



DEPARTMENT OF TRANSPORTATION
URBAN MASS TRANSPORTATION ADMINISTRATION
WASHINGTON, D.C. 20590

AUG 14 1979

Mr. Fred Klaboe
Director, Oregon Department of
Transportation
Transportation Building
Salem, Oregon 97204

Mr. Peter Cass
General Manager
Tri-County Metropolitan
Transportation District
4314 S.E. 17th Avenue
Portland, Oregon 97202

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Dear Messrs. Klaboe and Cass:

We have completed our review and analysis of the Preferred Alternative Report on the Banfield Transitway Project which you transmitted on June 15. The Report adequately documents the key considerations used in the selection of the light rail alternative, identifies both the local support for the proposal and the local financing sources, and adequately addresses the questions raised by UMTA in earlier reviews.

Our evaluation of your preferred light rail alternative indicates that: 1) while annual operating costs are \$.5 million to \$2.0 million less than a comparable busway alternative, total capital costs are \$35 million more; 2) the energy and environmental impacts of light rail and the bus alternatives are not significantly different; 3) the development benefits of light rail will be realized if the rail investment is tied with supportive actions. These factors plus the strong local and State support for the light rail alternative and Portland's history of making transit work has led UMTA to concur in your selection of the light rail alternative as the preferred alternative. We therefore are prepared to work with you in the preparation of a Final EIS containing the preferred light rail alternative. Because this project involves both highway and transit elements, we will be working jointly with FHWA in the preparation of the EIS.

We are also authorizing the initiation of Phase II of Preliminary Engineering to assist in the preparation of the Final EIS. The balance of Phase II preliminary Engineering should not be undertaken until the Final EIS is completed. During this effort, we will work

with you to minimize the costs of the preferred alternative, to further examine the impacts of the project and develop suitable mitigation measures.

By these actions, we have completed the planning phase of this project. UMTA's Office of Transit Assistance together with the Regional Office will now be the lead contact for Final EIS preparation and for project development. They will be in touch with your staff shortly to answer questions and give more detailed guidance. We look forward to working with you on Phase II of your Preliminary Engineering effort and on the development of the Final EIS.

Sincerely,

Lillian C. Liburdi
Lillian C. Liburdi
Acting Deputy Administrator

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