

Decision No. 58542

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of BENEDICT F. KILLAM)
and MYRTLE C. HERNAGE, Copartners,)
(Santa Monica Cold Storage Company))
to issue promissory note and to)
encumber public utility property.)

Application No. 41121

OPINION AND ORDER

This is an application for an order of the Commission authorizing Benedict F. Killam and Myrtle C. Hernage to execute a deed of trust and to issue a \$200,000 note to finance, in part, the purchase price of improved real property.

Applicants operate a public utility cold storage warehouse business known as Santa Monica Cold Storage in premises located at 1553 - 12th Street, Santa Monica. They are engaged also in non-public utility operations designated as Santa Monica Fish and Cold Storage. For the year 1958, they report a gross profit of \$31,466 for Santa Monica Cold Storage, and \$135,639 for Santa Monica Fish and Cold Storage, with a combined net income of \$25,981.

Pursuant to authority granted by Decision No. 53591, dated August 21, 1956, Tony Di Tommaso and Lucille Di Tommaso are leasing said premises to applicants for a rental of \$1,250 per month. Applicants now propose to purchase the premises for \$225,000, of which \$25,000 will be payable immediately and the \$200,000 balance will be represented by a 6% note to be secured by a deed of trust in favor of Tony Di Tommaso and Lucille

D1 Tommaso, and to be payable in monthly installments of \$1,433. It thus appears that an increase in monthly payments from \$1,250 to \$1,433, or \$183, will enable applicants to purchase the premises, after payment of \$25,000 in cash.

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

IT IS HEREBY ORDERED as follows:

1. Benedict F. Killam and Myrtle C. Hernage, on and after the effective date hereof and on or before September 30, 1959, may execute a deed of trust and may issue a note in the principal amount of not to exceed \$200,000, in substantially the form as those attached to the application as Exhibit A, for the purpose of financing a portion of the purchase price of the improved real property described in the application.

2. Within 30 days after issuing the note herein authorized, applicants shall file a copy thereof with this Commission as actually issued.

3. The authority herein granted will become effective when applicants have paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$200.

Dated at San Francisco, California, this 8th day of June, 1959.

E. L. Fox
President
W. E. Mitchell
W. E. Mitchell
Theodore J. J. J.
Commissioners

