Decision No. 52272

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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of NORTH GATE TRANSIT CO., INC. for a Certificate of Public Necessity and Convenience.

Application No. 37180

John A. Putkey, for applicant; <u>Frank J. Needles</u>, for the City and County of San Francisco; <u>Frank B. Blum</u>, for the City of Daly City; <u>Thomas M. Jenkins</u>, for Broadmoor Property Owners Association, interested parties; <u>A. R. Linn</u>, for A. E. Ryan, dba Peninsula Bus Lines and Bert Perkins, dba Broadmoor Transit Lines, protestants; <u>C. W. Overhouse</u>, for the Commission staff.

<u>O P I N I O N</u>

North Gate Transit Co., Inc., requests authority to operate a passenger stage service between Daly City and Broadmoor Village in San Mateo County.

A public hearing was held before Examiner Daly on October 20, 1955, in Daly City and the matter was submitted.

The proposed service is in the nature of a jitney operation. Applicant, a corporation, is composed of a group of individuals who own and operate their own vehicles, which for the most part are eight passenger limousines. The vehicles are leased to applicant. Under the lease arrangement the owner-driver retains all but one cent of each fare. However, he is required to bear the expense of operating and maintaining the vehicle.

For the past several months applicant has rendered service entirely within Daly City. It has provided a feeder service between Westlake, a residential development of the Henry Doelger Company, and the San Francisco - San Mateo County Line at Mission Street. From Daly City other public carriers transport passengers along Mission Street to downtown San Francisco. A certificate of public

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convenience and necessity is sought to extend service to another residential development known as Broadmoor Village, an unincorporated area adjacent to and south of Westlake.

The proposed service would be operated daily from 6:30 A.M. to 8:30 P.M. The fares would be 15 cents for adults and 10 cents for children. Minimum headways of 20 minutes would be maintained on week days and 30 minutes on Sundays and holidays.

It was stated that when the service was first initiated it operated at a loss. As it became better known greater use has been made of it and the loss minimized. Applicant believes that the short extension to Broadmoor Village would not only provide the residents thereof with their only service, but it would make the operation economically feasible.

Although there is no existing service to Broadmoor Village a service is provided between Westlake and the West Portal district in San Francisco by the San Francisco Municipal Railway through its No. 76 bus line. This also is in the nature of a feeder line operation connecting with street cars destined to the San Francisco downtown area. According to the record the No. 76 bus line is subsidized by the Henry Doelger Company, under an agreement with the City and County of San Francisco. The agreement will terminate on December 31, 1955. A representative of the Henry Doelger Company testified that the subsidy agreement will not be renewed. A representative of the City and County of San Francisco testified that the No. 76 bus line would be withdrawn if the subsidy is terminated. It was his opinion that two competitive feeder systems connecting with downtown San Francisco services could not financially survive. He stated, however, that upon the discontinuance of the No. 76 bus line many individuals using said service would be diverted to applicant.

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The City Manager of Daly City stated that the City favors the granting of the authority sought. It was his opinion that the proposed operation was sufficiently flexible to Succeed Whereas a larger and more conventional type of transit operation would not.

A member of the Broadmoor Property Owners Association testified that there are presently 6000 residents in Broadmoor Village. He stated that many requests have been made to the Association for adequate transportation. He recommended that the application be granted.

Appearances in protest were made by Bert Perkins, dba Broadmoor Transit Lines and A. E. Ryan, dba Peninsula Bus Lines. Mr. Perkins is not providing an existing service. His application to serve between Broadmoor Village and the West Portal District in San Francisco, was denied by Decision No. 51878 dated August 23, 1955, on the ground of financial inability and on the further ground that it constituted a duplication of the No. 76 bus line service. On November 1, 1955, Mr. Ryan was granted authority to extend his service to Daly City from peninsula points. His attorney admitted, however, that applicant's proposed service would not be competitive with Mr. Ryan's extended service.

It appears from the record that there is a definite need for service between Daly City and Broadmoor Village. Applicant has been providing service in the past within Daly City and apparently has succeeded in overcoming many of the initial difficulties. The proposed extension to Broadmoor, the constant new development of the Westlake area and the proposed discontinuance of the No. 76 bus line should materially aid the operation.

After consideration the Commission is of the opinion and so finds that public convenience and necessity require that the application be granted.

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Application having been filed, a public hearing having been held thereon and based upon the evidence adduced therein,

IT IS ORDERED:

(1) That a certificate of public convenience and necessity is hereby granted to the North Gate Transit Co., Inc., authorizing the establishment and operation of service as a passenger stage corporation, as defined in Section 226 of the Public Utilities Code, for the transportation of passengers between Daly City and Broadmoor Village.

(2) That in providing service pursuant to the certificate herein granted, applicant shall comply with and observe the following regulations:

- (a) Within thirty days after the effective date hereof, applicant shall file a written acceptance of the certificate herein granted. By accepting the certificate of public convenience and necessity herein granted, applicant is placed upon notice that it will be required, among other things, to file annual reports of its operations and to comply with and observe the safety rules and other regulations of the Commission's General Order No. 98. Failure to file such reports, in such form and at such time as the Commission may direct, or to comply with and observe the provisions of General Order No. 98, May result in a cancellation of the operating authority granted by this decision.
- (b) Within ninety days after the effective date hereof and on not less than five days' notice to the Commission and the public, applicant shall establish said service, and file in triplicate, and concurrently make effective, tariffs and timetables satisfactory to the Commission.

Subject to the authority of this Commission to change or modify it by further order, applicant shall conduct the service herein authorized over and along the following routes:

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- 1. Commencing at the intersection of Templeton Avenue and Mission Street thence along Templeton Avenue, Brunswick Street, Hillside Boulevard, Market Street, Station Avenue, School Street, Junipero Serra Boulevard, 92nd Street, Briggs Street, Washington Street, MacArthur Drive, Larchmont Drive, Stoneyford Drive, Montrose Avenue, Beechwood Drive, Ocean Grove Avenue, Westmoor Avenue, Southgate Avenue, Lynnwood Drive, Alemany Boulevard, Knowles Avenue, Santa Barbara Avenue, Hillcrest Drive, Mission Street to its intersection with Templeton Avenue.
- 2. Commencing at the intersection of Mission Street and Templeton Avenue thence along Templeton Avenue, Brunswick Street, Hillside Boulevard, Market Street, Station Avenue, School Street, Junipero Serra Boulevard, 87th Street, Maddox Drive, Southgate Avenue, Westmoor Avenue, South Mayfair Avenue, Dorchester Drive, Alemany Boulevard, Knowles Avenue, Santa Barbara Avenue, Hillcrest Drive, Mission Street, to its intersection with Templeton Avenue.

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

, California, this 22 " San Francisco Dated at____ Nouenibez. day of 1955. esident U

Commissioners