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## **Gateway Development Corporation Demonstrates Flaws in “Medium-Low” Rating of Portal North Bridge, Hudson Tunnel Projects; Launches New Round of Geotechnical Investigations in Response to Private Sector Feedback**

*Request for Proposals announced and additional actions taken,  
reiterating local commitment to critical Gateway Program projects*

NEWARK – At its meeting of the Board of Trustees, the Gateway Development Corporation today presented a detailed critique of the Federal Transit Administration (FTA)’s “Medium-Low” ratings for the Portal North Bridge and Hudson Tunnel Projects, and summarized a compelling argument for better scores from the Federal agency on both projects.

The analysis highlighted the following:

- Portal North Bridge should be rated Medium-High or higher due to actions taken by the Project Sponsor (NJ TRANSIT) in response to previous FTA feedback, including commitment of \$600 million in direct NJ Economic Development Authority bonding to the project (100% of the local share). All actions short of selling the bonds have been taken to commit the funds. NJ TRANSIT also addressed other feedback provided by FTA in previous ratings, including lowering the amount of funding required from the CIG program and lowering the project cost. Both of these actions appear to have been ignored in the latest rating.
- Hudson Tunnel Project should be rated Medium or higher on account of the \$2.7 billion commitment made by an approved resolution of the Board of Commissioners of the Port Authority of New York & New Jersey, representing 34.8% of the non-CIG funds required by FTA for a Medium rating, exceeding the level required by the FTA at this stage of the process. Additional local funds which total more than \$5.5 billion have been committed by the States of New York and New Jersey and the Port Authority – a sum that represents 89% of the local funding needed to construct a new Hudson River Tunnel.

“The political games on these projects need to stop,” said **GDC Chairman & NJ Trustee Jerry Zaro**. “GDC and our partners have answered, and will continue to address, all of the FTA’s legitimate questions and issues during the process. We need for this Administration to acknowledge those efforts and really work with us so we avoid the catastrophe of a failing Portal Bridge or Tunnel.”

“The Federal Transit Administration made it clear when it initially downgraded our projects that it wanted more local ‘skin in the game,’ and that’s exactly what we gave them,” said **NY Trustee Steven M. Cohen**. “Direct bonding from New Jersey for Portal Bridge, almost \$3 billion from the Port Authority for the new Hudson Tunnel, and half that project’s costs from local partners is real money and a real commitment.”

The board also endorsed moving forward with a new round of geotechnical borings that will be led by GDC partner Amtrak and will help inform the procurement and design of the new tunnel. This second phase of the boring program is an outcome of the successful pre-procurement Data Room initiative in which private sector firms have been actively engaged. The Data Room has been the subject of much positive feedback from the industry, which reports the quantity and quality of data has exceeded expectations and is useful in preparing future bids.

“We’re committed to continuing to work hand-in-glove with the industry to make sure we can not only deliver a tunnel that gives us the best value for money, but just as important one that lasts and serves this region and nation for another century,” said **Interim Executive Director Frank Sacr**.

Also at today’s meeting, the Board announced a Request for Proposals seeking Project Counsel for the Hudson Tunnel Project. The Project Counsel will be charged with assisting in the development, procurement, funding and financing of the Hudson Tunnel Project and further demonstrates the commitment by the local partners to move forward.

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*The Gateway Program is the most urgent infrastructure program in the country – a comprehensive rail investment program that will improve commuter and intercity services, add needed resiliency and create new capacity for the busiest section of the Northeast Corridor (NEC). The NEC is the most heavily used passenger rail line in the country hosting more than 2,200 train movements and 800,000 passenger trips daily. The Gateway Program Development Corporation (GDC) is a New Jersey not-for-profit entity with Board members representing Amtrak and the States of New York and New Jersey. It was incorporated in 2016 to oversee and effectuate the Gateway Program in coordination with federal and local partner agencies. Follow the GDC on Twitter [@GatewayProgNews](https://twitter.com/GatewayProgNews).*