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GATEWAY DEVELOPMENT COMMISSION ASSUMES PROJECT SPONSOR ROLE FOR HUDSON TUNNEL PROJECT

Board Resolution Transfers Responsibility from Port Authority Commissioners Approve Operating Budget and Other Measures to Advance Hudson Tunnel Project and Establish Organization

NEW YORK – The Board of the Gateway Development Commission today voted to make the GDC the Project Sponsor for the full Hudson Tunnel Project, a critical milestone in receiving the billions of dollars in Federal funding it needs to get full construction underway and build the project.

The Project Sponsor is responsible for overseeing and completing the project on time and within budget, applying for and receiving Federal loans, and ensuring that the project meets all of its responsibilities under Federal requirements.

With the Commission’s resolution, the GDC will now work with current Project Sponsor the Port Authority of New York and New Jersey to officially notify the FTA and FRA of the change and take the necessary actions to complete the transfer of sponsorship.

Alicia Glen, New York Co-Chair of the Commission, said “Taking responsibility for building the Hudson Tunnel Project is what GDC was created to do. We will continue to work closely with our Governors and partners to ensure GDC is up to the immense challenge of delivering the first rail link under the Hudson in more than a century, so that New York’s economy and that of the region and nation continue to thrive.”

Balpreet Grewal Virk, NJ Co-Chair, said, “It is vital that GDC has the responsibility, structure and expertise to deliver on this project for the millions of riders who need a 21st Century rail link connecting New York and New Jersey to the rest of the Northeast Corridor. We’ll continue to be laser focused on ensuring that happens.”

Anthony Coscia, Vice-Chair and Amtrak Board member, said, “We’ve long promised to make GDC the entity responsible for building the most urgent infrastructure project in the nation, and today we’re taking a major step toward meeting that commitment. The Project Sponsor will own this project, and we as partners must work together with the Biden Administration and Congress to make sure that ownership pays off in jobs, economic activity and better quality of life for riders.”

Kris Kolluri, the Commission’s CEO, said, “The region and nation have waited long enough for the Gateway Hudson Tunnel to be built, and we are moving forward aggressively on every step necessary to qualify the project for Federal funds so full construction can get started. Between taking responsibility for delivering the project, building up the organization’s capacity, and demonstrating that we are serious about pursuing billions in RRIF loans, we’re making clear that it’s time for serious action on this project.”

Along with the Project Sponsorship, the Board also approved a number of measures to continue to advance the Hudson Tunnel Project and bolster GDC as an organization eligible to receive Federal funds. These included:

- Approving an \$11 million **operating budget** for the remainder of 2022, to meet GDC's responsibility for items including financial and legal services, statutorily required Federal fees, staffing, office space, and equipment. Any unspent dollars will be rolled over into 2023.
- **Delegating authority** to the Commission's Chief Executive Officer to enter into and execute various types of agreements and contracts on behalf of the Commission up to certain dollar thresholds.
- Expending up to \$750,000 for **the fees necessary** to move forward with the Build America Bureau RRIF loan for the local portion of the Tunnel's funding, as part of the federal loan process.

The Board also received an update on activities since the last meeting in July, and a look ahead to key actions in the coming months.

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The Gateway Program is the most urgent infrastructure program in the country – a comprehensive set of rail investments 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.