

Decision No. 49302

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 General Telephone Company Of California :
 for an Order authorizing it to execute)
 and deliver its unsecured Promissory :
 Note in the amount of \$71,000 in)
 partial payment of the purchase price :
 for certain real property.)
 ----- :

Application
No. 34822

OPINION AND ORDER

General Telephone Company Of California has filed this application for authorization to issue an unsecured promissory note in the principal amount of \$71,000 in part payment for certain real property.

Applicant reports that at the present time its executive offices are located in two buildings, at 1314-7th Street and 1301-6th Street in Santa Monica, that as a result of the rapid growth of its business these offices now are inadequate, that it has been compelled to rent other quarters in the general vicinity and that it will be compelled to vacate certain office space in order to provide room for operating equipment and personnel. It has concluded that it will be to its advantage to erect a new office building so as to house its executive offices in one place and it has made arrangements to purchase for this purpose certain real property in the block bounded by Santa Monica Boulevard, 21st Street, Broadway and 20th Street in the City of Santa Monica.

The application shows that in arranging the purchase, applicant had to deal with eight separate owners and that one owner,

namely, Calina A. Holmes, has agreed to sell her property, which consists of a parcel of land 130 feet by 320 feet, for the sum of \$100,000. She has declined, however, to accept a single payment comprising the full price but has insisted the transaction be handled on the basis of an initial payment of \$29,000 and the payment of the balance through the execution of a promissory note in the principal amount of \$71,000. The note will be payable in the amount of \$24,000 on January 15, 1954, \$23,500 on January 15, 1955, and \$23,500 on January 15, 1956, with interest on outstanding balances at the rate of 4% per annum.

We have considered this matter and are of the opinion that a public hearing is not necessary, that the money, property or labor to be procured or paid for by the issue of the note herein authorized is reasonably required by applicant for the purpose specified herein, that such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income, and that the application should be granted, as herein provided; therefore,

IT IS HEREBY ORDERED as follows:

1. General Telephone Company Of California may issue a promissory note, on or before February 28, 1954, in the principal amount of not exceeding \$71,000 in part payment of the purchase price for the real property referred to in this proceeding.

2. General Telephone Company Of California shall file with the Commission a report, or reports, as required by General Order No. 24-A, which order, insofar as applicable, is made a part of this order.

3. The authority herein granted will become effective when General Telephone Company Of California has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$71.00.

Dated at San Francisco, California, this 10th day of November, 1953.

R. E. Dunderberg
President

Justus J. Calmes

Kenneth L. Potter
John E. Mitchell

Gene Roggins
Commissioners

PUBLIC UTILITIES COMMISSION
STATE OF CALIFORNIA
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By M. Crim