

AN ORDINANCE
No. 530-1952

Granting to The Cincinnati Street Railway Company, whose corporate name is to be changed to The Cincinnati Transit Company before the effective date of this ordinance, a renewal for twenty-five years of the right to operate and maintain a trackless trolley and motor bus system, and trackless trolley and motor bus routes, and fixing the terms and conditions of such operation and maintenance and repealing and terminating existing grants.

WHEREAS, The Cincinnati Street Railway Company, whose name is to be changed to The Cincinnati Transit Company before the effective date of this ordinance, hereinafter designated as "Company," is a corporation under the laws of the State of Ohio, and has been granted and is now exercising the right to maintain and operate trackless trolley and motor bus systems in the City of Cincinnati, which right has been granted by Ordinance No. 321-1940 of the City of Cincinnati, and various supplementary and amendatory ordinances, all under the authority conferred by the Constitution and Statutes of the State of Ohio; and

WHEREAS, all street railway operations previously conducted by the Company under the original terms and provisions of the above mentioned ordinance have been discontinued and its transportation system now consists of trackless trolley and motor bus operations; and

WHEREAS, the fare increases permitted under the service at cost franchise granted by the above mentioned ordinance, being limited in amount to one-half a cent each four months, have been insufficient in years past to keep pace with increased operating costs, thereby causing a large deficiency in the fare control fund provided for in the existing ordinance and making unlikely any stabilization of fares in the foreseeable future; and

WHEREAS, the Company has negotiated with the City to the end of obtaining a more equitable and practicable system of fare increases and decreases while retaining the principles of service at cost and has also sought an extension of its franchise; and

WHEREAS, as conditions to the granting of a new franchise incorporating certain changes requested by the Company and extending the life of the Company's franchise, the City has insisted that the Company effect a recapitalization under which, in lieu of the 475,239 shares of \$25 par value capital stock now outstanding there would be issued 475,239 debentures of the face amount of \$12.50 each and 475,239 shares of \$12.50 par value capital stock and that the Company obtain an extension of the maturity of its first mortgage bonds, with reduction in the amount of the annual sinking fund requirements therefor; and

WHEREAS, the City and the Company have now agreed upon the terms and conditions of a new franchise, which it is believed will tend to stabilize fares, will reduce costs to be borne by system riders, will provide a fair and more certain income to security holders of the Company, and will be fair and advantageous to the City and the system riders and to the Company and its security holders; and

WHEREAS, it is the desire of the City of Cincinnati and of the Company that the existing rights of the Company, as herein modified, shall be extended as herein provided and that all the terms and conditions of the grant as modified be embodied in a single instrument;

NOW, THEREFORE, Be it Ordained by the Council of the City of Cincinnati, State of Ohio:

Section 1. DEFINITIONS. (a) Wherever in this Ordinance the word "Company" is used without further specification, it shall mean The Cincinnati Street Railway Company whose corporate name is to be changed to The Cincinnati Transit Company before the effective date of this Ordinance, its successors or assigns.

(b) Wherever the word "City" is used, it shall mean the City of Cincinnati. "In the city," or "within the city," or any other reference to the territorial limits of the City of Cincinnati shall mean the territorial limits as at present and as they may in the future be enlarged or