

April 24, 2006

Mr. Roe Cefalo
Executive Vice President
New Store Formats and Development
Albertson's, Inc.
250 Parkcenter Blvd.
Boise, Idaho 83726

Re: Fairfax, California Albertson's Store

Dear Mr. Cefalo:

I am writing on behalf of the Fairfax Town Council to offer you our assistance and support in upgrading the Albertson's market in our Town. This spring and summer the Town is funding approximately \$1 million in improvements to the landscaping and roadway in the part of the community anchored by our Albertson's store, renovations that will measurably enhance the commercial setting in which your store is located. We believe that these improvements can spur greater sales revenue for the Albertson's Market, and by extension sales tax revenue for the Town, if targeted upgrades are made to the store.

The Albertson's Market in Fairfax has the potential to be the "go-to store" for a great number of local shoppers. A review of the demographics of our Marin County community and the part of San Anselmo which closely borders your store reveals a significant number of families with high household income. A survey of potential customers in the community, however, would unfortunately signal that a disproportionately low number of these residents use the Albertson's store for their regular shopping. Instead, we travel miles down the road to shop at the Andronico's, United, Safeway, and Bell Market stores which offer a more attractive setting in which to purchase food.

We believe that modest improvements to our Albertson's store, including some already approved by the Town as part of a prior re-modeling proposal, would recast the Market's image and redirect customers who very much want to shop locally in a neighborhood store. The improvements we envision are ones we have seen in Albertson's stores throughout the western United States – an attractive and inviting exterior coupled with a broad offering of fresh (and preferably locally grown) fruits and vegetables, meats, fish and poultry.

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The Town of Fairfax is making a significant financial investment in the commercial neighborhood in which Albertson's is the central merchant. We hope you will join us in reinvigorating our Albertson's market. Please feel free to contact Linda Kelly, Town Manager, at (415) 458-2345 directly to discuss this matter further.

Very truly yours,

Susan Brandborg
Mayor

cc:

Manager, Albertson's Fairfax Store
Dan/Matt Friedman
Linda Kelly, Fairfax Town Manager
Fairfax Town Council