

Decision No.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the matter of the application of  
LOS ANGELES HARBOR WAREHOUSE COMPANY  
for an order approving issue of capital  
stock; approving issue of notes and  
mortgage; and granting permission to  
engage in warehouse business at Wil-  
mington.

Application No. 2750.

E. W. Freeman and J. C. Macfarland for  
applicant.

LOVELAND, Commissioner.

## OPINION.

LOS ANGELES HARBOR WAREHOUSE COMPANY  
was organized on January 26, 1916. It owns two warehouses  
at Wilmington, Los Angeles Harbor, one of concrete and the  
other of brick.

The concrete warehouse is of fire-proof construction, three stories in height, 82 feet in width with an average length of 178 feet. A portion of the building is now leased to Smart & Final Company, wholesale grocers, at a rental of \$300 per month for a period of ten years, with an option for additional floor space.

The brick warehouse is one story and is of semi-fire proof construction. It is 50 feet in width with an average length of 243½ feet. It is leased to the Newmark Grain

Company at a rental of \$150 per month for a period of two years, with an option to the lessee for a further term of 6 years at a rental of \$200 per month.

These warehouses were constructed and equipped by the applicant during the latter part of 1916 at a total cost of \$89,274.35. The funds were raised by the sale of 566 shares of stock at par and the issue of promissory notes in the total amount of \$33,000.

The applicant has not considered itself a public utility and has leased space in its buildings only to the parties designated. It is empowered to conduct a public utility warehouse business and in order that it may remove the issue of its stock and the creation of a mortgage from any cloud of illegality, it has petitioned this Commission for authority to issue new stock and to create a new mortgage.

It is not necessary at this time to pass upon the status of this applicant, as this Commission may proceed upon the application as presented. The applicant has sold its stock for par and has used the money in the acquisition of real estate and the construction of warehouse buildings. It is proper that it should be authorized to issue 566 shares of stock to take up a similar amount of stock heretofore issued without authority from this Commission.

The applicant desires to issue its promissory note or notes for \$33,000 and to execute a mortgage to secure the same. These notes will be issued to refund the present indebtedness of \$33,000.

It is not necessary for the applicant to obtain a certificate of public convenience and necessity to engage in the warehouse business.

I recommend that this application be granted and submit the following form of order.

O R D E R.

LOS ANGELES HARBOR WAREHOUSE COMPANY having applied to this Commission for authority to issue 566 shares of its capital stock, to execute a mortgage of its properties, and to issue \$33,000 face value of promissory notes,

And a hearing having been held and it appearing that the purposes for which the applicant desires to issue said stock and said note or notes are not in whole or in part reasonably chargeable to operating expenses or to income,

IT IS HEREBY ORDERED that Los Angeles Harbor Warehouse Company be granted authority, and it is hereby granted authority, to issue 566 shares of its capital stock at the par value of \$100 per share; to execute a mortgage of its properties to secure a promissory note or notes of the face value of \$33,000; and to issue its promissory note or notes secured by said mortgage of the face value of \$33,000.

The authority herein granted is granted upon the following conditions, and not otherwise.

1. The stock herein authorized to be issued shall be issued to take up and cancel a like amount of stock heretofore issued.

2. The note or notes herein authorized to be issued shall be issued to Hellman Trust and Savings Bank of Los Angeles payable three years after date with interest not to exceed six per cent. per annum.

3. The proceeds derived from the sale of said note or notes shall be used to refund existing note indebtedness of the face value of \$33,000.

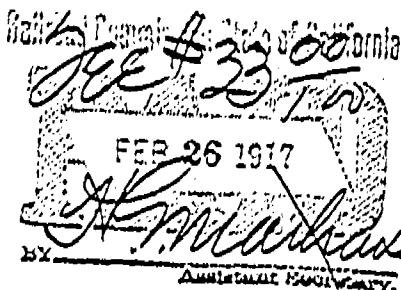
4. On or before the 25th day of each month, applicant shall report to this Commission the action taken under this order until all of the stock and notes herein authorized shall have been issued and the mortgage herein authorized shall have been executed.

The authority herein given to applicant is conditioned upon the payment by applicant of the fee prescribed under the Public Utilities Act.

The authority herein given shall apply to such stock and such notes as shall have been issued on or before June 30, 1917.

The foregoing opinion and order are hereby approved and ordered filed as the opinion and order of the Railroad Commission of the State of California.

Dated at San Francisco, California, this 19th day of February, 1917.



Max Thelen  
H. B. Howard  
Frank R. Dwyer  
Commissioners.