

LEB

Decision No. 19207

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
PARR TERMINAL COMPANY

and

PARR TERMINAL CORPORATION

for an order authorizing the transfer
of certain property from Parr Terminal
Company to Parr Terminal Corporation,
the issuance by Parr Terminal Corpora-
tion of certain shares of its capital
stock to Parr Terminal Company and the
assumption by Parr Terminal Corporation
of certain liabilities of Parr Terminal
Company.

ORIGINAL

Application No. 14562

Morrison, Hohfeld, Foerster, Shuman and Clark,
by Roland Foerster and W. L. Hollaway,
for applicants.

BY THE COMMISSION:

O P I N I O N

In this proceeding the Railroad Commission is asked to authorize the Parr Terminal Company to sell its properties in Richmond, including a lease between it and the City of Richmond to Parr Terminal Corporation, and to acquire and hold 2489 shares (\$248,900.00 par value) of common stock of Parr Terminal Corporation.

The Parr Terminal Corporation asks permission to acquire the aforesaid properties, issue in/ ^{part} payment therefor 2489 shares of its common stock; issue at par for cash eleven shares of stock to its directors; to assume and agree to pay the indebtedness of Parr Terminal Company on February 28, 1928 to Rozella R. B. Gilmore amounting to \$23,241.00 and to the American Trust Company in the amount of \$41,000.00; to execute to Rozella R. B. Gilmore a mortgage or deed of trust (Exhibit E) to secure the payment of the \$23,241.00 which is payable in annual installments of \$5,000.00;

and to transfer and convey to the City of Richmond the real property described in sub-paragraph (a) of paragraph XI of the petition, in exchange for the real property to be conveyed by the City of Richmond to Parr Terminal Corporation described in sub-paragraph (b) of paragraph XI above.

It appears that the Parr Terminal Company is engaged in the business of a warehouseman and wharfinger, and of buying, selling and leasing industrial lands in and about the water front of the City of Oakland, and that the Parr Terminal Corporation is engaged in the business of a warehouseman and wharfinger and of buying, selling and leasing industrial lands in and about the water front of the City of Richmond. It is of record that during 1925 and 1926 the Parr Terminal Company negotiated with the City of Richmond for the purpose of securing a lease of certain lands owned by the city and known as the outer and inner harbor of the City of Richmond, together with that certain wharf and warehouse known as the "Municipal Wharf No. 1." These negotiations culminated in the execution of a lease between the City of Richmond and Parr Terminal Company, dated October 18, 1926, a copy of which lease is filed in this proceeding as "Exhibit C". Thereafter the lease was ratified, approved and confirmed by the State of California (1927 statutes and amendments, chapter 97, page 183). Subsequent to the enactment of the 1927 Amendment to Section 718 of the Civil Code of the State of California, the City of Richmond and the Parr Terminal Company made and entered into an extension of the lease dated August 15, 1927, by virtue of the terms of which an aggregate leasehold term of fifty years was provided for, and all of the terms and conditions of the original lease above referred to were ratified, approved and confirmed by the parties thereto. A copy of the extension of the lease is filed as "Exhibit D". There are also filed as "Exhibits E and F" copies of Ordinances No. 591 and 603 of the City of Richmond authorizing the execution of the lease and the

extension of the lease.

For the purpose of facilitating the management and control of the business of said company in the City of Richmond, the Parr Terminal Company has caused to be incorporated under the laws of the State of California Parr Terminal Corporation, having an authorized capital stock of \$500,000.00 divided into 5,000 shares of the par value of \$100.00 each.

Applicant's petition contains detailed descriptions of the properties which Parr Terminal Company asks permission to transfer to Parr Terminal Corporation and also indicates which properties have been necessary and useful and will continue to be necessary and useful in the performance of the duties of a warehouseman and wharfinger. A description of the properties is attached hereto as "Exhibit A."

It is of record that on April 23rd bids were opened for the construction of terminal facilities on the above described property. The terminal will be built by the City of Richmond and Parr Terminal Corporation, each paying fifty percent of the cost. The wharf will be about 900 feet in length, while the warehouse will be of concrete construction, 800 feet in length and 150 feet wide, served by double tracks along the water's edge, and a depressed track on the land side.

To finance the construction of such terminal, pay indebtedness and for other purposes, the Parr Terminal Corporation will file an application for permission to issue \$400,000.00 of bonds.

It occurs to us that the issue of the \$248,900.00 of stock by Parr Terminal Corporation should in the main be considered in connection with this Application for permission to issue the \$400,000.00 of bonds. The real estate appraisal submitted in this proceeding reflects in part at least an increment in value due to the construction of the terminal facil-

ities through the issue of bonds.

The order herein will authorize the Parr Terminal Corporation to transfer the properties described in Exhibit "A" attached hereto and will authorize the latter company to issue eleven shares of its capital stock to qualify its directors; and, further, to issue \$25,000.00 of stock as part payment for the properties which it is herein authorized to acquire, and assume certain indebtedness and execute a mortgage or deed of trust. It will also authorize Parr Terminal Corporation to transfer to the City of Richmond the following described property:-

Beginning at the intersection of the southerly line of Lot 20, Section 24, Township 1 North, Range 5 West, M. D. B. & M., with the easterly U. S. Government Pierhead and Bulkhead Line, and running thence in direct lines as follows: N. 89°55' 10" East along the aforesaid southerly line of Lot 20, a distance of 235.514 feet; thence South 84° 32' 26" West, a distance of 234.478 feet to a point on aforesaid U. S. Government Pierhead and Bulkhead Line; thence North 5° 27' 34" West along the said U.S. Government Pierhead and Bulkhead Line, a distance of 22.077 feet to the point of beginning.

Being a portion of Lot 29, Section 24, Township 1 North, Range 5 West, M. D. B. & M., and containing .059 acre.

in exchange for the following properties:-

Beginning at the intersection of the southerly line of Lot 19, Section 24, Township 1 North, Range 5 West, M. D. B. & M., with the westerly line of 10th Street and running thence in direct lines as follows: South 89° 55' 10" west along the southerly line of Lots 19 and 20 aforesaid, Section 24, a distance of 235.514 feet and thence North 84° 32' 26" east a distance of 234.478 feet to a point on the aforesaid westerly line of 10th, thence south 5° 27' 34" east along the said westerly line of 10th Street a distance of 22.077 feet to the point of beginning.

Being a portion of Lots 19 and 20, Section 24, Township 1 North, Range 5 West, Mount Diablo Base and Meridian, containing .059 acres.

The reason for the desired exchange of property between Parr Terminal Corporation and the City of Richmond is in order to cause the boundary line between said properties to be perpendicular to the United States bulkhead and pierhead line.

It appears that there is now due on the property, which the Parr Terminal Company asks permission to transfer to the Parr Terminal Corporation, the sum of \$64,241.00, of which sum \$23,241.00 is payable to Rozella R. B. Gilmore, in installments of \$5,000.00 per annum, and \$41,000.00 is payable to the American Trust Company. The Parr Terminal Corporation asks permission to execute a mortgage or deed of trust to secure the payment of the \$23,241.00. A copy of its proposed mortgage or deed of trust is filed in this proceeding as Exhibit "H". We have examined the same and find it to be in satisfactory form.

The authority herein granted to issue stock, as stated, is not a final determination of the amount of stock which the Parr Terminal Corporation may issue ^{to pay} in part for the properties which it will acquire from the Parr Terminal Company. Further consideration will be given to the issue of additional stock after a hearing has been had on the company's application to issue bonds.

ORDER

Parr Terminal Company and Parr Terminal Corporation, having asked permission to transfer and acquire properties, issue stock, assume indebtedness and execute a mortgage, a public hearing having been held before Examiner Fankhauser and the Commission being of the opinion that the money, property or labor to be procured or paid for by the issue of \$26,100.00 of stock of Parr Terminal Corporation, and the assumption of indebtedness by that corporation in the sum of \$64,241.00, is reasonably required, and that the expenditures herein authorized are not in whole or in part reasonably chargeable to operating expenses or to income, and that this application should at this time be granted to the extent indicated in this order, therefore,

IT IS HEREBY ORDERED as follows;-

1. Parr Terminal Company may transfer to the Parr Terminal Corporation the properties described in Exhibit "A" attached hereto.

2. Parr Terminal Corporation may issue to its directors eleven shares of its capital stock at par for cash, and shall use the proceeds obtained from the sale of the stock to pay organization expenses.

3. Parr Terminal Corporation may issue at not less than par, on or before September 1, 1928, \$25,000.00 par value of its common capital stock in part payment for the properties described in Exhibit "A" attached hereto.

4. Parr Terminal Corporation may assume indebtedness in the sum of \$64,241.00 as part payment for the properties described in Exhibit "A" attached hereto.

5. Parr Terminal Corporation may execute a mortgage or deed of trust substantially in the same form as the mortgage or deed of trust filed in this proceeding as "Exhibit E", provided that the authority herein granted to execute said mortgage or deed of trust is for the purpose of this proceeding only, and is granted insofar as this Commission has jurisdiction under the terms of the Public Utilities Act, and is not intended as an approval of said mortgage or deed of trust as to such other legal requirements to which said mortgage or deed of trust may be subject.

6. Parr Terminal Corporation may transfer to the City of Richmond the properties described in the foregoing opinion on condition that the City of Richmond transfer to the Parr Terminal Corporation the properties described in said opinion.

7. The authority herein granted will become effective when the Parr Terminal Corporation has paid the fee prescribed by Section 57 of the Public Utilities Act.

8. Parr Terminal Company may acquire and hold the stock of Parr Terminal Corporation, the issue of which is herein authorized.

9. Parr Terminal Corporation shall file with the Commission a report or reports, as required by the Commission's General Order No. 24, which order insofar as applicable, is made a part of this order.

10. Parr Terminal Corporation shall file within thirty days after it acquires the properties herein described, a certified copy copy of the deed and of any and every other instrument under which it acquires and holdstitle to said properties.

DATED at San Francisco, California, this 25th day of May, 1928.

C. Seavey

W. D. ...

M. J. ...
Commissioners.

Fee \$65.00
RAILROAD COMMISSION
STATE OF CALIFORNIA
MAY 25 1928
W. D. ...
By _____
Fee # 25073

EXHIBIT A

Properties which Parr Terminal Company will transfer to
Parr Terminal Corporation.

1. That certain lease by and between the City of Richmond and Parr Terminal Company, dated October 18th, 1926, above referred to, which lease was recorded in the office of the County Recorder of Contra Costa County on the 26th day of July, 1927, in Liber 14 of Leases, page 451; and that certain extension of lease by and between the City of Richmond and Parr Terminal Company, dated August 15th, 1927, which extension of lease was recorded in the office of the County Recorder of Contra Costa County, State of California, on the 17th day of August, 1927, in Liber 14 of Leases, page 498.
2. All of those certain lots, pieces and parcels of land situated in County of Contra Costa, State of California, and bounded and described as follows, to-wit:

PARCEL I:

COMMENCING at a point on the Northern boundary line of State Tide Land Lot 30 in Section 24, Township 1 North, Range 5 West, Mount Diablo Base and Meridian, distant thereon East 0.756 chains from the Northwestern corner of the said Lot 30, said point being the Southeastern corner of the certain 0.281 acre tract of land heretofore conveyed by the City of Richmond to Bay Counties Land Co. by deed dated September 22, 1916, recorded February 13th, 1918, in Volume 315 of Deeds, at page 37, Contra Costa County Records, and running thence along the said Northern boundary line of the said Lot 30 and the Northern boundary line of State Tide Land Lot 29, Section 24, Township and Range aforesaid, West 473.23 feet to the intersection of said Northern line of Lot 29 with the Eastern United States Pierhead and Bulkhead line of the Inner Harbor of the City of Richmond; thence along said Pierhead and Bulkhead line, South 5° 27' 35" East 986.70 feet; thence East 471.84 feet to the western line of the proposed Extension of 10th Street in the City of Richmond, and thence along the last said line, North 5° 27' 35" West 986.70 feet to the point of commencement.

CONTAINING 10.657 acres, and being a portion of State Tide Land Lots 29 and 30, in Section 24, Township 1 North, Range 5 West, Mount Diablo Base and Meridian.

PARCEL II.

COMMENCING at the Northeastern corner of State Tide Land Lot 18 in Section 24, Township 1 North, Range 5 West, Mount Diablo Base and Meridian, and running thence along the Northern boundary line of said Lot 18, West 194.01 feet to its intersection with the proposed Southern extension of the Western line of 14th Street, as it now exists in the City of Richmond; thence along said extension, South 128 feet to the point of commencement for this description, and running thence from the last said point of commencement, West 1092.05 feet to a point on the Eastern line of the proposed extension Southerly of 10th Street in the City of Richmond; thence along said Eastern line of 10th Street, South $5^{\circ} 27' 35''$ East 972.28 feet; thence East 999.53 feet to a point on the proposed extension of the aforesaid Western line of 14th Street, and thence along the last said line 967.96 feet to the last said point of commencement.

CONTAINING 23.281 acres, and being portions of State Tide Land Lots 18 and 19 in Section 24, Township 1 North, Range 5 West, Mount Diablo Base and Meridian.

PARCEL III.

COMMENCING at the Northeastern corner of State Tide Land Lot 18 in Section 24, Township 1 North, Range 5 West, Mount Diablo Base and Meridian, and running thence along the Northern Boundary Line of said Lot 18, West 114.01 feet to its intersection with the proposed Southern extension of the Eastern line of 14th Street, as it now exists in the City of Richmond; thence along said extension, South 128 feet to the point of commencement for this description, and running thence from the last said point of commencement, East 68.01 feet; thence South 967.96 feet; thence West 68.01 feet to a point on the proposed extension of the aforesaid Eastern line of 14th Street, and thence along the last said line North 967.96 feet to the last said point of commencement.

CONTAINING 1.511 acres, more or less, and being a portion of State Tide Land Lot 18 in Section 24, Township 1 North, Range 5 West, Mount Diablo Base and Meridian.

PARCEL IV.

FIRST: Beginning at a mound of earth established by the U. S. Township Survey on R. line between Ranges 4 and 5 West and Township 1 North, 1815.00 feet, South of corner of Sections 13, 18, 19 and 24; thence north 100.32 feet to segregation line as run by J. C. Lacroz in S. P. R. survey; thence south $79\frac{1}{2}^{\circ}$ east 138.60 feet; south $60\frac{1}{2}^{\circ}$ east 1188 feet to station; south $35\frac{1}{2}^{\circ}$ east 679.80 feet; south 58° east 1270.50 feet; south 99 feet to Bay of San

Francisco; thence north 79° west 635.58 feet; north 71° west 1177.44 feet; thence north 36° west 247.50 feet; south 65½° west 297 feet; north 73-¾° west 510.18 feet; north 1135.20 feet to point of beginning; containing 42.99 acres, more or less; being the same land described in that certain grant from State of California to Jacob M. Tewksbury, dated December 20th 1864, and recorded on the 15th day of June, 1872, in Volume 1 of Patents at page 337, Records of said County of Contra Costa; and

SECOND: Beginning at a granite monument set on the east line of Section 24 in Township 1 North, Range 5 West, distant 1980 feet south of corner of Sections 13, 18, 19 and 24; thence along the east line of Section 24, north 192.72 feet to the inner line of Salt Marsh; thence along the same north 70½° west 566.28 feet to post marked 36; thence north 83½° west 124.08 feet to line between Lots 16 and 15; thence on line between Lots 16 and 15 south 1057.98 feet; thence east 660 feet to the east line of Section 24; thence on east line of Section 24 North 660 feet to the granite monument, the place of beginning; being a tract of Salt Marsh designated as Lot 16 in Section 24 of said Township, containing an area of 14.64 acres; SUBJECT, however, to the right of way for sewer purposes across the above described Lot 16 heretofore granted by Berkeley Water Front Company, a corporation, to the City of Richmond, a corporation, as provided for in the deed from David F. Selby to Rozella R. B. Gilmore, dated February 11th, 1921, and recorded February 16th, 1921, in Vol. 376 of Deeds, page 321, records of Contra Costa County.

Excepting therefrom the following described parcel of land;

Beginning at the southwest corner of State Tide Land Lot No. 16; thence North along the west line of said State Tide Land Lot No. 16, a distance of 75.00 feet to a point; thence North 46°38' East, a distance of 72.68 feet to a point; thence on the arc of a curve concave to the right, having a radius of 392.245 feet (tangent to last described curve at the last mentioned point) an arc distance of 205.38 feet to point of compound curve; thence on a curve concave to the right having a radius of 2301.876 feet (the tangent at last described curve at the last mentioned point bears North 76° 38' East) an arc distance of 72.71 feet to point of compound curve; thence on a curve concave to the right having a radius of 392.245 feet (The tangent to last described curve at the last mentioned point bears North 78° 26' 35" East) an arc distance of 79.12 feet to a point; thence East (tangent to last described curve at the last mentioned point) parallel to and distant 245.0 feet at right angles Northerly from the South line of State Tide Land Lot No. 16, and Lots 9 and 10 of Swamp and Overflowed Land Survey No. 149, a distance

of 1187.38 feet to a point; thence on a curve concave to the left having a radius of 357.245 feet (tangent to last described course at the last mentioned point) an arc distance of 234.03 feet to a point; thence North $52^{\circ} 28'$ East (tangent to last described curve at the last mentioned point) a distance of 247.48 feet to a point; thence on a curve concave to the right having a radius of 407.245 feet (tangent to last described course at the last mentioned point) an arc distance of 210.27 feet to a point in the easterly boundary line of aforesaid Swamp and Overflowed Land Survey No. 149; thence South $27^{\circ} 12' 30''$ West along said easterly line of Swamp and Overflowed Land Survey No. 149, a distance of 43.86 feet to a point; thence on a curve concave to the left having a radius of 372.245 feet (the tangent to said curve at the last mentioned point bears south $78^{\circ} 09' 38''$ West) an arc distance of 166.93 feet to a point; thence South $52^{\circ} 28'$ West (tangent to last described curve at the last mentioned point) a distance of 22.09 feet to a point; thence on the arc of a curve concave to the left having a radius of 372.245 feet (tangent to last described course at the last mentioned point) an arc distance of 53.06 feet to a point; thence South $44^{\circ} 18'$ West (tangent to last described curve at the last mentioned point) a distance of 174.91 feet to a point; thence on a curve concave to the right, having a radius of 328.637 feet (tangent to last described course at the last mentioned point) an arc distance of 262.13 feet to a point; thence West (tangent to last described curve at the last mentioned point) parallel to and distant 169.0 feet at right angles northerly from the South line of Lots 9 and 10 of Swamp and Overflowed Land Survey No. 149 and State Tide Land Lot 16, a distance of 1404.36 feet to a point; thence on a curve concave to the left having a radius of 372.245 feet (the tangent to said curve at the last mentioned point bears South $67^{\circ} 38' 05''$ West) an arc distance of 195.62 feet to a point of compound curve; thence on a curve to the left having a radius of 276.843 feet (the tangent to said curve at the last mentioned point bears South $37^{\circ} 31' 30''$ West) an arc distance of 60.37 feet to the point of beginning, containing an area of 3.00 acres, more or less, being the same land described in that certain deed from Parr Terminal Company to Southern Pacific Company, dated June 3rd, 1927, and recorded July 19th, 1927, in Volume 82 of Official Records of Contra Costa County, page 276.

3. That certain option to purchase 11.514 acres of land situated in the County of Contra Costa, State of California, and particularly described as follows:-

COMMENCING at the section corner common to Sections 24 and 25 and Sections 19 and 30, Township 1 North, Ranges 4 and 5 West, Mount Diablo Base and Meridian, said point of beginning also being the northeastern corner of State Tide Land Lot 1 in Section 25, Township 1 North, Range 5 West, Mount Diablo Base and Meridian, and running thence along the line dividing said Sections 25 and 30 south 760 feet; leaving said section line and running thence west 660 feet to a point on the westerly boundary line of said Lot 1; thence along the westerly boundary line of said Lot 1 North 760 feet to the northwest corner of said Lot 1; thence along the northern boundary line of said Lot 1 east 660 feet to the point of commencement.

Being a portion of State Tide Land Lot 1, Section 25, Township 1 North, Range 5 West, Mount Diablo Base and Meridian.

from Richmond Belt Railway Company, on or before July 11th, 1923, at and for the sum of Three Thousand Two Hundred Four and 35/100 Dollars(\$3,204.35.)

4. That certain business, in its entirety, and as a going concern, conducted by Parr Terminal Company in connection with said leases and property above described, together with all plants, facilities, accounts receivable and good will and other property and assets of every kind and description used in reference thereto or in connection therewith.