

November 9, 2006



Dear Nealon Park Neighbors -

After many months in the permitting process, Safeway has just obtained the permits necessary to begin for "Phase I" of the 11-phase construction of a new store. We will be starting work immediately (hopefully on Monday, November 13) in an effort to get as much done as possible before the winter rains. This letter is to inform you of the changes you will see happening on El Camino Real and in the Safeway parking lot during Phase I construction. Working hours for the project are 8:00AM - 6:00 PM Monday through Friday.

Phase I

Phase I includes creating a left-hand turn lane on El Camino Real just north of Middle Avenue and improving the Safeway parking lot. The new left-hand turn lane will allow north-bound cars to enter the Safeway parking lot without first turning onto Middle Avenue. The turn lane will be very similar to those that are now in front of Stanford Shopping Center: it will not have a traffic light.

During Phase I, Safeway will fence off the south parking lot and focus parking at (1) the Rite Aid end of the surface parking and (2) the underground garage. We are in the process of cleaning and making maintenance repairs to the underground garage so that it is a pleasant place to park during construction. The driveway to Middle Avenue and the south side customer entrances will remain open.

Our goal is to have Phase I construction done by January 2. If that is the case, we will begin to move merchandise from the north (Rite Aide) end of the building to the south (Safeway) side of the building and to construct a new pharmacy. If weather permits, we will then be able to demolish the Rite Aid end of the store.

We will know by the third week in December if we are on schedule with Phase I. If we are and if the winter rains are only moderate, there is a reasonable chance that the new grocery store could be built and opened by next Thanksgiving. Construction would then begin on the new retail stores (replacing the south side of the existing building).

Working Group Involvement

During the planning process for the new store, the Neighborhood/Safeway Working Group developed a "Disruption Avoidance Plan" for each of the eleven phases of store construction. The Working Group will also serve as neighborhood liaisons during construction. Their job will be to meet with the Safeway construction manager each month for updates and to communicate relevant information to the neighborhood. They will also help to problem solve any neighborhood concerns that might arise.

The contact information for Working Group representatives is attached. If you are new to the neighborhood and are not familiar with the Working Group, I encourage you to call your street representative. They can provide you with information on the plan for the new Safeway and retail stores. You can also sign up for the neighborhood egroup and receive email updates.

Safeway Inc.
Northern California Division
5918 Stoneridge Mall Road
Pleasanton, CA 94588-3229

Project Information

There will be a Nealon Park Neighborhood meeting on **Monday, December 4, at 7:00-8:30 p.m. in the Auditorium of Little House, 800 Middle Avenue.** At that time, we will bring you up to date on our progress and answer any question you might have.

The City of Menlo Park provides ongoing information about the Safeway project on its website www.menlopark.org/projects. Included in the online documents are a project phasing plan and timeline, the project "Conditions of Approval", and the "Disruption Avoidance Plan" that was created by the Working Group. If you do not have online access and would like to see any of these documents, please contact your Working Group street representative.

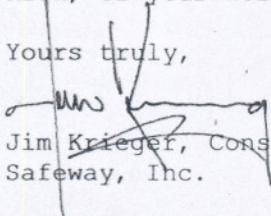
The Safeway construction team is committed to doing our part to make the demolition and building process as smooth as possible.

The Site Improvements Contractor construction manager for Phase 1 is Don Zschokke who can be reached at (650) 245-2711.

The Safeway Building Contractor project manager is Rick Oberdorfer of Midstate Construction who can be reached at (707) 762-3200 or e-mail: ricko@midstateconstruction.com.

If you have a question or concern, please feel free to contact Don, Rick, or your Working Group street representative.

Yours truly,



Jim Krieger, Construction Manager
Safeway, Inc.

Neighborhood Working Group

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