



How Portland's Power Brokers Accommodated the Anti-Highway Movement of the Early 1970s: The Decision to Build Light Rail

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Portland, Oregon, is well known for its transportation investments and land-use regulations intended to reduce the use of autos in favor of walking, biking, and transit. One major transportation investment was a light rail system that totals about 40 route miles. The first 16-mile line of this system opened in 1986. In this paper, I examine how the light rail decision evolved from the anti-freeway battles in Portland during the early 1970s. Today the decision is sometimes portrayed as a simple victory for anti-highway forces that transferred money from an unpopular urban interstate to light rail. In reality, the decision was more of an accommodation to road builders by environmentally and socially conscious politicians. The final deal left the old power brokers still in charge and resulted in more rather than less highway spending in the region. It does appear, however, that the new spending package was more aesthetically and socially desirable than the old. I focus on negotiations of regional leaders as opposition to the Mt. Hood Freeway grew after 1970.

On May 2, 1973, Oregon's governor Tom McCall appointed what would be known as the Governor's Task Force, chaired by Portland Mayor Neil Goldschmidt, to re-evaluate planning for transportation investments in the region. Elected officials from one Washington and three Oregon counties comprising the Portland urban region served on the task force, while the Columbia Regional Association of Governments (CRAG) presided over the technical work.¹

¹ Other members included Commissioner Mildred Schwab, City of Portland; Commissioners James M. Gleason and Mel Gordon, Multnomah County; Commissioner Robert Schumacher, Clackamas County; Commissioner Rod Roth, Washington County; Commissioner Dick Granger, Clark County (Washington); Chairman Glenn Jackson, Oregon Transportation Commission; President Gerard Drummond, Tri-County Metropolitan Transit District; Chairman William Young, Columbia Region Association of Governments; Commissioner F. Glen Odell, Port

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The task force included two significant non-elected people. One was Glenn Jackson, chair of the board of Portland Power and Light, as well as chair of the Oregon Transportation Commission, and considered the Oregon's major transportation power broker. The other was Jackson's colleague Gerard Drummond, a prominent lawyer, and a lobbyist for Portland Power and Light. Governor McCall had just appointed Drummond to the board of Tri-Met, the regional transit agency, and the Tri-Met board elected Drummond its president.²

The Then-Current Regional Transportation Plan

CRAG had adopted the region's first official transportation plan only two years earlier, though planning for it had begun in 1959 with the establishment of the Portland-Vancouver Metropolitan Transportation Study (PVMATS). The 1971 PVMATS plan greatly expanded a vision for urban freeways that Robert Moses had laid out for the city's leaders in 1943, which led to the drafting of a regional freeway plan in 1955. There was no regional organization to champion it, however, and by 1959 little of Moses' vision had been carried out; the 13-mile Banfield Freeway, the region's first urban freeway, had been dedicated only in 1958.³ The highway act of 1956, however, greatly boosted the amount of federal road spending, and the PVMATS plan called for a network of urban freeways

of Portland. See System Design Concepts, *The Cooperative Transportation Planning in the Portland Metropolitan Area* (Portland, Ore., 1975), foreword; retrieved from Portland Metro Library.

² Several of those interviewed for this research by the author, as well as those interviewed by Ernie Bonner, referred to Jackson as the Robert Moses of Oregon. Gerald Drummond was referred to frequently as well, often in the context of working as part of a team with Jackson. See, for example, Steve McCarthy, at his office in Portland, Ore., phone interview with author, 23 April 2004; Ray Polani, at his home in Portland, Ore., interview with author, 21 Nov. 2003; Jim Howell, at his home in Portland, Ore., interview with author, 24 Nov. 2003; Doug Allen, at his home in Portland, Ore., phone interview with author, 23 March 2004; Ernie Munch, at his home in Portland, Ore., phone interview with author, 6 April 2004; Rick Gustafson, Gustafson residence in Portland, Ore., interview with Ernie Bonner, 8 Feb. 2003, viewed on 12 Sept. 2004; URL: <http://www.pdxplan.org>.

³ Robert Moses, *Portland Improvement* (Portland, Ore., 10 Nov. 1943), addressed to City of Portland, Ore., Multnomah County, School District No. 1 of Multnomah County, Port of Portland, Ore., and Commission of Public Docks; in the collection of Jeffrey Brown of Tallahassee, Fla. See also Jeffrey R. Brown, "Building Autopia: The Development of Urban Freeway Planning in the Pre-Interstate Era," working paper (Tallahassee, Fla., 2005); Herman Edwards, "13-Mile Highway Link Completed in 6 Years," *The Oregonian*, 25 Jan. 1958, p. 1, C-7.

crisscrossing the region, to be financed largely with federal urban interstate money.⁴

The plan said little about transit other than noting that express buses could use urban interstates, implying but not demonstrating that doing so would improve service for the typical transit user. Coincidentally, the region's (and one of the nation's) last electric interurban railways shut down on the same weekend the Banfield Freeway opened in 1958. The line had run from the edge of the Portland central business district to Oregon City 14 miles south, with a branch to Sellwood. Oregon's Public Utilities Commission had opposed abandonment for two years, but the privately owned Portland Traction Company finally ignored the commission.⁵ Rose City Transit, Portland's privately operated bus system, also was in financial difficulty, and its attempts to raise fares and cut service provoked municipal controversy throughout the 1950s and 1960s.⁶ In 1969, the

⁴ The Oregon Highway Commission would build all, though the Highway Trust Fund would pay 90% of the construction costs for those freeways designated urban interstates. See Design Concepts, Inc., *The Cooperative Transportation Planning Process in the Portland Metropolitan Area: Final Report of the Governor's Task Force on Transportation* (Portland, Ore., Jan. 1975), retrieved from Portland Metro Library, Nov. 2003; Tri-County Metropolitan Transportation District of Oregon, *Regional Transit Development Alternatives: A Sketch Planning Analysis* (Portland, Ore., Aug. 1977), 2-1; report retrieved from Tri-County Metropolitan Transit District (Tri-Met) Library, Nov. 2003. See Gustafson, interview with Ernie Bonner. Gustafson, later elected first director of Portland's Metro, placed the date approximately as 1967. Ernie Bonner, Portland's planning director from 1973 through the 1970s, agreed that CRAG was formed in the late 1960s.

⁵ Ken David, "Company Surprises Customers: Firm Abandons Passenger Run after Sundown," *The Oregonian*, 26 Jan. 1958, p. 1, C-8. See also George W. Hilton and John F. Due, *The Electric Interurban Railways in America* (Stanford, Calif., 1960), 395-95, and John T. Labbe, *Fares Please! Those Portland Trolley Years* (Caldwell, Idaho, 1982), 149-50. For most of their history, Portland Traction Company interurban cars to Oregon City operated from downtown Portland. In 1956, the Multnomah County Board of Supervisors authorized road improvement to the Hawthorne Bridge, used by the interurbans to reach the east side of the Willamette River from downtown. The action forced the interurbans off the bridge and ended service to downtown, decimating patronage. Portland Traction did not protest the action, because it wanted to abandon service. In the early 1950s, it tried to abandon all of its passenger service, but the Oregon Public Utilities Commission prevented it from doing so.

⁶ "Recommended Reading: Bus Crisis—History of Portland's Public Transportation Problems, From Mule-Drawn Car of 1872 to Present Dilemma," *The Oregonian*, 26 Jan. 1958, pp. 1, 34-35. The last local streetcar services were converted to bus operation in 1950; the last electric trolley buses quit in 1958, as did the electric interurban railway to Oregon City with a branch to Sellwood. The *Oregonian* also reported that weekend that the privately owned and operated bus transit system in Portland was near collapse, and finally it reported the suicide of

state legislature created the Tri-County Metropolitan Transportation District, known as Tri-Met, to buy the assets and operating rights of Rose City Transit and several suburban operations collectively known as the Blue Lines. The newly established Urban Mass Transit Administration (UMTA) provided 80 percent of the capital cost for doing so, as well as for buying a new fleet of buses and building a new garage and administration building. A payroll tax that Tri-Met levied on employers funded the local match as well as annual operating deficits.⁷

The Rise of the Anti-Freeway Vanguard

In the late 1960s and early 1970s, several individuals in the Portland region turned against the emerging urban freeways system.⁸ A young architect, Jim Howell, was one of the first. In 1969, Howell began organizing consciousness-raising events directed at removing an early expressway that ran through downtown Portland along the Willamette River. A window of opportunity for doing this opened when I-405 sliced through the west side of the central business district (CBD) along a largely parallel route; Howell's movement succeeded in having the freeway closed and replaced with a park.⁹ Betty Merten also emerged as an anti-auto activist about the same time. A wealthy, well-educated young mother who, as she put it, was in the last generation of wives supported by husbands, devoted her time to the environmental movement at the end of the 1960s. By 1970 air pollution bothered Merten more than anything else; she was aware that automobiles caused most of it, and she believed that planners accommodating cars were responsible for the sprawled, auto-dominated landscape that surrounded her. In 1970, she led a successful protest against the construction of a 13-story parking garage on what now is Pioneer Square in the center of downtown Portland.¹⁰ Another key player was Ron Buell, whose book *Dead End*, published in 1972, described how planners' preoccupation with automobiles was destroying American

Robert Young in Palm Beach. Young was a renegade financier who had taken control of the nation's second most important railroad, the New York Central, announcing that he would restore to importance and profitability both passenger service and freight. By the time of his death, his promises had turned to ashes and the railroad was headed toward bankruptcy. "Rail Boss Kills Self With Gun: Friends Say Young Dejected Lately, Cause Not Known," *The Oregonian*. 26 Jan. 1958, p. 1, C- 6.

⁷ Gustafson, interview with Ernie Bonner; McCarthy, phone interview with author.

⁸ "Vanguard" is borrowed from James Dunn, *Driving Forces: The Automobile, Its Enemies, and the Politics of Mobility* (Washington, D.C., 1998).

⁹ Howell, interview with author; Allen, interview with author.

¹⁰ Betty Merten, at Bonner residence in Portland, Ore., interview with Ernie Bonner, 9 Dec. 2001, viewed on 12 Sept. 2004; URL: <http://www.pdxplan.org>.

cities.¹¹ Buell served as chief of staff for Neil Goldschmidt, a young public interest lawyer educated at Berkeley who previously had participated in voter registration drives in the South. At age 31 Goldschmidt was elected to the Portland City Commission in 1971 and as mayor in 1973. Ernie Munch, who moved to Portland about 1972 to work with the Goldschmidt movement after receiving his degree in architecture from the University of Oregon, characterized Goldschmidt as brilliant and charismatic and a believer in neighborhood political power. In canvassing neighborhoods, Munch said that Goldschmidt picked up deep-seated sentiment against urban freeways.¹² Goldschmidt also brought into his administration two young, bright planners from Cleveland. Ernie Bonner, who had also worked on voter registration drives in the South, remained as planning director through most of the 1970s, while Doug Wright quickly took over many of the technical tasks of transportation planning, including mastering the intricacies of transportation finance.¹³

Anti-auto sentiment escalated in the Portland region about 1971, when Ron Buell joined forces with Jim Howell to form STOP (Sensible Transportation Options for People). Their idea was to force the state to remove lines from maps indicating future freeway routes through neighborhoods so that they could obtain investment funds for neighborhood revitalization.¹⁴ At the same time, Betty Merten's husband Charlie, a prominent lawyer, started a group opposed to the proposed Mt. Hood Freeway. The proposed freeway, sized to accommodate large volumes of commuters, was to run roughly parallel to the Banfield from downtown Portland to the east. Approximately the first eight miles of it were designated as an urban interstate freeway. It would destroy large numbers of homes and businesses. Despite the scale of destruction, the Oregon Department of Transportation, the City of Portland, and Multnomah County all approved this freeway route in 1969.¹⁵ The Federal Highway Administration (FHWA) had set aside the 90 percent federal share to build it, and the state had set aside the 10 percent local match.

¹¹ Ronald A. Buell, *Dead End* (n.p., 1973).

¹² Ernie Munch, at his home in Portland, Ore., phone interview with author, 6 April 2004. Dates are from a biography of Neil Goldschmidt at the Oregon Historical Website, URL: www.ohs.org/education/focus_on_oregon_history/GHO-Governor-Goldschmidt.cfm, accessed 11 Sept. 2004.

¹³ Views on Bonner and Wright are from Munch, phone interview with author; Ernie Bonner's website provides his biography, <http://www.pdxplan.org>, viewed 11 Sept. 2004.

¹⁴ Howell, interview with author, in which Howell stated he organized the STOP group. Several other interviews corroborated Howell's claim. See Merten, interview with Ernie Bonner; she cites Howell as one of the founders of STOP.

¹⁵ Tri-County Metropolitan Transportation District of Oregon, *Regional Transit Development Alternatives: A Sketch Planning Analysis* (Portland, Ore., Aug. 1977), 2-4.

The Mt. Hood Freeway was a done deal, but Charlie Merten appealed to STOP for assistance to undo that deal, and a region-wide anti-freeway movement resulted.¹⁶

Other activists and bureaucrats aided the movement, attracted by Goldschmidt's charisma and belief in neighborhood power. Among them were Steve Dotterer, a friend and classmate of Ernie Munch. Dotterer joined Portland's planning department at the time that Munch joined Skidmore, Owings, and Merrill (SOM), a consultancy that was preparing the Environmental Impact Statement on the Mt. Hood Freeway for the Oregon Department of Highways. According to Munch, most of the information used against the Mt. Hood Freeway by its opponents originated in the SOM office. Both Dotterer and Munch wanted to make decisions first on what type of urban forms people preferred and then design transportation systems to support them; most of those opposing the Mt. Hood Freeway took this approach.¹⁷ Don Clark, who for years had been the popular environmentally supportive sheriff of Multnomah County as well as an adjunct professor in Portland State's urban studies program, now was a member of the Multnomah County Commission and took the position that land-use decisions should precede transportation decisions. He persuaded his colleagues on the commission to revisit the decision supporting the Mt. Hood Freeway.¹⁸ David Hupp, strongly anti-automobile and a supporter of rail mass transit, was staff to Multnomah County Commission Chief Mel Gordon from November 1972 to May 1974. He said that he was hired to kill the Mt. Hood Freeway.¹⁹ Another young activist lawyer, Steve McCarthy, who was the head of Ralph Nader's Oregon PIRG (Public Interest Research Group) and a confidant of Oregon governor Tom McCall, also was part of this group.²⁰

Actions of the Task Force

Task force members considered evidence against the proposed Mt. Hood Freeway. The architectural firm of Skidmore, Owings & Merrill, hired by the Oregon Department of Transportation to conduct an environmental impact report for the proposed route, had assembled most of the evidence. Shortly after December 1973, when SOM completed its analysis, the Governor's Task Force rejected all alternatives in the corridor that required demolition of residences and businesses. According to Multnomah County Commissioner Don Clark, Ron Buel (Mayor Goldschmidt's

¹⁶ Howell, interview with author, 24 Nov. 2003.

¹⁷ Munch, phone interview with author.

¹⁸ Don Clark, previously of Multnomah County Commission, at Clark's home, southwest Portland, Ore., interview with Ernie Bonner, 8 March 2002, viewed 12 Sept. 2004; URL: <http://www.pdxplan.org>.

¹⁹ David Hupp memoir, viewed 10 Sept. 2004; URL: <http://www.pdxplan.org>.

²⁰ Gustafson, interview with Ernie Bonner; McCarthy, phone interview with author.

aide) asked Clark to lead the fight against the Mt. Hood Freeway, because the issue was too controversial for Goldschmidt to touch. Clark then asked the County Commission to reconsider its earlier approval. The Commission, with the surprise support of Glenn Jackson, rescinded its earlier approval on a 4-1 vote in February 1974. Mayor Goldschmidt then brought the matter before the Portland City Commission, which in July 1974 rescinded its earlier approval. In November 1974, Governor McCall notified the Secretary of Transportation that he would delete that part of the Mt. Hood Freeway designated as an interstate but intended to keep the designated federal funding for other transportation projects.²¹

The Political Imperative for a Deal

Those opposed to the Mt. Hood Freeway were applauded for their leadership, but strong support for the freeway remained in other quarters. A counter political movement attempted to get the question of whether the freeway should be built placed on the ballot, and polls showed that, had it made it to the ballot, the measure would have won by a landslide. The measure never made it to the ballot, however, because of solidarity among Jackson, Drummond, Goldschmidt, Clark, and Gordon. Still, the deletion of the Mt. Hood Freeway left the Portland region's transportation planning in shambles. Goldschmidt believed that if he did not orchestrate a new consensus on how to spend the federal money set aside for the Mt. Hood freeway, it would mean the end of his political career.²²

The Federal Aid Highway Act of 1973 contained a section called the Interstate Transfer Provision, which allowed a region to delete an unpopular urban interstate, relinquish the funds earmarked for it to the interstate trust fund, and receive an equivalent amount of funds from the U.S. general fund to be used on another transit project in the state. For a region to keep the money, transit projects had to be under contract by

²¹ Clark, interview with Ernie Bonner. Dates are from Tri-County Metropolitan Transportation District of Oregon. *Regional Transit Development Alternatives: A Sketch Planning Analysis* (Portland, Ore., Aug. 1977), 2-8 to 2-10. Obtained from Tri-Met Library, Nov. 2003.

²² Both Ernie Munch and Steve McCarthy stated that Neil Goldschmidt had no political future if the Portland region lost the federal money set aside for the Mt. Hood Freeway. There was general resentment of Goldschmidt because of the Mt. Hood withdrawal decision, and polls showed that if a measure calling for reinstatement of the Mt. Hood Freeway actually got on the ballot it would have passed with large margins, according to Ernie Bonner's interview with Rick Gustafson. According to Gustafson, Drummond and Jackson rallied behind Goldschmidt (as did Gustafson) to insure that such a measure never reached the ballot, but it was clear that their support would vanish if the federal money were lost. Gustafson, interview with Ernie Bonner. See also Munch, phone interview with author; see also McCarthy, phone interview with author.

1981. If regional agreement could not be reached in time, such funds would revert to the Secretary of Transportation.²³

From today's perspective, it seems that it would have been an easy decision to build a light rail line in place of the Mt. Hood Freeway, but that tradeoff was politically impossible in 1974. There was little support for spending public money, even interstate transfer money, on transit. Many political leaders in the Portland region, including Mayor Goldschmidt as well as the Oregon Department of Transportation, wanted to spend the money on other highways more compatible with neighborhood development, and if necessary to disguise them as transit projects.²⁴ Others, including Multnomah County Supervisors Clark and Gordon, wanted to block major new highway construction and began to advocate construction of light rail lines in its place. Key members of Goldschmidt's staff also were increasingly opposed to major new roads. Most of them traveled extensively and were impressed with the emerging light rail concept in northern European cities. With Edmonton deciding to build a light rail line, they were beginning to think that light rail might be practical in U.S. urban environments.²⁵ Goldschmidt himself was not convinced, however.

²³ Edward Weiner, *Urban Transportation Planning in the United States: An Historical Overview, Fifth Edition*. DOT-T-97-24 (Washington, D.C., Sept. 1997), 91-93; that transit projects must be under contract no later than 1981 is contained in Tri-County Metropolitan Transportation District of Oregon, *Regional Transit Development Alternatives*, 2-17. Ernie Munch emphasized the stress that Goldschmidt was under to reach a regional consensus on what to do with the interstate transfer money before the federal deadline ran out; Munch, interview with author.

²⁴ Munch, phone interview with author; Gustafson, interview with Ernie Bonner.

²⁵ As already noted, Ron Buell was strongly opposed to roads. Ernie Munch said that his travels through Europe made him favor light rail for Portland, Ore., and he said that others in the SOM office strongly advocated light rail. He also mentioned a staff member in Goldschmidt's office as a light rail supporter. Munch, phone interview with author. County commissioner Mel Gordon and Don Clark both were strongly anti-highway by 1973; Don Clark also stressed his strong support for light rail from about this period. See Clark, interview with Ernie Bonner. The Multnomah County Commission's environmental consultant, who worked primarily with commission chair Mel Gordon, was David Hupp. Hupp was very forceful in his advocacy for light rail, as argued shortly. Rick Gustafson, Steve McCarthy, and Doug Allen also speak to Goldschmidt's opposition to light rail during this period, while Munch's transcript suggests that Goldschmidt was never more than lukewarm to the idea. See Munch, interview with author. G. B. Arrington's interview shows that as late as his campaign for the governor's office in Sept. 1986, Goldschmidt had reservations about light rail. See McCarthy, phone interview with author; Howell, phone interview with author; Allen, phone interview with author. At the time, the light rail line was about to open, and Goldschmidt feared that light rail would be viewed as a failure that would tarnish his reputation. He tried to get Tri-Met to postpone opening until after the gubernatorial election in November. The light rail line opened on

Part, if not all, of Goldschmidt's reticence about light rail stemmed from the absence of a credible organization to design, build, and operate it. If the region decided to go with busways, Oregon Department of Transportation (ODOT) could design and build them in short order. This was not the case with light rail. The region's transit agency Tri-Met seemed like a logical choice to head a light rail effort, but important decision makers considered Tri-Met incompetent and cut off from the political mainstream.²⁶ Goldschmidt feared that placing Tri-Met in charge

time under the direction of Tom Matoff, and its opening was flawless. According to Matoff and J. B. Arrington, a Tri-Met planner who later became noted for promoting transit-oriented development, the public viewed light rail as a success from that point forward. See Tom Matoff, at his home in Winter's, California, interviews with author, 7 Aug. 2002 and 9 Aug. 2003; G. B. Arrington, at his office in Portland, Ore., phone interview with author, 1 March 2004.

²⁶ Source of the transcript that follows is Gustafson, interview with Ernie Bonner. My interview with Steve McCarthy corroborates almost all of these points:

RG: So expanding transit [after the state legislature created Tri-Met in 1969 from the private Rose City Transit and the suburban Blue Lines] was the last thing they cared about. They had hired all these characters from Rose City. I mean, Tri-Met at that time was absolutely phenomenal, phenomenally incompetent, and very close to corrupt.

Ray Booth was the Operations Manager and was an alcoholic, and in the afternoons he literally couldn't find the floor to put his foot on it, you know. And King would be scared of him because Booth would threaten to call a strike, see? So Booth would go drinking with Schoppert, (?) see, every noon. They'd go out and have martinis and . . .

EB: Is this the union guy, Schoppert?

RG: Yeah, Mel Schoppert was the head of the ATU.

I rem. this guy, the Personnel Director, Putnam, and he went in to King and he said, "Eighteen of the last nineteen hires in operations are family m.s of existing employees," and he said, "This has got to stop."

So King calls in Booth, and Booth tells him he's going to call a strike if he pulls any of that kind of stuff, and Putnam resigns.

EB: Kill the messenger, eh?

RG: It was unbelievable. They had taken four years, you know, trying to get these little blue triangle signs up to signal where a bus stop was, and they had a federal grant for it, and they couldn't quite figure out how to do it, and it had taken them four years to get this grant approved.

So here's Neil's office running a little faster, you know, and fortunately, Lloyd Anderson was smart enough to retain Roger to do the transit mall, because basically, you know, I was the representative for Tri-Met, but I basically had total opposition internally. "This isn't going to work," and "Why the hell are we doing this," you know, "isn't the system just running fine?"

Oh, and even their scheduler, Smitty, would just basically sleep in his office. One time he woke up and he looked in his desk, you know, and he pulled out a schedule, and he comes out and says, "I changed this schedule, what is this schedule that you guys did, I thought I had changed this," you know, and sure, he had, and he didn't even check the date; the thing he had in his desk was 15 years old. So literally all of the departments were just—well, I mean, the operators were fine and they'd go out and run the buses, but I mean King had no control in that place.

of carrying out any component of a regional transportation compromise would lead to such extensive delays that the region would lose its federal interstate funds, and he would lose his political career.²⁷

The Light Rail Idea

The first discussion of light rail as an alternative occurred in 1973, when an anti-highway aide to Multnomah County Commissioner Mel Gordon got Gordon and Goldschmidt to sign a letter addressed to the Oregon Public Utilities Commission (PUC). In the letter, they asked the commission to conduct a study of Portland area railroad right-of-ways to determine their suitability for mass transit use.²⁸ The PUC staff made use of a citizen activist group's report advocating light rail in Edmonton.²⁹ What now is known as the Topaz Study determined that light rail was feasible in several corridors in the Portland region, but two stood out, the right-of-way of the recently abandoned (1958) Portland Traction Company interurban to Oregon City, and the right-of-way of the Union Pacific Railroad, which ran alongside the Banfield Freeway in Sullivan's Gulch. The proposed light rail line in the gulch was unlike the one ultimately built, which instead ran non-stop from Interstate 205 for about eight miles into downtown Portland, as did various busway alternatives in the study. The Governor's Task Force adopted the PUC-defined alternatives for comparison with busways in several corridors.

The light rail line ultimately built was defined in a footnote to the Governor's Task Force. Under auspices of the task force, Tri-Met in early 1974 hired a local firm, SRG Partnership, to evaluate the Topaz study. The SRG Partnership reported to Tri-Met's director of planning, Ed Wagner. The only staff member working for Wagner was Rick Gustafson, who in his

²⁷ Rick Gustafson recounts that Goldschmidt and ODOT were opposed to the rail alternative in the Banfield corridor Environmental Impact Analysis (EIS) process that began about 1975 because they believed that Tri-Met was an inept organization that could not design or build a rail line but that ODOT could carry off a busway alternative. By that time Tri-Met was far more competent than it had been before its administrative reforms in 1974. See Gustafson, interview with Ernie Bonner. Ernie Munch and Steve McCarthy also both described Mayor Goldschmidt's sensitivity to quickly arriving at a deal on spending the Mt. Hood Freeway money so as not to hurt his career. See McCarthy, phone interview with author; Munch, phone interview with author.

²⁸ Both David Hupp and Robert Rynerson, who worked on the study for Lon Topaz, noted the letter. Memoir of David Hupp viewed 10 September 2004; URL: <http://pdxplan.org>. Robert Rynerson, office in Denver, Colo., phone interview with author from his home in Tallahassee, 16 April 2004.

²⁹ G. L. Thompson, "Defining an Alternative Future: Birth of the Light Rail Movement in North America." *Transportation Research E-Circular Number E-C058* (Washington, D.C., 2003), 25-36, viewed 12 Nov. 2005; URL: <http://gulliver.trb.org/publications/circulars/ec058/ec058.pdf>.

mid-20s was a contract worker rather than a permanent Tri-Met employee. At the time, Gustafson successfully ran for a seat in the state legislature. SRG Partnership recommended light rail development in the Banfield corridor as highest priority following a concept very different from that in the Topaz report.³⁰ SRG Partnership concluded that Sullivan's Gulch through which the Banfield Freeway ran was a ready-made subway without a roof, suggesting stations at every inner eastside north-south arterial road with an overhead intersection. Bus routes in the eastern part of the city should be reconfigured to operate on the north-south arterial roads with transfers to the east-west running light rail line. In addition, the light rail line should leave Sullivan's Gulch as it approached the downtown and operate through Lloyd's Center on a surface street, before crossing the Willamette River on a city bridge leading into downtown. Lloyd Center was an important inner-city shopping mall. In this way the light rail line would become overnight the major trunk transit route in the city. Built as a non-stop line, its importance to the rest of the bus transit system would be nil, and its usage would be inconsequential. Although ignored initially, the SRG Partnership recommendation's later resurrection was most likely due to the participation in the study by Bob Burco and Steve Dotterer and the fact that Rick Gustafson hovered on the sidelines.³¹

First Round of Tri-Met Administrative Reform

By 1975 Tri-Met's administrative structure had firmed considerably, and Tri-Met began to take an active role in regional transportation planning decision-making. The first step in Tri-Met reform was Governor Tom McCall's appointment of the young activist lawyer Steve McCarthy to the Tri-Met Board in 1972. McCarthy was from a prominent Portland family and was a personal friend of Governor McCall's. At the time, he headed the Oregon chapter of Ralph Nader's Public Interest Reform Group

³⁰ All of the reports that I have found prior to the Howard Ross report on light rail, begun in mid-1976, showed the Banfield light rail alternative within Sullivan's Gulch as not having stations or serving Lloyd Center. The line remained in the gulch to the Willamette River, where it turned south, running parallel with the Southern Pacific mainline. The light rail line crossed the Morrison Bridge to reach downtown Portland.

³¹ Rick Gustafson recounted that ODOT wanted transit alternatives, be they light rail or busways, in the center of the freeway rather than on the north side so as not to interfere with exit ramps. This made the construction of stations difficult to impossible. Rick Gustafson said that he worked with Ernie Munch (who was a close friend of Steve Dotterer) behind the scenes to get ODOT to change its position so there could be consideration of a stopping light rail line. In his interview with me, Ernie Munch could not recount this episode or the change in the concept of the Banfield light rail alternative. See Gustafson, interview with Ernie Bonner. See also Munch, phone interview with author.

(Oregon PIRG). McCarthy recounted that he first approached the governor with a request for appointment to the port authority, but the port did not consider him acceptable, so he received an appointment to the Tri-Met board instead. At 27 years of age, McCarthy clashed culturally with the remainder of the Tri-Met board. McCarthy, who said that he often chatted with the governor by phone during evenings, told McCall at some point after the energy crisis of mid-1973 that the entire board had to go. During the energy crisis that began in summer 1973 there was severe criticism of Tri-Met's unwillingness to accommodate the sudden surge in demand. Goldschmidt was giving the governor similar advice, and Governor McCall replaced the board (except for McCarthy and George Brown, an old labor leader).

The new board, chaired by Gerry Drummond, had connections to the mainstream of Oregon transportation politics. In late 1974, the board created a new position of assistant general manager, responsible for lobbying, legal matters, planning, and engineering. McCarthy resigned his job with PIRG to fill this post, and he was authorized to create organizations in those areas. The planning staff, for example, expanded almost overnight from one planner to thirty-three.³²

The Banfield Transit Way Alternatives Study

In early 1975 CRAG decided to focus on completing the Banfield Transitway Study, where busways were the alternative favored in the Interim Transportation Plan adopted at the conclusion of the Governor's Task Force. CRAG postponed the Oregon City and west side corridor studies, where the Interim Transportation Plan identified light rail and busways, respectively, as the favored alternatives. Although a busway was preferred, ODOT initially included a light rail alternative in its study, along with several variations on the busway concept. These included bus-only lanes and buses mixed with carpoolers using high-occupancy vehicle (HOV) lanes, both in conjunction with the then-existing freeway and with a freeway whose capacity was doubled. The light rail line along with all of the bus alternatives were to run non-stop into the CBD from a major park-and-ride station built about 8 miles east. Each of the alternatives could be

³² McCarthy, phone interview with author. Rick Gustafson had a slightly different take. Gustafson said that Neil Goldschmidt urged upon Governor McCall the need to replace the old sedentary board of elderly businessmen with an activist board, and that McCarthy was appointed to the Tri-Met board in Sept. 1974 as part of the house cleaning. Gustafson, interview by Ernie Bonner.

It is unlikely that McCarthy would have incorrectly recollected being on the board for two years, during which time he observed its characteristics and then experienced a board shakeup. It is more likely that the shakeup occurred in Sept. 1974 with the urging of both McCarthy and Goldschmidt, and that McCarthy assumed administrative duties at Tri-Met.

built for about the amount of federal money earmarked for the Mt. Hood Freeway.³³

ODOT appointed a citizens' advisory committee for the Banfield study, the first example of formal citizen involvement in transportation planning in the region. Jim Howell asked his neighborhood association to sponsor him as a member of the committee, and ODOT selected him. Another activist, Doug Allen, also was named to the committee.³⁴

In June 1976 as the preliminary engineering study of alternatives neared its end, ODOT, over objections from the citizens' advisory committee, dropped light rail from further consideration. The official reason was that ridership projections for it were lower than for the bus alternatives, and it would cost more to build and operate.³⁵ In subsequent meetings Howell disputed the numbers used to discard the light-rail line and also said that it needed to be extended to Gresham, about 16 miles east of downtown, rather than only to Gateway next to I-205. This was also Bill Lieberman's position. Lieberman was a new Tri-Met planner assigned to the Banfield Transitway study. In September 1976 the Multnomah County Commission unanimously requested that CRAG consider light rail as an alternative, but as late as November 1976, ODOT's Don Adams, Transitways Project Engineer, lectured the citizens' advisory committee that the committee was not allowed to comment on alternatives, particularly light rail.³⁶ Shortly thereafter, the citizens' advisory committee was disbanded, though it was reconstituted several months later.³⁷

³³ Tri-County Metropolitan Transportation District of Oregon, *Regional Transit Development Alternatives*.

³⁴ Interviews with Doug Allen and Jim Howell place Allen on the committee, but I do not see his name in the minutes of the first committee, supplied by Jim Howell. It is possible that Allen was on the reconstituted committee, whose meeting minutes I do not have. See Howell, interview by author: Allen, phone interview by author.

³⁵ Oregon State Highway Division, Inter-Office Correspondence, from Don Adams, Transitways Project Engineer, to file. Subject: Banfield Transitway Project Light Rail Transit Alternative. Memo dated 28 June 1976. In Jim Howell's collection.

³⁶ Oregon State Highway Division, Inter-Office Correspondence, from Gary L. Ross, Assistant Transitways Project Engineer, to file. Subject: Banfield Transitway Citizens Advisory Committee, 18 Nov. 1976. Memo date 26 Nov. 1976. In Jim Howell's collection.

³⁷ Jim Howell stated that the citizen's advisory committee was disbanded after the light rail alternative had been dropped, but ODOT's minutes of meetings showed that it was meeting through Nov. 1976. See Howell, interview with author.

The Apparent Deal

During the period that the committee was in hiatus, the decision was made to re-include light rail as an alternative in the Banfield corridor study. Both Howell and Allen said that when a new committee was put together several months later (they were both members), not only was light rail included among the alternatives being considered, but committee members soon appreciated that light rail was the alternative preferred by ODOT.³⁸ The concept for light rail had been changed, however. It now was the SRG Partnership concept, extended to Gresham.

Almost certainly, a major deal had been made, but when, where, and by whom is unclear. According to Bonner, the City of Portland's planning director at the time, the first official list of projects to be built with Mt. Hood Freeway interstate transfer money included a busway in the Banfield corridor. Then, suddenly, light rail was there instead, but he does not know how that came to be.³⁹ The first list evidently also contained construction of I-205, to which Multnomah County commissioners Don Clark and Mel Gordon were vehemently opposed. They apparently indicated, however, that if light rail were approved in the Banfield Corridor they might warm to I-205.⁴⁰

Another factor is that Governor Robert Straub appointed Bob Burco as director of ODOT in May 1976, supposedly to break the culture of highway engineering's domination of the organization. Most observers believe that Burco never was able to get a handle on the highway engineers in the organization. Although Burco had participated in the SRG study as a consultant from Berkeley and favored construction of light rail in the Banfield corridor, ODOT engineers with the concurrence of CRAG planners deleted light rail as a possible alternative at the beginning of Burco's watch. Doug Allen speculates that it was Burco who came to the table saying that if light rail was going to be built in the region, it was Tri-Met and not ODOT that would have to take the lead.⁴¹

³⁸ Howell, interview with author; Allen, interview with author.

³⁹ Merten, interview with Ernie Bonner.

⁴⁰ Gustafson, interview with Ernie Bonner.

⁴¹ Information about Robert Burco's date of appointment and two-year tenure is from the ODOT website: http://www.odot.state.or.us/ssbpublic/bss/rmds/history/~appendix_b.htm, viewed 26 Sept. 2004. His clashes with the engineering culture of the Oregon Department of Highways were noted in interviews with Gustafson, Howell, Rynerson, and Allen, as well as in conversations between Ray Polani and me. Allen's speculation comes from his interview. Rynerson, a rail enthusiast who worked in ODOT at the time and sometimes briefed Burco, said that Burco was himself a rail enthusiast who believed all of the staff were highway-building zealots; Rynerson said that Burco did not understand the complexity of the organization and did not know what key members of staff were doing and thus could not phone them in times of crises to find out important information. See Howell, interview with author; Allen, phone interview with

It is also known that late in 1976 Tri-Met suddenly and aggressively began promoting the construction of light rail in the Banfield corridor. McCarthy said that he unilaterally made the decision to go for light rail at the end of 1976 after seeing the initial numbers from the Wilbur Smith and Howard Ross studies that had resurrected the SRG concept for the corridor.⁴² He almost certainly made this decision with the collaboration of Tri-Met board president Gerry Drummond, however, with whom McCarthy carried out virtually every other Tri-Met reform. Dick Feeney, a reputed financial wizard and dealmaker on the staff of County Commissioner Don Clark, probably was involved as well. Feeney went to work for Tri-Met in 1979 and from then until his retirement in 2003 was central to working out the politics and money behind every major transit decision in the region. As a Clark aide, he was likely already trying to work

author; Robert Rynerson, at his office in Denver, 23 June 2005; Gustafson, interviewed by Ernie Bonner.

⁴² McCarthy, phone interview with author. McCarthy said that he made his decision about six months after light rail was dropped from the set of alternatives in the Banfield corridor. Jim Powell's memoranda from ODOT show that date as June 1976. McCarthy added that he was unaware of the ODOT decision but was aware of the Wilbur Smith study that his agency was pursuing. He said that he then told his staff to "Put it back in!" referring to light rail's place in the Banfield study. I doubt that his staff had the power to do that, but nonetheless, light rail did come back in, and McCarthy was a strong advocate from that point forward. He soon had the Tri-Met board endorsing light rail. The date on the Tri-Met study completed by Wilbur Smith is Aug. 1977. The Howard Ross study appended to it is dated 1 June 1977. Both studies recommended light rail to Gresham via the Banfield Corridor and followed the SRG concept for the eight miles from Gateway into downtown Portland via Lloyd Center.

Another view comes from William Lieberman, a Tri-Met planner hired in 1975 who managed the Wilbur Smith light rail study. According to Lieberman, McCarthy embraced the study from the outset, and the Tri-Met Board soon was on record as recommending light rail in the Banfield Corridor. Lieberman said that he (Lieberman) persuaded McCarthy to undertake the Wilbur Smith Study with Howard Ross as sub consultants immediately after ODOT and CRAG dropped light rail from the set of alternatives in June 1976. The Wilbur Smith/Howard Ross effort was underway during the summer of 1976, though the study was not completed for almost another year. Howell's ODOT file also refers to the Wilbur Smith study, which that summer was examining how light rail might look in the future; one of the busway alternatives was to be designed so that it could be converted to light rail at a future date. Lieberman said that he sold the Wilbur Smith study to CRAG as an innocuous study defining how Tri-Met might approach light rail at some future date if the region ever decided to convert the busway to light rail, but that his real intention was to develop a technical basis for construction of light rail in the immediate future. See William Lieberman, at Lieberman home in San Diego, Calif., interview with author, 4 June 2003.

out solutions in 1976.⁴³ Doug Wright, another financial wizard, probably also participated. Munch said that Wright was the only person in the region who understood the numbers behind the interstate and transit deal making that occurred then. In any event, Tom King then retired as Tri-Met's general manager, and McCarthy became acting general manager, in which capacity he committed the agency to light rail. With the support of Gustafson and Blumenauer, he wanted to become permanent general manager, but Goldschmidt did not support him.

The TriMet board conducted a national search for a new general manager and ended up hiring an eastern commuter airline executive, Peter Cass, who was respected in most quarters. This probably was enough to get Neil Goldschmidt's support for light rail, because he felt that an organization now was in place to implement it. In any case, CRAG formally accepted light rail into its list of alternatives in February 1977.⁴⁴ More studies were done, and the region did not formally endorse light rail as the preferred alternative until 1978, but the decision actually had already been made.

The ultimate deal is ironic because all of the interstate transfer money from the Mt. Hood Freeway went to other road projects. The light rail line was funded from what appears to be a "bait and switch" deal worked out by the region. The Federal Aid Highway Act of 1976 broadened the interstate transfer provision, allowing funds from a deleted interstate to be used for other road projects.⁴⁵ Oregon officials knew this amendment was coming and planned for it.⁴⁶ The Mt. Hood Freeway money was reassigned to other road projects, while the general fund money equal to that earmarked for the Mt. Hood Freeway was set aside for a transit project pursuant to the original interstate transfer provision of the 1973 act. Thus, the final deal included construction of the Banfield corridor light rail line to Gresham (16 miles), rebuilding the Banfield Freeway and

⁴³ "Lobbyist Leaves Tracks across Metro Region," *Oregonian*, 20 Jan. 2003, A1, A6.

⁴⁴ This date come from an excellent chronology of transportation planning studies contained in Tri-County Metropolitan Transportation District of Oregon. *Regional Transit Development Alternatives*. There is no author's name on the report, but from my interview with him, it was Bill Lieberman. From p. 2-20: "Based on Tri-Met's preliminary sketch planning evaluations, light rail to Gresham via the Banfield, I-205, Burnside, and the PTC rail alignment was added as a full alternative in Feb. 1966 [*sic*]." This is obviously a typographical error; it must be Feb. 1977. Also from p. 2-20: "In August 1977, the CRAG Board, on the basis of the ITP, further sketch planning evaluations, and a request from UMTA and FHWA, broadened the Draft EIS to cover two additional alternatives: the Banfield/Lents LRT, and the Banfield/Division (to Gresham) LRT."

⁴⁵ Edward Weiner, *Urban Transportation Planning in the United States: An Historical Overview*, 5th ed., DOT-T-97-24 (Washington, D.C., Sept. 1997), 116-18.

⁴⁶ Munch, phone interview with author.

doubling its capacity in the process, constructing I-205, including a right-of-way that might be used later for light rail, and the reconstruction of numerous freeway ramps and connections as well as arterial roads in the central area, making them more compatible with neighborhood revitalization objectives. The price tag, paid for mostly by the federal government, was double the amount originally set aside for the Mt. Hood Freeway. After the deal was made, President Jimmy Carter appointed Goldschmidt as Secretary of Transportation. Goldschmidt, assisted by Doug Wright who accompanied him to Washington, was able to make the deal stick, but both the Urban Mass Transit Administration and Federal Highway Administration felt stung.⁴⁷ Portland officials, on the other hand, were very pleased. So, undoubtedly were Jackson and Drummond.

⁴⁷ Ibid. That FHWA and UMTA officials felt stung I infer from my interview with John Schumann, who was the interim executive director of the Sacramento Transit Development Agency (SDTA) when in 1982 it obtained an agreement from UMTA for financing of light rail. Sacramento also used Interstate Transfer Funds leveraged through their congressional delegation, and the USDOT went to great lengths to make sure that Sacramento would not double its federal allotment as Portland had done. Schumann recounts that Art Teal, the administrator for UMTA, was pressured politically into agreeing to fund light rail with interstate transfer money. Schumann paraphrased Teal, "Oh we're looking for a sign from local people that you'll only use the interstate transfer money as the federal portion, you won't be coming for any of our discretionary money." See John Schumann, at his office in Portland, Ore., phone interview with author, 16 July 2003.