

Salinas United Business Association

January 30, 2007

Ms. Andrea Samonek
Initiative Manager for Rule 20A
Pacific Gas & Electric Company
245 Market Street
Mail Code: M7Q
San Francisco, CA 94105

Ms. Linda Swartz
Lead Project Manager
Pacific Gas & Electric Company
1030 Detroit Avenue
Concord, CA 94538

Re: PG&E's Rule 20A East Market Street Underground District Project
City of Salinas Project No. 9085

Dear Ms. Samonek and Ms. Swartz:

I am writing on behalf of the Board of Directors, our community partners, and the 600 businesses that make up our association, to express our deepest concern regarding PG&E's decision to delay its scheduling of the design work for the East Market Street Underground District Project (Project No. 9085). We ask you to please reconsider your decision to delay this project, make a commitment to get this project completed by 2010, and become our partner in an effort to transform east Salinas into the jewel of the Salinas Valley.

Any attempt to transform our community must begin with major improvements along the East Market Street corridor. East Market Street serves as an entry point to the City and is one of the first things visitors see on their way into our area after exiting Highway 101. For years the condition of the streets, sidewalks, and buildings in this area has been allowed to deteriorate, and by most accounts this is one of the ugliest streets in the City of Salinas. Attracting new development and private investment to the area is nearly impossible because the area suffers from the most obvious forms of blight, neglect, and decay. Many of the older buildings along the street have been abandoned and/or boarded up for years, and a majority of these buildings are in such a poor state that they should be removed in the interest of the public's health and safety. To make matters worse, as you can see in Exhibit A, the abundance of utility poles and wires criss-crossing the street make the area look unattractive and outdated. From a business owner's standpoint, the current condition of East Market Street makes it difficult for businesses to thrive and prosper in east Salinas because customers are reluctant to visit an area in such poor condition. The community sees the street as unsafe, dirty, un-/under- developed, and a major eye sore desperately in need of improvement.

Together with our community partners, we recently launched *Vision 2017* – a 10-year strategic initiative that will seek to transform east Salinas into *The New Alisal...the jewel of the Salinas Valley, an economic powerhouse for the entire region, and a thriving community where everyone is welcome*. We believe the completion of the East Market Street Project by 2010 is critical to the success of this important and long-overdue initiative. The attached picture of East Market Street in 2017 (see Exhibit B) should provide you with a better sense of the vision we have for the future of our community. As you can see, there is quite a difference between what East Market Street looks like today and what we expect it to look like in 2017. Together with our partners, we plan on converting this area into an arts corridor and gas lamp district as part of a larger effort to create new economic opportunities for the eight to ten new businesses that move into our area every month. New development in the area will reflect a Main Street theme and emphasize mixed-use design, and work will be done to ensure our streets and sidewalks are pedestrian-friendly. The work of securing the financial support needed to make our vision a reality has already begun, and several large foundations and investors have expressed serious interest in supporting this initiative.

We believe the completion of Project No. 9085 is perhaps the most important first step we must take on our way to The New Alisal. The City has already set aside funding to assist with the completion of the project, and our understanding is that these funds may be jeopardized if the project is not completed as scheduled. Another concern is that if we move forward with new development without first completing this project, then we risk having to damage our area and possibly disrupt economic activities in order to bury the lines at some point in the future.

By making a commitment to complete this project by 2010, PG&E will be helping a community make its dreams a reality. We are asking you to please reconsider your decision to delay this project and become our partner in making our community the Jewel of the Salinas Valley.

If you have any questions or require additional information, please do not hesitate to contact me at (831) 796-0896.

Thank you for your time and consideration.

Sincerely,

Victor J. Mehia
Executive Director
