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CATHLEEN GALGIANI ASSEMBLYMEMBER, SEVENTEENTH DISTRICT

July 20, 2009

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

Subject: Letter of Support for Federal TIGER Discretionary Grant Merced County – Campus Parkway Project

Dear Governor Schwarzenegger:

The American Recovery and Reinvestment Act of 2009 (ARRA) signed into law by President Obama provides for Transportation Investment Generating Economic Recovery grants, known as TIGER Discretionary Grants. Merced County is seeking to obtain \$73,500,000.00 (\$73.5 million) from the TIGER Discretionary Grant program to help finance 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, the State of California (TCRP Funds), the University of California – Merced Campus, and the Merced County Association of Governments (MCAG).

Campus Parkway is planned to be a 4-lane limited access expressway connecting UC Merced, the City of Merced, State Route 99 and State Route 140. With the construction of Segments 2 and 3, Campus Parkway will extend to the edge of the proposed University Community which lies immediately south of the UC Merced campus. Design and right-of-way acquisition for the Campus Parkway project is currently in progress and will be completed by the end of 2009. If Merced County is successful in receiving this grant, construction of Campus Parkway Segments 2 and 3 may begin in 2010.

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 identified as having the worst foreclosure rate in California and the third worst home foreclosure rate in the Nation. Since the primary purpose of the TIGER Discretionary

Grant is to stimulate economic recovery, the Merced County Campus Parkway project seems to be the ideal choice.

The Campus Parkway project will not just create jobs during construction; this new expressway will provide direct access to areas zoned by the City of Merced for commercial and industrial development. Improved access to UC Merced will further stimulate growth of the UC Merced campus including the planned Medical School and supporting industries.

When combined with existing funds, the TIGER Discretionary Grant will directly infuse nearly \$100 million into the economy of the Central Valley and will create an estimated 1,800 new jobs. Indirect growth resulting from the construction of this vital new transportation corridor has the potential to create significantly more permanent jobs in the Merced area.

Please join me in supporting the approval of a TIGER Discretionary Grant to Merced County for the construction of Campus Parkway Segments 2 and 3.

Sincerely,

CATHLEEN GALGIANI

Assemblymember, 17th District

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