

STATE OF CALIFORNIA

ARNOLD SCHWARZENEGGER
Governor

Department of Alcoholic Beverage Control
Department of Corporations
Department of Financial Institutions
California Highway Patrol
California Housing Finance Agency
Department of Housing & Community Development
Department of Managed Health Care



SUNNE WRIGHT MCPPEAK
Secretary

Department of Motor Vehicles
Office of the Patient Advocate
Department of Real Estate
Office of Real Estate Appraisers
Office of Traffic Safety
Department of Transportation

BUSINESS, TRANSPORTATION AND HOUSING AGENCY

November 30, 2006

Mr. Jesse Brown, Executive Director
Merced County Association of Governments
369 W. 18th Street
Merced, CA 95340

Dear Mr. Brown:

We are pleased to inform you that the grant application submitted by the Merced County Association of Governments (MCAG), on behalf of the eight San Joaquin Valley Metropolitan Planning Organizations (SJVMPPO), has been selected for the California Regional Blueprint Planning Program for Fiscal Year (FY) 2006-07.

The California Regional Blueprint Planning Program is a complement to the Governor's Strategic Growth Plan to significantly improve the transportation system throughout California. Regional Blueprint Planning should advance regional collaboration and comprehensive planning in the State's high-growth areas; foster a more efficient land use pattern that supports improved mobility and accommodates an adequate supply of housing for all incomes; and reduce impacts on valuable habitat and farmland while creating vibrant, healthy neighborhoods.

In accepting this grant, the MCAG agrees to partner with the State to achieve our common goals to improve mobility and quality of life in California by both successfully completing your Regional Blueprint Plan, and helping to advance the practice of blueprint planning in California. The approval of your grant is conditioned upon the following:

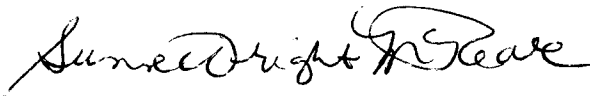
1. The MCAG effort will have a Regional Blueprint Plan as the end product after two years. The SJVMPPO will demonstrate how the Regional Blueprint Planning Grant will be used to plan for the region's 20-year housing (consistent with Government Code Section 65584 et seq.) and employment needs as they relate to the regional transportation plan and improving mobility. The final 15 percent payment will be

reserved pending receipt of a completed Regional Blueprint Plan. The Regional Blueprint Plan shall include the following components:

- Vision for the region developed through public consensus including a public involvement plan and a listing of community meetings.
 - Graphic display and map of the preferred growth scenario or blueprint for the future.
 - Major policies and strategies for meeting the region's vision in the areas of transportation, land use, housing, environmental protection, and economic development.
 - Performance measures.
2. Revised project scope and funding identified in the Regional Blueprint Planning Program Work Element (Work Element) will be amended into the eight SJVMPO FY 2006-07 Overall Work Programs. An Interagency Review Committee, representing eight State agencies and the Federal Highway Administration (FHWA), identified areas of the grant applications that need strengthening to better address the grant criteria. Funding is contingent upon an approved Work Element that more fully addresses all grant criteria. In addition, all tasks in the Work Element shall be subject to a determination of eligibility for Federal State Planning and Research funds by FHWA. Applicants will receive help with Work Element revisions during December 2006.
3. This grant approval is for the second year of the SJVMPO Regional Blueprint Planning Program. The total funding level is \$1,950,000 in grant funds for FY 2006-07.

Staff from the California Department of Transportation will continue to provide more details to help the MCAG sharpen the focus of its scope of work and answer any questions you may have concerning this grant. If you have any immediate questions, please contact Gregg Albright, Deputy Director for Planning and Modal Programs, at (916) 654-5368.

Sincerely,



SUNNE WRIGHT McPEAK
Secretary



WILL KEMPTON
Director
Department of Transportation

- c: Gregg Albright, Deputy Director, Planning and Modal Programs
Joan Sollenberger, Chief, Division of Transportation Planning