

ORIGINAL

OPEN MEETING AGENDA ITEM



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Commissioners:

Kristin K. Mayes-Chairman

Gary Pierce

Paul Newman

Sandra D. Kennedy

Bob Stump

Administrative Law Judge Sarah N. Harpring

AZ CORP COMMISSION
DOCKET CONTROL

Arizona Corporation Commission

1200 West Washington Street

Phoenix, Arizona, 85007-2927

Arizona Corporation Commission

DOCKETED

MAR 25 2010

Docket No.: E-01345A-07-0663 and T-01846B-07-0663



Dear Commissioners:

My name is Grace Babcock. I am an owner who supports the Underground Conversion Service Area (UCSA) project for Hillcrest Bay, Inc. I also volunteer as the President of the Hillcrest Bay Homeowners Association. I have been on the board of directors since my husband and I purchased our home in 2006. We have a beautiful home that overlooks Lake Havasu. However, our home is one that has an obstructed view due to the numerous electric lines that hang off a utility pole and a transformer that sits directly in front of our living room window. We didn't mind this pole as much when we purchased because we had heard that Hillcrest Bay was planning to remove the overhead electrical lines and go underground. At the time, we really liked the idea that this community was planning for the future and was positioning itself for advancement with this improvement in a world that is ever so changing.

I currently work for a property management firm in California. I hold a California real estate license and I'm a Certified Property Manager (CPM) through the Institute of Real Estate Management (IREM). The company I work for is also an Accredited Management Organization (AMO) and we are committed to achieving goals for our investors by maximizing return on their real estate portfolio by improving cash flow and building value. I strongly believe this improvement and will provide value to all our homeowners.

One thing that I've learned in this field is that improvements are very important to a community or neighborhood. The economic structure of a neighborhood requires careful thought. Neighborhoods change. This change often is slow and subtle but, over a period of time, is inevitable. The degree to which a neighborhood has been, or is being, improved is significant evident of change. If the new and compatible improvement occurs, it is a sure sign of growth. On the other hand, poorly maintained communities with numerous vacant lots reflect declining conditions.

I became involved, like others before me, to help improve growth in the Hillcrest community and, more importantly, preserve and or build the value of one's property. This improvement will instill a sense of pride. It will initiate changes that will keep our residents rather than encourage them to look elsewhere to live. Unless we modernize Hillcrest Bay by passing the UCSA project I feel that it will be difficult to attract desired owners. As the owner profile declines, incidents of gangs, drugs, crime, and domestic disturbances increase.

Many communities budget for improvements. They tear down and build new buildings because they may not fit aesthetically into the current architectural design. They clean up areas of concerns so communities can provide for a better quality of life. Improvements in the appearance of a property may often affect the success of owner retention. Upgrading our property's appearance by placing the wires underground could attract new owners to live in our community. First impressions are very important.

I'm concerned because Hillcrest Bay has become stagnant on their improvements for the community. We need upgrades to stay competitive, modern and current with technology. We are being over looked within the Parker area and we continue to struggle along with no vision for the future. The UCSA project would be a big step towards a better future.

I'm concerned where it's reference in the Opinion and Order, Section 182 where it states, *"Not even the benefit of improved aesthetics will be realized by all owners"*. I don't agree with this. If you approve the UCSA project, the improved aesthetics will benefit everyone directly and indirectly. In property management, when you drive into a community, curb appeal is very important. People give an opinion within 3-30 seconds of observation. A person feels good when they can come home to a community that is clean, free of clutter, safe, and relaxing. It gives a sense of pride of ownership.

One example of a community that has implemented change is Havasu Springs Resort. This community is less than a mile away from Hillcrest Bay. They have been around a few years before Hillcrest Bay's development and their owners saw the vision and had the foresight for making improvements to provide a better way of life. They listened to their community and heard the needs and provided a very desirable place. They currently have cable TV, 2 community pools, a golf course, storage areas, boat docks, internet access, and accessible handicap fishing locations, RV parking, laundry facilities, recycling bins and an underground cabling system. Hillcrest Bay lacks most of these improvements. We are sitting idle in this dead zone where change has been stifled because of handful of owners who claim it's unaffordable. We need to take a step in the right direction. The cost is well worth it and there will NEVER be an opportunity such as now to begin.

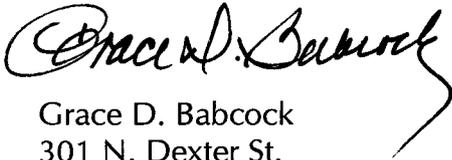
Yes, a few people state they would lose their homes if the underground passed. Those people have recently lost their home, but not because of the underground.

Yes, a few people state that they can't sell their homes because of the proposed lien, but 3 homes have been recently sold.

Yes, there is a strain on our current economy, but it's been proven in history that it will bounce back.

Please approve this project. Please keep us alive at Hillcrest Bay.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Grace D. Babcock". The signature is fluid and cursive, with a long, sweeping tail that extends downwards and to the right.

Grace D. Babcock
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