

From: Foye, Patrick
Sent: Thursday, November 12, 2015 10:34 AM
Subject: Gateway

Dear Colleague:

This morning, Governors Christie and Cuomo, together with Senators Booker and Schumer, announced an important framework agreement to advance the Gateway Tunnel project for the region. The Federal Government including USDOT and Amtrak have agreed to cover half of the costs of the project through a combination of grants, Amtrak funding sources, and low interest Federal loans for which Amtrak and/or their Federal partners would take responsibility for debt service. Governors Christie and Cuomo had proposed in September that the two States would be willing to take responsibility for developing a funding plan to cover the other half of the project cost. The parties will also explore the potential for private capital, including a public-private partnership, to finance a portion of the project.

The project will be directed by a newly established development corporation under the Port Authority, which would oversee the construction and execution of the project, in coordination and partnership with Amtrak and New Jersey Transit. This new corporation will have Board representation from each of the two States through the Port Authority, and the Federal Government represented by both USDOT and Amtrak, with a requirement that decisions be unanimous. The Port Authority will Chair the Board.

To be clear, the Port Authority has made no commitment of funding and any such future commitment would require consideration and action by our Board of Commissioners.

Importantly, as was requested by the Governors in their letter to the President on September 15th, the parties have agreed to the need for an expedited permitting and environmental review process that is consistent with protecting the environment. This is critical given the consequences to the region and its environment if the current tunnels were to fail from increased traffic congestion and burdens on the rest of our region's transportation systems, not to mention the impact to the regional and national economy. An estimated 750,000 passengers use the Northeast Corridor every weekday, which is reliant on this critical trans-Hudson connection.

This is an important step forward, thanks to the leadership of the Governors and our Senators. I also believe it is a strong endorsement by all parties of the unique capabilities of you, the people of the Port Authority, to plan, design, and execute the largest and most critical infrastructure projects in the region, and the country.

Pat