

ORIGINAL

Decision No. 67137

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of: }

B & M TERMINAL FACILITIES, INC., a corporation, for authority to sell a portion of its warehouse property, pursuant to Sections 851-853 of the Public Utilities Code.

Application No. 46438  
Filed April 7, 1964

O P I N I O N

This is an application for an order of the Commission authorizing B & M Terminal Facilities, Inc. to exchange a portion of its newly acquired warehouse property located at 2626 East 26 Street in the City of Vernon for a parcel of land adjoining thereto and the approximate sum of \$77,280.

Applicant possesses a prescriptive operative right as a public utility warehouseman in the City of Vernon as determined by the Commission on August 23, 1960 in Case No. 6862. In addition to operating a public utility warehouse business, it provides terminal facilities for the conducting of motor carrier operations by two affiliated California corporations, namely, Brake Delivery Service and Charles Grace Enterprises, Inc., doing business as Meier Transfer Service. The three corporations are controlled by Harold M. Brake through stock ownership.

By Decision No. 66887, dated March 3, 1964, in Application No. 46207, the Commission authorized applicant to exchange its warehouse property located at 2639 South Soto Street, Vernon, for approximately five acres of unimproved property located at 2626 East 26 Street also in the City of Vernon. In addition, the decision authorized applicant to execute a deed of trust and to issue a note in favor of First Western Bank and Trust Company in the principal amount of not to exceed \$253,385, the proceeds to be utilized to discharge an existing indebtedness of approximately \$53,385, with the balance to be applied toward financing the construction of improvements on the property to be acquired.

Applicant reports that it consummated said exchange transaction on March 10, 1964, and now proposes to exchange approximately 1.111 acres of the property located at 2626 East 26 Street in the City of Vernon for approximately .007 acres of real property owned by the adjoining landowner, Reliance Steel & Aluminum Company, located at 2537 East 27 Street. In addition, applicant proposes to receive approximately \$77,280 as payment for the difference in the acreage to be exchanged, which it will apply toward the partial reduction of its indebtedness to First Western Bank and Trust Company. Applicant utilized \$50,000 of the loan proceeds as additional consideration for the new warehouse property instead of for the construction of improvements. However, the partial reduction of the indebtedness by approximately \$77,280 will have the effect of reducing the original borrowing by a like amount, which would more than offset the \$50,000.

The application shows that the conveyance of said 1.111 acres will not impair the usefulness of the new warehouse property, either in the conduct of applicant's public warehouse or in the furnishing of terminal facilities to its affiliated motor carrier corporations, by reason of the fact that the portion to be conveyed consists of a triangular section of land which is not suitable either for terminal parking facilities or for further improvements. In addition, applicant alleges that, after allowing for the approximately .007 acres to be acquired, it will have almost four acres of land, symmetrical in nature, which will be adequate for all anticipated warehouse and motor carrier terminal operations of itself and its affiliated motor carriers.

After consideration, the Commission finds that the proposed exchange of properties would not be adverse to the public interest. On the basis of this finding we conclude that the application should be granted. A public hearing is not necessary. The authorization herein given is not to be construed as a finding of the value of the properties herein proposed to be exchanged.

O R D E R

IT IS ORDERED that B & M Terminal Facilities, Inc. may consummate an exchange of properties with Reliance Steel & Aluminum Company, which properties are described in Exhibit A attached to the application.

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 28<sup>th</sup> day  
of April, 1964.

William A. Bennett  
President  
Ed. J. [unclear]  
Charles W. Keagle  
George L. Grover  
Fredrick B. Hallock  
Commissioners