

CITY OF MERCED

"Gateway to Yosemite"



Office of the Mayor

Telephone 209/385-6834

Fax 209/723-1780

July 6, 2009

Governor Arnold Schwarzenegger
Office of the Governor
State Capitol
Sacramento, CA 95814

Re: Request for Support for Federal TIGER Discretionary Grant

Dear Governor Schwarzenegger:

The City of Merced has been working closely with Merced County, Caltrans and the University of California – Merced Campus to develop the Campus Parkway project. Campus Parkway will serve as a vital transportation corridor between UC Merced, the City of Merced, State Route 99 and State Route 140.

The American Recovery and Reinvestment Act of 2009 (ARRA) signed into law by President Obama includes grants for transportation investment generating economic recovery, known as "TIGER Discretionary Grants". Merced County seeks to obtain \$73,500,000.00 (\$73.5 million) from the TIGER Grant program to help finance the construction of Segments 2 and 3 of the Campus Parkway project. Funds from the TIGER Grant program will be used in conjunction with funds received from the City of Merced (Development Fees), the State of California (TCRP Funds), the University of California – Merced Campus (Proportionate Impact Share), and MCAG (RTIF Program). The construction plans and the acquisition of right-of-way for the Campus Parkway project will be completed by the end of 2009. If MCAG is successful in receiving this grant, construction of Campus Parkway Segments 2 and 3 may begin in 2010.

As you know, Merced County has been significantly impacted by the economic downturn. According to the United States Department of Labor, the Merced Metropolitan area was reported to have an unemployment rate of 18.3% in April 2009; this rate is the second highest unemployment rate in the State of California and the third highest unemployment rate in the nation. In addition, Merced County has been

The Honorable Arnold Schwarzenegger

Page 2

July 6, 2009

identified as having the worst foreclosure rate in California and the third worst home foreclosure rate in the Nation. The primary purpose of the TIGER Grant is to stimulate the economic recovery. As a result, Merced County seems to be the ideal location for the economic stimulus created through a TIGER Grant.

In conformance with the guidelines that have been developed for the TIGER Discretionary Grant program, a support letter from the Governor is required. MCAG requests the Governor provide a support letter for the TIGER Grant application for the construction of Campus Parkway Segments 2 and 3.

If you have any questions or need any additional information, please call me or e-mail me at 209-385-6834.

Sincerely,



Ellie Wooten
Mayor

cc: City Council