

Decision No. 26399

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

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The Municipal League, a voluntary organization  
of the citizens of the City of Los Angeles,  
State of California,

Complainant

vs.

The Southern Pacific Company, Southern Pacific  
Railroad Company, Atchison, Topeka and Santa  
Fe Railway Company and San Pedro, Los Angeles  
and Salt Lake Railroad Company,

Defendants.

Case No. 970

The Central Development Association of Los  
Angeles, a voluntary organization of the  
citizens of the City of Los Angeles, State  
of California,

Complainant

vs.

The Southern Pacific Company, Southern Pacific  
Railroad Company, Atchison, Topeka and Santa  
Fe Railway Company and San Pedro, Los Angeles  
and Salt Lake Railroad Company,

Defendants.

Case No. 971

The Civic Center Association of Los Angeles, a  
corporation of the citizens of the City of  
Los Angeles, State of California,

Complainant,

vs.

The Southern Pacific Company, Southern Pacific  
Railroad Company, The Atchison, Topeka and  
Santa Fe Railway Company, San Pedro, Los  
Angeles and Salt Lake Railroad Company,

Defendants.

Case No. 972

The City of Pasadena, a municipal corpora )  
tion, )

Complainant, )

vs. )

Case No. 974

Pacific Electric Railway Company, Southern )  
Pacific Company, Southern Pacific Rail- )  
road Company, Atchison, Topeka and Santa )  
Fe Railway Company, San Pedro, Los )  
Angeles and Salt Lake Railroad Company, )  
and City of Los Angeles, )

Defendants. )

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The City of Alhambra, a municipal corpora- )  
tion, )

Complainant, )

vs. )

Case No. 980

Pacific Electric Railway Company, Southern )  
Pacific Company, Southern Pacific Rail- )  
road Company, Atchison, Topeka and Santa )  
Fe Railway Company, San Pedro, Los )  
Angeles and Salt Lake Railroad Company )  
and City of Los Angeles, )

Defendants. )

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The City of San Gabriel, a municipal cor- )  
poration, )

Complainant, )

vs. )

Case No. 981

Pacific Electric Railway Company, Southern )  
Pacific Company, Southern Pacific Rail- )  
road Company, Atchison, Topeka and Santa )  
Fe Railway Company, San Pedro, Los )  
Angeles and Salt Lake Railroad Company )  
and City of Los Angeles, )

Defendants. )

The City of South Pasadena, a Municipal )  
corporation,

Complainant, )

vs. )

Case No. 983

Pacific Electric Railway Company, )  
Southern Pacific Company, Southern )  
Pacific Railroad Company, Atchison, )  
Topeka and Santa Fe Railway Company, )  
San Pedro, Los Angeles and Salt Lake )  
Railroad Company and City of Los )  
Angeles,

Defendants.

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Ray L. Chesebro, City Attorney, Frederick von  
Schrader, Assistant City Attorney, and  
Max Thelen, Special Counsel, for the City  
of Los Angeles.

H. R. Brashear, for Los Angeles Chamber of  
Commerce.

J. Ogden Marsh, for the Board of Public  
Utilities and Transportation of the City of  
Los Angeles.

J. W. Buzzell, for the Los Angeles Central  
Labor Council.

Thomas Coomes, for the City Planning Com-  
mission of the City of Los Angeles.

George H. Dunlop, for the Municipal League.

C. W. Durbrow and Frank Karr, for Southern  
Pacific Company and Southern Pacific Rail-  
road Company.

E. E. Bennett, for the Los Angeles and Salt  
Lake Railroad Company.

Robert Brennan, for The Atchison, Topeka and  
Santa Fe Railway Company.

Morton Garbus, for the Los Angeles Civic  
League, Inc.

SEAVEY, Commissioner:

OPINION AND ORDER APPROVING PLAZA  
SET BACK PLAN FOR LOS ANGELES UNION PASSENGER  
TERMINAL

By our order issued in the above matter on July  
8, 1927 (Decision 18593, 30 C.R.C. 151), the defendant carriers,  
and each of them, were ordered to "proceed to construct and

and thereafter operate a union passenger station within that portion of the City of Los Angeles bounded by Commercial Street, North Main Street, Redondo Street, Alhambra Avenue and the Los Angeles River, together with such tracks, connections and all other terminal facilities and additions, extensions, improvements and changes in the existing railroad facilities of said companies as may be reasonably necessary and incidental to the use of said union passenger station, at a cost of approximately ten million dollars (\$10,000,000), in substantial compliance with the plan outlined in Commission's Exhibit 4-B herein."

The order further provided: "Work upon the construction of said union passenger station shall commence within ninety (90) days after the effective date of this order, and shall be completed within three (3) years after said date."

The validity of the Commission's order was upheld by the Supreme Court of California by decision rendered May 27, 1930. (The Atchison, Topeka and Santa Fe Railway Co. et al. v. Railroad Commission, 209 Cal. 460), and the decision of the State Court was affirmed by the Supreme Court of the United States on May 18, 1931, (The Atchison, Topeka and Santa Fe Railway Co. et al. v. Railroad Commission, 283 U. S. 380.)

On September 18, 1933, The Atchison, Topeka and Santa Fe Railway Company and the Los Angeles & Salt Lake Railroad Company filed with the Commission an application requesting the approval of the Plaza Set Back Plan (Exhibit "B" to the Application) as being in compliance with the Commission's order of 1927 above referred to. The said application was filed pursuant to representations made by the carriers at an informal conference between the Commission and the Presidents

of the railroads, respectively, and their counsel, held at the Commission's offices in San Francisco on September 11, 1933. At said conference the carriers filed with the Commission two plans for a union passenger terminal, denominated as (a) the North Broadway Plan and (b) the Set Back Plan.

Hearing was had on the above referred to application before Commissioner Seavey in Los Angeles on October 3, 1933. At said hearing testimony was offered with reference to the North Broadway Plan and the Set Back Plan. The carriers' witnesses testified with respect to the advantages of the North Broadway Plan and stated that the cost of constructing a union passenger terminal in accordance with this plan would involve the expenditure of \$2,200,000 less than constructing a union passenger terminal under the Set Back Plan.

Carriers' witnesses also represented that the maintenance and operating costs under the North Broadway Plan would be substantially less. These witnesses also testified that the North Broadway Plan could be completed more expeditiously than the Set Back Plan, principally because a union passenger terminal at the North Broadway site would be located on land owned by Southern Pacific Company and would involve the acquisition of only eight parcels of land owned by comparatively few individuals, whereas, the Set Back Plan would necessitate acquiring sixty separate parcels of land; that the actual work of constructing a union passenger terminal at the North Broadway site could proceed at once, whereas, some delay would be encountered in constructing the Set Back Plan because of the necessity of acquiring rights of private owners.

To consummate the Set Back Plan it will be necessary for the City of Los Angeles to vacate portions of a number of streets, among them being Lyon, Ramirez, Ogier, Bauchet, Date, Queirolo, Alhambra, Roundout, Bloom and Leroy. It will also be necessary to construct two subways beneath the proposed railroad tracks, one on Macy Street, and one on College Street, or in close proximity to the line of said street.

The City of Los Angeles introduced in evidence two resolutions, one adopted by the Council of the City of Los Angeles, and the other adopted by the Board of Supervisors of the County of Los Angeles. These resolutions evidence an agreement which has been reached between the local authorities and the railroads with reference to the Set Back Plan. In the City resolution it is provided that the Set Back Plan is approved and it is represented that the council will institute and carry forward proceedings for the opening and closing of such public street areas as may be necessary in connection with the consummation of such plan. The resolution in effect confirms the agreement with the railroads that the City of Los Angeles, in connection with the construction of the Set Back Plan, will cause to be expended a sum not to exceed one million dollars for grade separations, grading and street paving under said plan. The resolution of the Board of Supervisors of the County of Los Angeles indicates that the County has agreed to allocate to the City of Los Angeles and expend the sum of one million dollars from certain special funds for street improvement work in connection with the construction of the Set Back Plan of the union passenger terminal.

The carriers' witnesses testified that in consideration of the City defraying the above referred to costs

they would be willing to forego the material economic advantages to be derived from the establishment of the union passenger terminal on the North Broadway site and were willing to construct a union passenger terminal in the Plaza area in substantial conformance with the Set Back Plan upon the entry of an order by the Commission formally approving and adopting said Set Back Plan. Under the circumstances, and in view of the fact that the City of Los Angeles has agreed to pay said sum of not exceeding one million dollars to defray the above mentioned items of expense, the Commission shall provide in its order that the City of Los Angeles shall contribute a sum not exceeding one million dollars to defray the cost of grade separations, grading and street paving necessary in connection with the construction of the union passenger terminal in the Plaza area in substantial conformance with the said Set Back Plan.

Under date of September 11, 1933, the railroads entered into a contract providing for the construction and operation of the union passenger terminal (Exhibit "B" in this proceeding.) The agreement sets forth in considerable detail the rights and obligations of the respective parties. From the said contract it appears that the parties have not yet been able to agree upon the following matters: (1) the value of the lands (approximately 1,340,725 square feet), rights and property of the Southern Pacific Company and Southern Pacific Railroad Company, the use of which is necessary for the union passenger terminal to be constructed in accordance with said Set Back Plan; (2) the exact terminal limits of the union

passenger terminal and connections, as shown on Exhibit "B", but have agreed that an effort will be made to reach such determination within ninety days from the date of the order of the Commission approving said Set Back Plan, and in the event they are unable to agree within said time the question shall be determined by the Commission; (3) the arbitrament of questions relating to additions and betterments extending outside of the area of the union passenger terminal; and (4) the amount of minimum contribution of each party to operating expenses and maintenance. The position of the Santa Fe is that there should be a minimum amount paid by each party.

The fact that the carriers are not yet in agreement on the above particulars should not delay the immediate construction of the station. Under date of September 11, 1933, at the conference held with the Commission, the railroads, through their respective Presidents, entered into a stipulation (Exhibit "C" in this proceeding) whereby possession of the land owned by Southern Pacific Company and Southern Pacific Railroad Company may be taken by the roads and construction work commenced notwithstanding the pendency of proceedings looking to the acquisition of an interest in said property and rights of the Southern Pacific Company and Southern Pacific Railroad Company. By the terms of the stipulation it is provided that the lands, rights and property of the Southern Pacific Company and Southern Pacific Railroad Company may be taken and possession had without prior deposit or payment upon the delivery to Southern Pacific and Southern Pacific Railroad Companies of the written agreement of the Santa Fe and Salt Lake Railroad Companies to pay their proportion in the amounts hereinafter stated of the value of



said lands, rights and property, and damages thereto, if any, taken from the Southern Pacific and Southern Pacific Railroad Companies, together with interest thereon at the rate of 5 per cent per annum from the date of taking possession thereof, plus taxes, less any revenues derived therefrom. From the contract of September 11, 1933, above referred to, it is shown that in the acquisition of such lands, rights and property, it is contemplated that the Santa Fe is to acquire and pay for an undivided 33 per cent of said Southern Pacific and Southern Pacific Railroad Companies' lands, rights and property, and the Salt Lake is to acquire and pay for an undivided 23 per cent thereof, and the Southern Pacific and Southern Pacific Railroad Companies are to retain for the union passenger terminal project an undivided 44 per cent interest in their lands, rights and property and to receive compensation from the Santa Fe and Salt Lake an undivided 56 per cent thereof, all of the railroads involved to participate proportionately in the cost of acquiring such lands, rights and property. Most of the land which is required under the Set Back Plan is now owned by the Southern Pacific Companies.

At the hearing in this matter the railroads represented that proceedings would immediately be instituted for the acquisition of private property necessary in order to carry out the construction of the project and that an earnest effort would be made to begin actual construction work at the earliest possible date. The same views were expressed by the Presidents of the roads at the conference held on September 11, 1933, and the public is thus assured that the railroads will immediately begin work on the project and expeditiously carry the program to completion.

The City and the railroads represented that they would immediately confer on specific plans for the two necessary grade separations and jointly submit the matter to the Commission for approval.

The Atchison Topeka and Santa Fe Railway Company and the Los Angeles & Salt Lake Railroad Company having agreed to construct said Set Back Plan in lieu of plan 4-B, and Southern Pacific and Southern Pacific Railroad Companies having agreed not to oppose said plan, our order herein will approve the Set Back Plan submitted by the Santa Fe and Salt Lake as being substantially in conformity with the terms of the order of this Commission heretofore made in 1927. It is obvious that the Set Back Plan in all particulars meets the requirements of the said order of the Commission.

#### O R D E R

The Atchison, Topeka and Santa Fe Railway Company and Los Angeles & Salt Lake Railroad Company having submitted to the Commission for its approval the Set Back Plan for a union passenger terminal in Los Angeles, in the Plaza area, as indicated in the foregoing opinion, and the Southern Pacific Company and Southern Pacific Railroad Company not opposing the approval by the Commission of such plan, the Commission having carefully considered the said plan and being fully informed in the premises,

IT IS HEREBY ORDERED that the Set Back Plan for a union passenger terminal at the Plaza, Los Angeles, California, submitted to this Commission on September 18, 1933, by supplemental application of The Atchison, Topeka and Santa Fe Railway

Company and Los Angeles & Salt Lake Railroad Company be, and the same is, hereby approved and declared to be substantially in compliance with the terms of the order of this Commission of July 8, 1927, issued in Decision No. 18593.

IT IS HEREBY FURTHER ORDERED that the City of Los Angeles shall contribute the sum of not to exceed one million dollars (\$1,000,000) toward the costs of all grade separations, grading and street paving necessary in connection with the construction of said union passenger terminal under said Set Back Plan, such costs to be contributed to reimburse the railroads if and when such expenditures are made. And

IT IS HEREBY FURTHER ORDERED that the Southern Pacific Company and Southern Pacific Railroad Company shall join with the Santa Fe and Salt Lake in constructing and operating a union passenger terminal in conformance with such Set Back Plan and when said union passenger terminal is constructed and put into service, the Southern Pacific Company and Southern Pacific Railroad Company shall abandon and discontinue operating their existing passenger station in the City of Los Angeles at the Arcade site, and discontinue the operation of their passenger trains into and out of said station.

IT IS HEREBY FURTHER ORDERED that Southern Pacific Company and Southern Pacific Railroad Company shall abandon, discontinue the use of, and remove all spur tracks, yard tracks, team tracks, industry tracks, and all other tracks within the limits of the union passenger terminal south of the northwesterly line of College Street and the easterly projection of College Street, not necessary or useful in the operation of such union passenger terminal.

The Railroad Commission reserves the right to make such further orders in these proceedings relating to the construction, operation, modification and abandonment of facilities and to all other matters relating thereto as may be determined by the Commission to be just and reasonable and as public safety, convenience and necessity may require.

The effective date of this order shall be five (5) 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 4<sup>th</sup> day of October 1933.

C. J. Seaver  
Leon D. Whitell  
W. H. Carr  
M. B. Harris  
Wallace L. Ware  
Commissioners