

Decision No. 14264

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of )  
 HOWARD TERMINAL RAILWAY, a corpora- )  
 tion, for an order authorizing the ) Application Number 10573  
 issuance of stock. )

McCutchen, Olney, Mannon & Greene,  
 by Allan P. Matthew for Applicant.

ORIGINAL

BY THE COMMISSION :

O P I N I O N

In this application the Railroad Commission is asked to make an order authorizing Howard Terminal Railway to issue 180 shares of its common capital stock of the aggregate par value of \$18,000.00 for the purpose of paying for railroad tracks described in applicant's Exhibit "B".

The application shows that Howard Terminal Railway is engaged in business as a common carrier of freight, operating as a switching railroad. It appears that the corporation was organized on or about April 20, 1917, with an authorized capital stock of \$50,000.00 divided into 500 shares of the par value of \$100.00 each, all common. By Decision Number 4528, dated August 10, 1917, as amended, in Application Number 3020, the company was authorized to issue \$32,000.00 of stock in payment for properties.

Applicant's operations are conducted over tracks located on lands leased from Howard Company, a corporation engaged in a general warehousing, leasing, dockage and other business in Oakland. It is reported that Howard Company is the owner of 4,814 feet of trackage which it constructed at a cost of \$21,002.26 as shown in some detail in applicant's exhibit "3" filed in this proceeding. It appears that such trackage is not required by Howard Company but is needed by appli-

cant in its operations as a common carrier. Howard Terminal Railway now proposes to purchase this track and it is of record that the Howard Company will accept \$18,000.00 of stock in full payment for the properties to be transferred and that such properties will be transferred free and clear of all encumbrances. In this connection the testimony herein shows that Howard Company is the owner of all applicant's outstanding stock excepting director's shares.

O R D E R

Howard Terminal Railway having applied to the Railroad Commission for permission to issue \$18,000.00 of stock, a public hearing having been held before Examiner Fankhauser and the Railroad Commission being of the opinion that the money, property or labor to be procured or paid for by such issue is reasonably required by applicant for the purpose specified herein and that the expenditures are not in whole or in part reasonably chargeable to operating expenses or to income,

IT IS HEREBY ORDERED that HOWARD TERMINAL RAILWAY be, and it is hereby, authorized to issue on or before February 28, 1925, \$18,000.00 of its common capital stock to Howard Company for the purpose of acquiring the railroad tracks and property referred to in the foregoing opinion.

The authority herein granted is subject to the following conditions :-

1. Applicant shall keep such record of the issue, sale and delivery of the stock herein authorized and of the disposition of the proceeds as will enable it to file on or before the 25th. day of each month a verified report as required by the Railroad Commission's General Order Number 24, which order in so far as applicable is made a part of this order.
2. The authority herein granted will become effective

upon the date of this order.

DATED at San Francisco, California, this 17<sup>th</sup> day of  
November, 1924.

C. A. Seaver  
H. B. Burdige  
Dwight Martin  
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Commissioners.