



Governor Chris Christie
State of New Jersey



Governor Andrew M. Cuomo
State of New York

September 15, 2015

The Honorable Barack Obama
President of the United States of America
The White House
1600 Pennsylvania Avenue NW
Washington, DC 20500

Dear President Obama:

Since the early 1900s, the economic engines of New York and New Jersey have spurred massive investments in our regional transportation network. Our states, and the nation, reap the benefits of our ability to see past individual state borders and jointly shoulder infrastructure projects that would otherwise be beyond the reach of individual states. Building regional infrastructure to accommodate population growth and continued economic expansion is critical not only to our two states' future, but also to the future economic strength of the nation.

One of the region's critical major infrastructure projects has, however, languished for years: a new Hudson River rail tunnel. Acknowledged as a national priority, the rail tunnel connects New Jersey with New York. More importantly, it is the linchpin for Amtrak's entire 457 mile-long Northeast Corridor route that is used by 750,000 passengers daily and serves eight states and the District of Columbia. The existing 105-year-old rail tunnel has been deteriorating for years and is now well beyond critical in its need for repair. Superstorm Sandy damage severely exacerbated the situation.

Knowledgeable state and federal officials have all proclaimed the urgent need to replace the tunnel. The states of New Jersey and New York, the Port Authority of New York and New Jersey, and elected federal officials in both states agree we need a new tunnel as soon as possible. Rail delays due to tunnel damage already occur with unfortunate frequency and we are years from completing a new tunnel – even if we started today.

What's the issue? As usual, the obstacle to progress is funding. The total project price is approximately \$20 billion. For any public works project – especially an infrastructure project – this is an extraordinary amount of money. To put this in context, in New York a new I.aGuardia

Airport will cost approximately \$4 billion and a new Tappan Zee bridge will cost about \$4 billion. In New Jersey, the cost of raising the Bayonne Bridge to accommodate new larger vessels passing through the rebuilt Panama Canal is about \$1.5 billion. The \$20 billion scale of the Hudson rail tunnel project dwarfs all these state infrastructure endeavors combined.

The existing tunnel is an Amtrak owned-and-operated tunnel, and the project is simply impossible without federal grant assistance. Your own Transportation Department has publicly highlighted the importance of this project, which we appreciate, but to date no viable financing plan has been developed.

As the Governors of New York and New Jersey, we are both committed to funding our fair share of the cost and, at our direction, the jointly operated Port Authority of New York and New Jersey is ready and willing to help. Our states are committed to doing our part and to contributing funding, personnel and resources. We know how to build a tunnel.

However, the key step to building a new tunnel is a realistic financial plan and commitment by the federal government. We have both been in touch with our respective Congressional delegations. In New York, Senator Schumer has stated that he is committed to making the project a reality and has identified a number of federal sources of funding. In New Jersey, Senator Booker and Senator Menendez convened a meeting on the project and are committed to finding federal funding. The congressional delegations of New York and New Jersey are united in a manner we have rarely seen before.

We are writing jointly in an attempt to move the stalled project forward by putting a funding proposal on the table that we believe is realistic, appropriate and fair: split the responsibility for the cost. If the federal government will provide grants to pay for half of the cost of the project, the Port Authority, New York and New Jersey will take responsibility for developing a funding plan for the other half, convening all relevant agencies, and utilizing the proposed federal low-interest loan, local funding sources, and other funding strategies necessary to complement the federal grant commitment. This funding framework is comparable to previous structures proposed for a new tunnel.

Due to the nature of this project and to make it a reality on a timely basis, we would also need the federal government to expedite all environmental and planning approvals, as we will on our side. New Jersey will also make available all the planning work accomplished during discussion on the ARC Tunnel.

At our direction, the Port Authority is prepared to take the lead in this effort, and is prepared to take Senator Schumer's suggestion to create a dedicated staff and an entity within the Port Authority to develop such a plan and to get the right agencies and parties involved.

We believe the public is frustrated by the perception that government effectively accomplishes too little. In both of our states, we work every day to show government can and does perform. We both always seek to cut the bureaucratic red tape, determine the obstacles, overcome them and move forward.

The key step on the tunnel is to secure federal funding and design a viable financial package. No other option is feasible. With a viable financial plan, we can finally get this critical project moving. We assure you that, if we have the funding, we will get it done. Our shovels are ready!

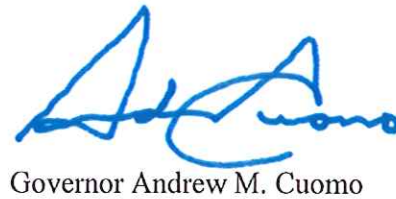
We appeal to you because your direct help made the Tappan Zee Bridge in New York a reality and expedited federal assistance for New Jersey's massive Superstorm Sandy recovery effort. Your support of both these projects set records for accelerating infrastructure projects.

We can do it again. Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink, appearing to read "Chris Christie". The signature is fluid and cursive, with a large initial "C".

Governor Chris Christie

A handwritten signature in blue ink, appearing to read "Andrew M. Cuomo". The signature is fluid and cursive, with a large initial "A".

Governor Andrew M. Cuomo