

Decision No. 15410.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of)
 SACRAMENTO NORTHERN RAILROAD, a)
 corporation, and SAN FRANCISCO -)
 SACRAMENTO RAILROAD COMPANY, a)
 corporation, for an order of the)
 Railroad Commission of the State of)
 California, (1) authorizing said)
 Sacramento Northern Railroad to sell)
 an undivided one-third (1/3))
 interest in its Union Railroad)
 Passenger Station in the City of)
 Sacramento, to said San Francisco -)
 Sacramento Railroad Company, (2))
 authorizing said San Francisco -)
 Sacramento Railroad Company to)
 execute and deliver to Sacramento)
 Northern Railroad two promissory)
 notes for a portion of the purchase)
 price of said Union Railroad)
 Passenger Station, and to secure the)
 same by a purchase money mortgage on)
 its one-third (1/3) interest in such)
 Union Railroad Passenger Station to)
 Sacramento Northern Railroad, and to)
 assume liability with respect to)
 certain securities, and (3) authori-)
 zing Sacramento Northern Railroad to)
 permit San Francisco-Sacramento)
 Railroad Company to use jointly with)
 it certain of its tracks in the City)
 of Sacramento.)

ORIGINAL

Application No. 11636

F. M. Angellotti, for Sacramento Northern Railroad.
 Jesse H. Steinhart and J. J. Goldberg, for
 San Francisco - Sacramento Railroad Company.

BY THE COMMISSION:

OPINION

In this application, as amended, at the hearing had
 before Examiner Fakhauer, the Railroad Commission is asked to
 authorize the Sacramento Northern Railroad to exercise the rights
 and privileges granted by Ordinance No. 140, fourth series, of the

City of Sacramento. The Railroad Commission is further asked to make an order authorizing the Sacramento Northern Railroad to transfer to the San Francisco-Sacramento Railroad Company an undivided one-third ($1/3$) interest in its union railroad passenger station, tracks, overhead and appurtenances in the City of Sacramento, referred to in this proceeding; to authorize the Sacramento Northern Railroad and San Francisco-Sacramento Railroad Company to jointly use the portions of the tracks of Sacramento Northern Railroad on "M", 8TH and "I" streets in the City of Sacramento, referred to in that certain agreement dated December 26, 1924, and filed as applicant's Exhibit "A" in this proceeding; to authorize the Sacramento Northern Railroad and San Francisco-Sacramento Railroad Company to assume the payment of \$90,000. representing the balance due on the land purchased on which to construct said union railroad passenger station; to authorize the San Francisco-Sacramento Railroad Company to issue notes to pay in part for the undivided one-third ($1/3$) interest in said union railroad passenger station, tracks, overhead and appurtenances and execute a purchase money mortgage (Exhibit No. 2) to secure the payment of such notes; and to authorize Sacramento Northern Railroad and San Francisco - Sacramento Railroad Company to carry out and execute the provisions of the agreement filed in this proceeding and marked applicant's Exhibit "A".

On May 19, 1923, the Sacramento Chamber of Commerce filed a complaint (Case No. 1912) against Sacramento Northern Railroad, Central California Traction Company and San Francisco - Sacramento Railroad Company in which the complainant asked the

Railroad Commission to make an order directing, among other things, that the defendants be required to establish in the City of Sacramento a union railroad passenger station. Following the filing of the complaint conferences were held with the result that the defendant companies entered into an agreement to construct a union railroad passenger station. Thereafter Case No. 1912 was dismissed upon the request of the complainant. The testimony shows that the Sacramento Northern Railroad purchased the land necessary to construct the station, and constructed the station, tracks, overhead and appurtenances, with the understanding that it would transfer at cost an undivided one-third (1/3) interest to the San Francisco-Sacramento Railroad Company.

The station is ready for occupancy. The Sacramento Northern Railroad now asks permission to transfer an undivided one-third (1/3) interest in the station, tracks, overhead and appurtenances to the San Francisco-Sacramento Railroad Company at cost to the Sacramento Northern Railroad. The cost of the land is reported at \$96,000. The expenditures on the building to date have amounted to \$82,500. and on the tracks, overhead structures and appurtenances, \$97,000. It is of record that additional expenditures aggregating not over \$5,000. may have to be incurred to complete the building, tracks, overhead and appurtenances. The San Francisco-Sacramento Railroad Company asks permission to acquire an undivided one-third (1/3) interest in the said station properties and issue in part payment therefor its notes. Until the cost is accurately determined, the parties are not in a position to advise the Railroad Commission of the amount of notes to be issued by the San Francisco-Sacramento Railroad Company.

In order that applicants may forthwith operate their trains in and out of said union railroad passenger station the Railroad Commission believes that it should at this time enter its order authorizing applicants to carry out and execute the agreement entered into between them in so far as such agreement relates to the joint operation or use of said union railroad passenger station and tracks, referred to in applicants' Exhibit "A", and authorize Sacramento Northern Railroad to exercise the rights and privileges granted by Ordinance No. 140, fourth series of the City of Sacramento. An order to that effect will now be made. When applicants have advised the Commission in the writing of the exact cost of ^{the} union railroad passenger station, tracks, overhead structures and appurtenances, and the face value and date of the notes which San Francisco-Sacramento Railroad Company intends to issue, the Commission will consider the entry of a further order in this proceeding.

ORDER

The Railroad Commission having been asked to make an order as indicated in the opinion which precedes this order, a public hearing having been held before Examiner Fankhauser and the Railroad Commission being of the opinion that the Sacramento Northern Railroad should be permitted to exercise the rights and privileges granted by Ordinance No. 140, fourth series of the City of Sacramento, and that applicants should at this time be permitted to carry out the agreement (Exhibit "A") filed in this proceeding in so far as it relates to the joint operation

and use of the union railroad passenger station and tracks, overhead structures and appurtenances referred to in said agreement, therefore,

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY DECLARES that present and future public convenience and necessity require, and will require, the Sacramento Northern Railroad to exercise the rights and privileges granted to it by Ordinance No. 140, fourth series, of the City of Sacramento filed as Exhibit "B" in Application No. 11438.

IT IS HEREBY ORDERED that the Sacramento Northern Railroad and San Francisco-Sacramento Railroad Company be, and they are hereby, authorized to carry out the terms and provisions of the agreement filed in this proceeding and marked Exhibit "A" in so far as the terms and provisions of said agreement relate to the joint operation and use of the union passenger railroad station, tracks, overhead structures and appurtenances referred to in said agreement.

IT IS HEREBY FURTHER ORDERED that the authority herein granted will become effective upon the date hereof, and that the requests of applicants are granted at this time only to the extent as it affirmatively appears in this order.

DATED at San Francisco, California, this 18th day of September, 1925.

W. H. Brundage

George D. T. Lewis

Edward W. Scott

Leon Whitell

Commissioners.