

Decision No. 23563.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
 CRESCENT WHARF AND WAREHOUSE COMPANY,  
 a corporation, and CRESCENT WAREHOUSE  
 COMPANY, LTD., a corporation, for an  
 order authorizing Crescent Wharf and  
 Warehouse Company to sell and transfer  
 a certain certificate of public con-  
 venience and necessity, together with  
 certain real and personal property, to  
 Crescent Warehouse Company, Ltd. in  
 exchange for capital stock of the  
 latter company; also authorizing Cres-  
 cent Wharf and Warehouse Company to  
 discontinue operations as a public  
 utility.



Application No. 17219

In the Matter of the Application of  
 CRESCENT WAREHOUSE COMPANY, LTD.,  
 a corporation, for an order authoriz-  
 ing issue of stocks.

Application No. 17220

O'Melveny, Tuller & Myers and William W. Clary,  
 by William W. Clary and George H. Wood, for  
 applicants.

BY THE COMMISSION:

O P I N I O N

In Application No. 17219 the Crescent Wharf and Warehouse Company asks permission to transfer to the Crescent Warehouse Company, Ltd. the certificate of public convenience and necessity granted by Decision No. 22569, dated June 23, 1930, in Application No. 16385, together with the real and personal property described in the application. The Crescent Warehouse Company, Ltd. intends to issue, in exchange for said properties, 447 shares (\$44,700.00 par value) of its common capital stock, such properties, however, to be transferred

and conveyed subject to a \$35,000.00 mortgage which the Crescent Warehouse Company, Ltd. intends to assume.

In Application No. 17220, the Crescent Warehouse Company, Ltd. asks permission to issue the aforesaid 447 shares (\$44,700.00 par value) of its common capital stock; to issue and sell at par for the purpose of obtaining working capital, 50 shares (\$5,000.00 par value) of its common capital stock; and to issue 3 shares of its common capital stock at par for cash to its directors, namely, one share to E. A. Mills, one share to William Bayly, Jr., and one share to Charles H. Bayly.

By Decision No. 22569 the Commission declared that public convenience and necessity required the construction of a warehouse and the establishment of a warehouse business by the Crescent Wharf and Warehouse Company on the following described site; Lots numbers 1, 2, 3 and 4, block 1, Terminal Island, East San Pedro, City of Los Angeles, as shown by Exhibit No. 2 attached to the application. It appears from the record in these proceedings, which were consolidated for the purpose of hearing, that applicants found it necessary to acquire an additional lot adjoining the properties, to which reference has been made above.

The properties which the Crescent Wharf and Warehouse Company asks permission to sell to applicant Crescent Warehouse Company, Ltd. are described as follows:

Lots numbered 1, 2, 3, 4 and 5, Block 1, Terminal Island, East San Pedro, City of Los Angeles.

Warehouse now under construction on above described lots, to be, when completed, a one-story reinforced concrete warehouse building having a capacity of 40,000 square feet of floor space, building to cost, including architect's services, \$55,127.00.

Organization expenses, estimated	\$1,000.00
Spur track of value of .....	1,500.00
Scale equipment and miscellaneous equipment of value of .....	1,171.45
Street paving of value of .....	1,201.55

The properties to which reference is here made are to be transferred subject to a certain mortgage in the principal sum of \$35,000.00 executed under date of December 20, 1930, by the Crescent Wharf and Warehouse Company in favor of the Bank of America, National Trust and Savings Association. The testimony shows that the company in effect executed a deed of trust to secure the payment of the \$35,000.00 note, payable three years after date with interest at the rate of six percent per annum payable quarterly. The payment of this note will be assumed by the Crescent Warehouse Company, Ltd.

As stated, the Crescent Warehouse Company, Ltd. seeks permission to issue \$44,700.00 of its common capital stock in part payment for the aforesaid properties. In addition, it asks permission to issue and sell \$5,000.00 of its common capital stock to obtain working capital. The \$5,000.00 of stock will be purchased by the Crescent Wharf and Warehouse Company. The three additional shares of stock which the Crescent Warehouse Company, Ltd. asks permission to issue will be purchased by its three directors.

It appears that Crescent Wharf and Warehouse Company is engaged in a stevedoring business and in other non-utility business. It is for the purpose of segregating its utility and non-utility business that it has caused to be organized the Crescent Warehouse Company, Ltd. to which it intends to transfer the properties which will be utilized in the conduct of public utility warehouse business. The Crescent Wharf and Warehouse Company will control Crescent Warehouse Company, Ltd., through stock ownership.

#### ORDER

The Commission having been asked to enter its order, as indicated in the foregoing opinion, 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 the \$50,000.00 of common capital stock by the Crescent Warehouse Company, Ltd. is reasonably required for the purposes herein specified and that such purposes are not, in whole or in part, reasonably chargeable to operating expense or to income, and that these applications should be granted, as herein provided, therefore,

IT IS HEREBY ORDERED as follows:

1. Crescent Wharf and Warehouse Company may sell and transfer on or before June 30, 1931 to Crescent Warehouse Company, Ltd. the certificate of public convenience and necessity granted by Decision No. 22569, dated June 23, 1930, in Application No. 16385, together with the other properties described in Application No. 17219, said property to be sold and transferred subject to the \$35,000.00 indebtedness to which reference is made in the foregoing opinion.
2. Crescent Warehouse Company, Ltd. may issue, at not less than par, on or before June 30, 1931, in part payment for the aforesaid properties, 447 shares (\$44,700.00 par value) of its common capital stock.
3. Crescent Warehouse Company, Ltd. may issue and sell, on or before June 30, 1931, for cash at not less than par, 50 shares (\$5,000.00 par value) of its common capital stock and use the proceeds for working capital.
4. Crescent Warehouse Company, Ltd. may issue and sell, on or before June 30, 1931, at not less than par for cash, 3 shares (\$300. par value) of its common capital stock to its directors and use the proceeds for working capital.
5. Crescent Warehouse Company, Ltd. may, on or before June 30, 1931, assume the payment of the \$35,000.00 note, to which reference is made in the foregoing opinion.

6. Within thirty days after the transfer of the properties herein authorized, Crescent Warehouse Company, Ltd. shall file with the Commission a certified copy of the deed or other instrument under which it acquires and holds title to said properties.

7. Crescent Warehouse Company, Ltd. shall keep such record of the issue of the stock herein authorized 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 No. 24, which order, insofar as applicable, is made a part of this order.

8. The authority herein granted will become effective upon the date hereof.

DATED at San Francisco, California, this 10th day of April, 1931.

C. S. Leamer  
Leon Whissey  
M. J. Lee  
W. B. Lewis  
Fred G. Stewart  
Commissioners.