

Decision No. 38407

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
PACIFIC FREIGHT LINES, )  
a corporation, for authority to sell )  
its terminal properties located in )  
the Cities of Santa Barbara, Santa )  
Maria and San Luis Obispo. )

Application No. 21624

ORIGINAL

Wallace K. Downey, for applicant.

BY THE COMMISSION:

OPINION AND ORDER

Pacific Freight Lines, a corporation, has applied to the Railroad Commission for permission to sell to Pacific Tank Lines, Inc. the following property:-

PARCEL 1.

That portion of Block 119-B in the City of San Luis Obispo, California, according to map on file in Book 80, Page 152 of Official Records of San Luis Obispo County, beginning at a point in the Westerly line of Carmel Street, distant 135 feet, in a general northwesterly direction from the north-westerly corner of Pacific and Carmel Streets measured along a line running North  $36^{\circ} 53'$  West from said corner; thence South  $53^{\circ} 7'$  West to the westerly line of Old Catholic Cemetery Lot; thence North  $44^{\circ} 23'$  West to the southerly line of Marsh Street; thence along the southerly line of Marsh Street to the westerly line of Carmel Street; thence South  $36^{\circ} 53'$  East along said westerly line of Carmel Street to the point of beginning.

Improved with a brick terminal building.

PARCEL 2.

That portion of Block 170 in the City of Santa Barbara, County of Santa Barbara, State of California, according to Official Map thereof, on file with the County Recorder of said County, described as follows: Beginning at the most southerly corner of said block; thence northeasterly, along northwesterly line of De La Guerra Street, 191.85 feet to a point, thence at right angles northwesterly 270 feet to a point; thence at right angles southwesterly, 191.85 feet to a point on the northeasterly line of Lagune Street; thence at right angles southeasterly along said last mentioned street line, 270 feet to the point of beginning.

Improved with reinforced concrete terminal building.

PARCEL 3.

Lots 1, 2 and 3 of Block 1, in Curreyer & Smith's addition to the City of Santa Maria, County of Santa Barbara, State of California, according to Official Map thereof, on file with the County Recorder of said County.

Improved with frame terminal building.

The company reports that the premises at present are used by it as freight terminals in the Cities of San Luis Obispo, Santa Barbara and Santa Maria, respectively. It alleges that the original cost to it of the real property and improvements was \$58,044.76 and that the depreciation accrued on its books against such improvements is \$7,322.51, leaving a net book value of \$50,722.25.

It appears that the company proposes to sell the properties referred to for a total consideration of \$50,722.25 to Pacific Tank Lines, Inc. for the reason that it is in need of funds to pay indebtedness, now about to fall due, which was incurred in the purchase of trucking and other equipment used in its public utility operations. The application shows that Pacific Tank Lines, Inc. will pay to applicant the sum of \$20,000. within fifteen days after delivery of the deeds to the premises, and the remainder in monthly installments of \$575.00 or more. This remainder will be secured by a note or deed of trust from the purchaser to applicant in the usual form but junior in lien to the lien of a trust deed or mortgage, or trust deeds or mortgages, which Pacific Tank Lines, Inc. proposes to place against the property for the purpose of raising funds to make the initial \$20,000. payment.

Applicant claims that its operations will not be impaired because of the sale of the properties, for the reason that it proposes to lease them from Pacific Tank Lines, Inc. for a total monthly rental of \$575.00 which will be credited on account of the unpaid balance of the purchase price.

While the Commission at this time expresses no opinion of the proposed purchase price or rentals, it should be understood that it is not bound to recognize the amounts if involved in subsequent proceedings. The Commission has considered the matter and is of the opinion that a public hearing is not necessary and that the application should be granted, as herein provided, therefore,

IT IS HEREBY ORDERED that Pacific Freight Lines be, and it hereby is, authorized to sell on or before January 31, 1938 to Pacific Tank Lines, Inc. the properties described herein for a total consideration of \$50,722.25 payable in the amounts and under the terms and conditions set forth herein.

IT IS HEREBY FURTHER ORDERED that Pacific Freight Lines within thirty(30) days after the transfer of the aforesaid properties, shall file with the Commission (1) a copy of each and every entry used to record on its books the sale of the properties; (2) a copy of each and every deed executed by it conveying said properties to Pacific Tank Lines, Inc.; and (3) a copy of the note and deed of trust executed by Pacific Tank Lines, Inc. to represent and secure the payment of the balance due on the purchase price.

IT IS HEREBY FURTHER ORDERED that the authority herein granted shall become effective upon the date hereof.

DATED at San Francisco, California, this 13<sup>th</sup> day of December, 1937.

Matthew A. Hall  
Leon A. Whelan  
Frank L. Babin  
Robert L. Babin  
Ray L. Kiley  
Commissioners.