



DEPARTMENT OF TRANSPORTATION

NEWS

URBAN MASS TRANSPORTATION ADMINISTRATION

WASHINGTON, D. C. 20590

FOR RELEASE 11:00 A.M.
June 29, 1976

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UMTA 76-60

Robert E. Patricelli, Administrator of the U.S. Department of Transportation's Urban Mass Transportation Administration (UMTA), announced today a decision not to go forward with Denver, Colorado's application to the Federal government for engineering and construction funds for a proposed \$733 million, 22 mile rail transit system.

At the same time, Patricelli offered UMTA funds for an improved bus system as a more suitable transit alternative in the Denver region for the foreseeable future.

"It is our intent to proceed as expeditiously as possible towards approval of Denver's pending capital grant application for \$31 million for bus improvements," Patricelli said, citing Denver's bus system as "one of the best in the nation."

Patricelli said in his press conference today that "we have concluded that the case for building rail transit now in Denver is not strong, especially compared to that of other cities."

In his letter to Chairman John R. Crowley of the Denver Regional Transit District, Administrator Patricelli noted it would be "premature" for the Federal government to fund the proposed rail system. In reaching this decision, Patricelli said, "for the foreseeable future, an improved bus system will provide equivalent transportation service and attract about the same number of riders as light rail, but at substantially lower cost."

In recognition of the possible long-term need for a rail transit system in the Denver region and to assist in keeping the rail transit option open for the future, the

Administrator said that UMTA was prepared to make a loan for advanced acquisition of land and buildings and for rights-of-way, stations, parking and maintenance facilities and value capture opportunities.

"UMTA has offered to use the authority under Section 3(b) in the Urban Mass Transportation Act, which permits the Federal government to make loans for advance land acquisition. It would make it possible for communities such as Denver to acquire and hold key real estate in transit corridors until such time as the need for a fixed guideway system may be better justified.

"The Denver proposal does not compare favorably in cost-effectiveness terms with applications currently before us from other cities," Patricelli said in his letter to Chairman Crowley. He noted that Denver is not an area of high population density, that the land development trends do not appear to be moving in that direction and that the problems of freeway congestion are not as severe as those currently being experienced by other communities.

"Federal funding for light rail construction could be forthcoming some years in the future if the need for high volume transit becomes clearer and if the community has strengthened the case for light rail by making it a part of a realistic community development and growth management program," Patricelli stated.

Denver's pending capital grant application for \$31 million for bus improvements involves the purchase of over 170 buses and new bus shelters, park-and-ride lots and maintenance facilities throughout the Regional Transit District's service area.

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