide a connecting service at Sunset Boulevard and Holloway Drive, and that the suggested rerouting of rail service would fail to meet the needs along Holloway Drive.

The record shows that the Hollywood Chamber of Commerce and the Board of Public Utilities and Transportation of the City of Los Angeles approved the granting of this application.

After carefully considering all of the evidence we are of the opinion, and find as a fact, that the proposed consolidation of motor coach lines will be in the public interest. It provides a means of reducing the heavy operating losses on the two motor coach lines by approximately \$30,000.00 annually. Moreover, the proposed changes will not result in serious inconvenience to the public and are justified by the very large saving in operating expenses.

Pacific Electric Railway Company 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 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

A public hearing having been held in the above entitled proceeding, the matter having been submitted, and the Commission being fully advised,

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY DECLARES that public convenience and necessity require the operation by Pacific Electric Railway Company, a corporation, of an automotive passenger stage service in and between the Cities of Los Angeles and Santa Monica, and between the Cities of Los Angeles and Beverly Hills, as proposed herein, in lieu of service authorized by this Commission's Decision No. 19999 on Application No. 14837, and Decision No. 21765 on Application No. 15894.

IT IS HEREBY ORDERED that a certificate of public convenience and necessity for the operation of automotive passenger stage service in and between the Cities of Los Angeles and Santa Monica and intermediate points, and between the Cities of Los Angeles and Beverly Hills and intermediate points, over and along the following routes, be, and the same is hereby, granted to Pacific Electric Railway Company in lieu of, and not in addition to, the certificates granted by this Commission's Decisions No. 19999 and No. 21765.

Commencing at the intersection of Beachwood Drive and Westshire Drive, south on Beachwood Drive to Franklin Avenue, west on Franklin to Argyle Street, south on Argyle to Yucca Street, west on Yucca to Vine Street, south on Vine to Hollywood Boulevard, west on Hollywood Boulevard to Laurel Canyon Road, south on Laurel Canyon Road to Sunset Boulevard, west on Sunset and Beverly Boulevards to Hilgard Avenue, south on Hilgard, University Drive, Le Conte Avenue and Westwood Boulevard to Wilshire Boulevard, thence west on Wilshire to Ocean Avenue, south on Ocean to Pico Street, east on Pico to Main Street, south on Main Street to Marina Street, Ocean Park.

Alternate trips will operate via the above route to Canon Drive and Sunset Boulevard, Beverly Hills, thence south on Canon Drive and Beverly Drive to

Santa Monica Boulevard, thence east on Santa Monica Boulevard to Canon Drive, thence south on Canon Drive to Wilshire Boulevard.

Tripper and Shuttle Service

Commencing at the intersection of Vermont Avenue and Hollywood Boulevard west on Hollywood Boulevard to Highland Avenue, south on Highland to Santa Monica Boulevard, west on Santa Monica Boulevard, Holloway Drive, Sunset Boulevard and Beverly Boulevard to Hilgard Avenue, south on Hilgard Avenue and University Drive to Entrance of University of California.

Commencing at the intersection of Canon Drive and Sunset Boulevard, thence south on Canon Drive and Beverly Drive to Santa Monica Boulevard, east on Santa Monica Boulevard to Canon Drive, south on Canon Drive to Wilshire Boulevard.

Commencing at the intersection of Highland Avenue and Hawthorne Street, west on Hawthorne to Orange Drive, north on Orange Drive to Hollywood Boulevard, east on Hollywood Boulevard to Highland Avenue, south on Highland to Santa Monica Boulevard, west on Santa Monica Boulevard to Crescent Heights Boulevard.

The rights and privileges herein granted are subject to the following conditions:

1. Applicant shall perform no local service between the intersection of Marine and Main Streets, Santa Monica (Ocean Park), and the intersection of Federal Avenue and Wilshire Boulevard, City of Los Angeles.
2. Applicant shall file its written acceptance of the certificate herein granted, within a period of not to exceed twenty (20) days from the date hereof.
3. Applicant shall file in duplicate and make effective within a period of not to exceed thirty (30) days from the date hereof a tariff or tariffs constructed in accordance



with the requirements of the Commission's General Orders and containing rates and rules which, in volume and effect, shall be identical with the rates and rules shown in the exhibit attached to the application insofar as they conform to the certificate herein granted.

4. Applicant shall file, in duplicate, and make effective within a period of not to exceed thirty (30) days from the date hereof time schedules, covering the service herein authorized, in a form satisfactory to the Railroad Commission.

5. Applicant shall afford the public at least ten (10) days' notice of the consolidation of said motor coach lines, by the posting of notices in all motor coaches operating on said lines.

6. The rights and privileges herein authorized may not be discontinued, sold, transferred nor assigned unless written consent of this Commission to such discontinuance, sale, lease, transfer or assignment has first been secured.

7. No vehicle may be operated by applicant herein unless said vehicle is owned by said applicant or is leased by him under contract or agreement on a basis satisfactory to this Commission.

The Commission reserves the right to make such further order or orders in this proceeding, as may appear just and reasonable.

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

Dated at San Francisco, California, this 6th day of November, 1930.

Edmund C. Smith  
Commissioner  
John G. Leland  
Commissioner  
Commissioners.