

ORIGINAL

Decision No. 51223

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 SOUTH LOS ANGELES TRANSPORTATION)
 COMPANY, a corporation, for an)
 order granting permission to extend)
 service over and along Avalon)
 Boulevard to Carson Street, amd)
 northerly along Avalon from)
 Manchester Avenue to San Pedro)
 Street, thence along San Pedro)
 Street, Eighth Street and Main)
 Street to 7th and Main Streets in)
 downtown Los Angeles.)

Application No. 35259

Newell and Chester, by Robert M. Newell, for applicant.

Gibson, Dunn & Crutcher, by Max Eddy Utt, for Los Angeles Transit Lines; Dale Harlan and Waldo K. Greiner, for Metropolitan Coach Lines, protestants.

T. M. Chubb, Chief Engineer and General Manager, Board of Public Utilities and Transportation of the City of Los Angeles, by T. V. Tarbett, Manuel Krohman and T. E. Hoffman; H. A. Sholley, for Wilmington Bus Co.; Paul A. Rowley, for Gardena Municipal Bus Lines; Marshall A. Chamberlain, for Torrance Municipal Bus Lines; Clinton M. Chittenden, for Atkinson Transportation Company; Welford R. Wilson, for Belvue Improvement League; Mrs. Lorean L. Hill; Ben Perry, for Watts Coordinating Council; Mrs. Bonnie Davisson, for Del Amo P.T.A.; John O. Lewis, for Consolidated Civic Committee; Paul T. Anderson, for Consolidated Civic Committee of South Los Angeles; Roy C. Brooks, for Consolidated Civic Committee of Los Angeles; Rossie O. Elliott, Urban League Representative; David A. Scott; Dean M. Carson, for Cross Town and Southern Cities Transit, Inc., interested parties..

O P I N I O N

South Los Angeles Transportation Company is a California corporation rendering service as a passenger stage corporation

(1)
pursuant to authority from this Commission. It is authorized to serve via the following routes:

Beginning at the intersection of Manchester Avenue and Broadway, in the City of Los Angeles, thence along Manchester Avenue, Avalon Boulevard, Compton Boulevard, Willowbrook Avenue, Palm Street, Acacia Street to its intersection with Compton Boulevard.

Beginning at the intersection of Manchester Avenue and Main Street, in the City of Los Angeles, thence along Main Street, 121st Street, San Pedro Street, 120th Street to its intersection with Avalon Boulevard.

Beginning at the intersection of Main Street and 86th Place, thence along 86th Place, Broadway to its intersection with Manchester Avenue.

Beginning at the intersection of Imperial Highway and Central Avenue, thence along Central Avenue to its intersection with Compton Boulevard. ✓

From the intersection of Imperial Highway and Central Avenue, via Central Avenue and Manchester Avenue to its intersection with Avalon Boulevard. ✓

By the application herein, applicant seeks authority to extend service from the intersection of Avalon Boulevard and Manchester Avenue, via Avalon Boulevard, San Pedro Street and 7th Street to Main Street; and from the intersection of Compton Boulevard and Avalon Boulevard via Avalon Boulevard to Carson Street, and to render an express-type service from 7th Street and Main Street to Avalon Boulevard and Carson Street, a total distance of approximately 15 miles, carrying no passengers whose origin and destination both are north of Manchester Avenue.

Public Hearings were held in Los Angeles before Examiner Rogers on May 27 and 28 and June 1 and 7, 1954. Interested parties, including individuals and representatives of civic organizations and

(1) Decision No. 40694, dated September 10, 1947, in Application No. 28523; Decision No. 47443, dated July 8, 1952, in Application No. 33431; Decision No. 49043, dated September 1, 1953, in Application No. 34529. ✓

passenger stage corporations, appeared in support of the proposal. The Metropolitan Coach Lines and the Los Angeles Transit Lines appeared in protest. A representative of the Board of Public Utilities and Transportation of the City of Los Angeles indicated at the hearing that the Board was not desirous of presenting any evidence and would await the decision of this Commission.

Herbert B. Atkinson, the vice president and general manager of the applicant, testified concerning its reasons for filing the application, its proposed fares, its schedules, and other pertinent facts.

The operations began in 1925 and the operators then were Frank Atkinson and D. B. Morris. The same year Frank Atkinson purchased D. B. Morris' interest in the company. The present successor corporation was formed in 1952.

The original operation was a two-way service over a loop from Manchester Avenue and Broadway, via Manchester Avenue, Avalon Boulevard, 120th Street, Main Street, and Manchester Avenue, to the point of beginning. The routes have been changed from time to time until the present routes are as heretofore set forth in this opinion.

The Compton Boulevard legs of applicant's lines terminate on the east at the Metropolitan Coach Lines' (formerly Pacific Electric Railway Company) Los Angeles to San Pedro and Long Beach lines rail right of way in Compton and provide a feeder service for these lines. About 300 passengers each day travel to and from this point on applicant's stages.

In addition to being a stockholder and officer in the applicant corporation, Herbert B. Atkinson is an officer, but not a stockholder, in the Atkinson Transportation Company which operates a passenger stage service in the Watts area of Los Angeles County (south of Manchester Avenue and between Central Avenue and the Metropolitan Coach Lines' Los Angeles to Long Beach rail line). Applicant and this latter company interchange transfers. Atkinson has a line passing the Metropolitan Coach Lines' Watts station

located at 103d Street and Graham Avenue. Approximately 1,000 Metropolitan Coach Lines' passengers per day use the Atkinson Transportation Company services to and from the Watts station. Some of these passengers in turn transfer to or from the applicant's existing lines.

The evidence at the hearings showed that in addition to applicant's connections above referred to, it connects with (without transfer privileges) the Southern Cities Transit, Inc., line, which goes east and west on Imperial Highway; the Gardena Bus Line which runs along Main Street from 120th Street to 10th and Broadway in Los Angeles; the Los Angeles Transit Lines' No. 7 rail line, which originates at 116th Street and Broadway and proceeds north past applicant's Manchester Avenue and Broadway terminus via Broadway and Spring Street to Sunset Boulevard in Los Angeles; the Los Angeles Transit Lines' S car line at Manchester and Central Avenue; and Los Angeles Transit Lines' No. 42 coach line which terminates at Manchester Avenue and San Pedro Street.

The proposed extension south of Compton Boulevard would cross or connect with the Torrance Municipal Bus Line at Carson Street and Avalon Boulevard; the Wilmington Bus Company line which terminates at Carson Street and Avalon Boulevard; and the Gardena Municipal Bus Line which crosses Avalon Boulevard at Olive Street. ✓

Applicant proposes to collect the sum of 35 cents for the complete trip from 7th and Main Streets to Carson Street and Avalon Boulevard, with fare-break points at Manchester Avenue, Compton Boulevard, and Victoria Street intermediate to Carson Street. (2)

(2) Exhibit "B" on the application.

Twenty-three inbound and 25 outbound trips per day are proposed between the intersection of 135th Street and Avalon Boulevard and the 7th and Main Streets terminus, and 18 inbound and 17 outbound trips per day between the intersection of Carson Street and Avalon Boulevard and the 7th and Main Streets terminus.⁽³⁾ Service would be approximately hourly between Carson Street and 135th Street, and approximately one-half hourly between 135th Street and the Los Angeles terminus, and would be rendered Monday through Friday with reduced service on Saturdays. Time in transit would be 37 minutes one way for the entire trip from Carson to 7th and Main. ✓

Applicant estimates that the total mileage per day on the proposed service would be 996.25 miles; that its revenue therefrom would be 46 cents per mile, and its total expenses 39 cents per mile. It would need six stages to render the proposed service. Two would be acquired from the Atkinson Transportation Company in exchange for cancellation of part of an existing indebtedness, and applicant would purchase four new coaches for \$17,000 each, with a total down payment of \$13,500, the balance to be amortized over a period of five years. All stages, including the two to be acquired from the Atkinson Transportation Company, would be diesel powered with torque converter transmissions, and have seating capacities of from 27 (the two to be acquired from Atkinson) to 37 passengers. ✓

For the period from January 1, 1954, to April 30, 1954, applicant made a net profit from its present operations, before income taxes, of approximately \$6,000.⁽⁴⁾ As of April 30, 1954, applicant had current assets which it valued at approximately \$68,000 and current liabilities of approximately \$10,000.⁽⁵⁾

There is at present, according to Mr. Atkinson, no passenger stage service on Avalon Boulevard between Carson Street and Compton Boulevard, a distance of over four miles. Near Carson Street

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- (3) Exhibit No. 5 a.
(4) Exhibit No. 7.
(5) Exhibit No. 1.

there is a tract with 730 homes with another 730 homes planned. Within one-quarter mile of Carson Street and Avalon Boulevard there are another 300 - 400 dwelling units. At Avalon Boulevard and Olive Street (approximately one-quarter mile south of Compton Boulevard) there is a development of 300 homes, with another 125 under construction. There is little or no commercial development in the area to be served by this portion of applicant's proposed extension. While applicant's witness expressed the opinion, based on house counts, that there is a public need for the proposed service south of Compton Boulevard, such opinion by itself is not sufficient evidence on which to base a finding that public convenience and necessity require the service.

Only one public witness appeared in support of this portion of the proposed service. This witness purported to voice the need by teachers at the Del Amo grade school, located on Carson Street, one mile east of Avalon Boulevard, for transportation to and from Los Angeles. The number of such teachers was not stated but it is doubtful that their number is sufficient to justify a four-mile extension. No other person from this area had enough interest in the proposed service to appear in support of the application.

In our opinion the record does not show that public convenience and necessity require that applicant extend service from Compton Boulevard via Avalon Boulevard to its intersection with Carson Boulevard. Accordingly, this portion of the application will be denied.

The applicant's present service area is one which has had a steady increase in the number of residential units since early 1930 and is still growing, the most rapid growth being in the period from 1946 to 1948. Several public witnesses representing various groups or appearing on their own behalf appeared in support of the

application. These people were interested in securing transportation from points in an area bounded by Manchester Avenue, Figueroa Street, Compton Boulevard and the Pacific Electric Railway's Los Angeles to Long Beach right-of-way. Generally, they complained that the transit time of the Los Angeles Transit Lines' (hereinafter referred to as L.A.T.L.) services between the described area and downtown Los Angeles is too long. The consensus was that an hour or more is required either via the L.A.T.L.'s services alone or via a combination of the L.A.T.L.'s services and applicant's existing services.

A representative of the Los Angeles Urban League, a group attempting to secure adequate public transportation for the described area, stated that this group has been attempting for several years to secure the type of service proposed by applicant.

The L.A.T.L.'s traffic analyst appeared in support of that company's protest to the application.

He testified that L.A.T.L. and Metropolitan Coach Lines (hereinafter referred to as Metropolitan) have arranged for free transfer privileges between their lines in downtown Los Angeles, including Metropolitan's Watts line; that L.A.T.L. has available to carry passengers from Manchester, the northern boundary of applicant's present service area, to downtown Los Angeles the No. 49 bus line which runs from Figueroa Street and Century Boulevard, via Figueroa Street (about one-quarter mile west of Broadway) to downtown Los Angeles, the No. 7 rail line which runs from 116th Street and Broadway past Manchester and Broadway (the present terminus of applicant's existing lines) to Sunset Boulevard and Spring Street, and the S rail line which runs from the intersection of Manchester Avenue (Firestone Boulevard at this point)

and Central Avenue (the most northerly point on applicant's Central Avenue line) via Central Avenue, Gage Avenue and Avalon Boulevard into downtown Los Angeles. Each of the above-described north-south services crosses at the major intersections the east-west services of L.A.T.L. or Metropolitan, thus affording transportation for the entire area served by these two carriers.

The protestant, Metropolitan, is the successor by purchase of the Pacific Electric's passenger rights including both stage and rail operations. It now has rail lines extending from 6th and Main Streets in Los Angeles past the Watts station to Compton, San Pedro and Long Beach. As far as present operations by rail are concerned, Metropolitan protests the application for the reason that applicant would allegedly divert a large portion of the 300 passengers that it delivers to Metropolitan's Compton station for transportation by rail into Los Angeles. It is also alleged that many of the 1,000 daily Watts passengers originating on the lines of the Atkinson Transportation Company's system would be diverted due to the fact that such company and applicant have transfer privileges and, therefore, the Atkinson passengers would transfer to the proposed services of applicant for carriage into Los Angeles.

The situation revealed by the record is that there is an area extending from Manchester Avenue on the north, to Compton Boulevard on the south, and from Main Street on the west to the Pacific Electric right-of-way on the east which has been rapidly developing since the end of World War II. At the time of the hearing herein, in order to reach Los Angeles the inhabitants of this area were required to use the services, referred to above, of the Los Angeles Transit Lines or the Metropolitan Coach Lines

in combination with the services of applicant, or of applicant and the Atkinson Transportation Company.

After this application was filed, Los Angeles Transit Lines filed its application (Application No. 35471) for authority to render a passenger stage service from downtown Los Angeles via San Pedro Street to 135th Street. This would be accomplished by combining its existing Lines 42 and 49 into one line, terminating at Manchester Avenue and San Pedro Street, and extending the resulting line south of Manchester Avenue. We have this day granted Los Angeles Transit Lines authority to combine the services but we have denied it authority to extend its service south of Manchester Avenue (Decision No. 51266). Also, we have authorized Los Angeles Transit Lines to replace rail service with passenger stage service on its Line No. 7 (Decision No. 50734). The company has been ordered to make a study and submit a plan for express or limited stop service on its No. 7 and revised No. 49 Lines from and to downtown Los Angeles, together with supporting data for the Commission's consideration.

It might appear just and reasonable that applicant herein, having taken the initiative in proposing the improved service, should be the company authorized to provide it. There is merit in that conclusion. It is outweighed, however, in our opinion, by the disadvantages of multiplying the number of transit companies providing service into the downtown business district. We think it desirable to preserve the rights of applicant and other outlying and "feeder" lines in the territories to which they have dedicated their services, while requiring those companies already franchised to serve the business district to provide the service needed therein.

Accordingly, we find that public convenience and necessity do not require that applicant extend service between Manchester Avenue and downtown Los Angeles. Therefore, that portion of the application also will be denied.

ORDER

The Commission having found that public convenience and necessity do not require that applicant extend its services either south of the intersection of Compton Boulevard and Avalon Boulevard or north of the intersection of Avalon Boulevard and Manchester Avenue,

IT IS ORDERED that the application be, and the same hereby is, denied.

The effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 29th day of March, 1955.

John E. Mitchell
 President
Arthur J. Gardner
Paula Verbeek

Commissioners

Matthew J. Dooley
 Commissioner....., being necessarily absent, did not participate in the disposition of this proceeding.