

ORIGINAL

Decision No. 46149

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of the)
 BAY CITIES TRANSIT COMPANY, a corporation, :
 for authority (1) to sell 73 buses, 2)
 service cars, and all personal property : Application
 contained in applicant's shops, (2) to) No. 32710
 lease certain real property, and (3) to :
 abandon and surrender all of its operating)
 rights. :
 -----)

O P I N I O N

This is an application for an order authorizing Bay Cities Transit Company to abandon and surrender all its operating rights and to dispose of its equipment and real and personal property.

Applicant is a California corporation which for many years has been engaged in the operation of passenger coaches as a common carrier of passengers in and about Santa Monica, Venice, Ocean Park, Sawtelle and West Los Angeles. (1) The application shows, among other things, that the City of Santa Monica also is engaged in operating bus service in the same general area served by applicant, that the two

(1) A review of the Commission's records indicates that the Commission has granted applicant certificates of public convenience and necessity in the following proceedings:

<u>Decision</u>	<u>Date of Decision</u>	<u>Application</u>
27934 as amended	May 6, 1935	19833
32957	Apr. 2, 1940	23227
33117	May 21, 1940	23417
33393	Aug. 6, 1940	23544
34059 as amended	May 25, 1941	(23919 23920 23943 23959)
35175	Nov. 24, 1942	24784
36042	Dec. 15, 1942	(24894 C.4612)
36243	Nov. 23, 1943	25537
40959	Nov. 25, 1947	28882
42272	Nov. 30, 1948	29697
43392	Oct. 11, 1948	30616
44903	Oct. 10, 1950	31413

operations are in competition at various points, that applicant has conducted its operations at a loss since January 1, 1947, and that it has decided to retire from its operations and has made arrangements to dispose of them to the City of Santa Monica. It reports that in its opinion the consolidation of the two operations will result in economies in operation and in better service to the general public.

The property to be transferred to the City of Santa Monica includes 73 motor coaches, 2 service cars and all the personal property contained in applicant's shops including equipment, furniture, gas and oil, and other supplies, together with 2 coin counting machines. In addition, applicant proposes to lease to the City of Santa Monica Lots 4, 5, 6 and 15 in Block 3, Bandini Tract.

The agreed consideration for the transfer of the equipment and personal property is the sum of \$215,000, payable in cash. The lease arrangement covering the real property will run for a period of ten years at a yearly rental of \$6,750, with the option granted the city to purchase the property at the fixed price of \$135,000. The city in addition has agreed to forego any claim it may have against applicant by reason of the passage of an ordinance in June, 1947, purporting to levy a 2% gross receipts tax upon the business applicant carries on within the city limits. (2)

Applicant asks the Commission for an order relieving it of its status as a passenger stage corporation upon the conclusion of the transactions referred to in this proceeding.

(2) Applicant's 1950 annual report shows the Santa Monica city license tax accrued in the amount of \$26,944.65.

O R D E R

The Commission has considered this matter and is of the opinion that a public hearing thereon is not necessary, that the proposed transfer will not be adverse to the public interest, and that the application accordingly should be granted; therefore,

IT IS HEREBY ORDERED that Bay Cities Transit Company be, and it hereby is, authorized, after the date hereof and on or before September 30, 1951, to sell the equipment and personal property referred to in this proceeding to the City of Santa Monica, and to lease to said city the real property referred to, such sale and lease to be in accordance with the terms and conditions set forth in this application.

IT IS HEREBY FURTHER ORDERED that the operative rights heretofore granted Bay Cities Transit Company by this Commission, and now in effect, be canceled and that Bay Cities Transit Company be relieved of its obligations as a passenger stage corporation upon the conclusion of the sale and lease herein authorized and the consummation of the transactions referred to herein.

Dated at San Francisco, California, this 4th day of September, 1951.

R. J. [Signature]
 President

Justus J. [Signature]

Harold [Signature]

[Signature]

[Signature]
 Commissioners