

ORIGINAL

Decision No. 60271

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
CHESTER CASSELLA, GEORGE CASSELLA
and ELMO CRESTA, doing business
as DISTRIBUTORS' WAREHOUSE CO.,
a co-partnership, for an order
authorizing execution of evidence
of indebtedness, and encumbrance
of public utility property.

Application No. 42335

O P I N I O N

On June 9, 1960, Chester Cassella, George Cassella and Elmo Cresta, copartners doing business as Distributors' Warehouse Co., filed the above-entitled application for authorization to execute a deed of trust and to issue a note in the principal amount of \$60,000.

The proposed note will be issued to Wells Fargo Bank American Trust Company and will be payable over a period of ten years in monthly installments of \$682, including interest at the rate of 6-1/2 per cent per annum. The note will be issued to finance the purchase and improvement of certain real property located at 98 Folsom Street, San Francisco, and improvements consisting of a three-story brick building containing approximately 36,000 square feet of storage space.

It appears that presently applicants, under lease arrangements, occupy premises located at 48 Beale Street containing approximately 44,000 square feet and at 11 Bluxome Street containing approximately 22,000 square feet, both in

San Francisco; that the Bluxome Street property will be vacated immediately; and that the lease on the Beale Street property will terminate within six months and will not be renewed.

Applicants' financial statements filed in this proceeding show revenues of \$237,843 in 1959 and net profit of \$14,314. They further show that applicants have no long-term debt outstanding and that they have financed themselves with proprietary capital. At the close of 1959, current assets were reported at \$100,871 and current liabilities at \$4,272.

Upon reviewing this matter, we find and conclude that the proposed note issue is for a proper purpose; that the money, property or labor to be procured or paid for by the issue of such note 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. Upon the basis of these findings, we will enter an order granting the application.

The authorization herein granted is not to be construed to be a finding of the value of the property referred to in this application.

O R D E R

The Commission having considered the above-entitled application and being of the opinion that a public hearing is not necessary, therefore,

IT IS HEREBY ORDERED as follows:

1. Chester Cassella, George Cassella and Elmo Cresta, doing business as Distributors' Warehouse Co., may execute a deed of trust and may issue a note in the principal amount of not to exceed \$60,000, in, or substantially in, the same form as the note and deed of trust filed in this proceeding, for the purpose of financing the purchase and improvement of the properties referred to in this application.

2. Chester Cassella, George Cassella and Elmo Cresta, doing business as Distributors' Warehouse Co., 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 applicants have paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$60.

Dated at San Francisco, California,
this 20th day of June 1960.

[Signature]
President
[Signature]
[Signature]
[Signature]
Commissioners

