

ORIGINAL

Decision No. 52807

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of METROPOLITAN COACH LINES
For Authority To Issue \$28,384 Note and
Deed of Trust For Purchase of Additional
Property for Macy Street Shops.

Application
No. 37792

O P I N I O N

Metropolitan Coach Lines, a corporation, has filed this application for authorization to execute a deed of trust and to issue a note in the principal amount of \$28,384.

Under authorization granted by Decision No. 48923, dated August 4, 1953, applicant acquired certain properties from Pacific Electric Railway Company, including those now used by it for its Macy Street shops for the repair, servicing, and storage of its motor coaches. The company now desires to purchase from Pacific Electric Railway Company four parcels of land containing 91,112 square feet which adjoin its present Macy Street properties and which will be used for the extension and improvement of its shop facilities. The parcels of land are unimproved.

After acquiring the properties under the former authorization of the Commission, it was learned by applicant, as to the Macy Street properties, that the land area conveyed was 16,083 square feet less than had been intended. Pacific Electric Railway Company, therefore, has agreed at this time to make no further charge for 16,083 square feet of the 91,112 square feet contained in the four parcels, and to sell the remaining 75,029 square feet for the sum

of \$28,384, which, it is asserted, does not exceed the present fair market value. Metropolitan Coach Lines, in payment for said parcels, will issue to the order of Pacific Electric Railway Company its promissory note for \$28,384, payable in five annual installments commencing October 1, 1959, with interest at the rate of 5% per annum. The payment of the note will be secured by a deed of trust.

The Commission has considered this application and is of the opinion that it should be granted, that the money, property or labor to be procured or paid for by the execution of the note herein authorized is reasonably required by applicant for the purpose specified herein, and that such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income.

The approval herein indicated is for the issue of a note and is not to be construed as indicative of the amount to be included in a future rate base for the purpose of determining just and reasonable rates, nor as a finding of value of the properties referred to herein.

O R D E R

The Commission having considered the above-entitled matter and being of the opinion that a public hearing is not necessary and that an order should be entered, therefore,

IT IS HEREBY ORDERED as follows:

1. Metropolitan Coach Lines may issue a note in the principal amount of \$28,384 for the purpose of financing the acquisition of properties referred to in this proceeding, and may

execute a deed of trust to secure its payment, which note and deed of trust shall be in, or substantially in, the same form as those filed in this proceeding as Exhibit A and Exhibit B, respectively.

2. Metropolitan Coach Lines 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 Metropolitan Coach Lines has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$29.

Dated at San Francisco, California, this 27th day of March, 1956.

John E. Mitchell
President

Justin J. Caswell
Raymond J. Butcher

William J. Deady
B. H. Hays
Commissioners

