

Gateway Tunnel Project - Update

December 10, 2015

Gateway Tunnel Project

- Existing Amtrak tunnels are over 100 years old, used by nearly 200,000 daily Amtrak and NJ Transit passengers
- Significantly damaged by Superstorm Sandy
- According to Amtrak, failure of one tube results in 75% loss of capacity
- Gateway Tunnel Project replaces existing tunnels



Source: Amtrak

Gateway Development Corporation

Overview

- On November 12, 2015, Governors Cuomo and Christie and Senators Schumer and Booker announced a framework agreement with respect to funding and governance, to advance the Gateway Tunnel Project
- Port Authority, Amtrak, and NJ Transit are coordinating closely on preliminary planning and environmental work

Gateway Development Corporation

Funding

- 50/50 cost share between the federal government and the state and local governments
 - Identify and maximize Federal grant opportunities (e.g. New Starts)
 - Amtrak funding
 - Low interest loans (e.g. RRIF, TIFIA); Federal Government/Amtrak responsible for debt service for their share of any loans
- Recent Federal Transportation Law facilitates federal funding options (to be allocated at discretion of USDOT)
 - Amtrak NEC profits
 - Deferral of debt service on RRIF loans
 - Allows for creation of Master Credit Agreements
- Potential for public-private partnership

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Governance

- Special purpose entity under the Port Authority to deliver the Project
- Board members
 - New York (Port Authority), New Jersey (Port Authority), Amtrak, US Department of Transportation
 - Chair: Port Authority; Vice-Chair: Amtrak
 - Decisions require approval from all four board members
- The new corporation/entity will own the new assets, with perpetual easements for Amtrak and NJ Transit

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NEPA Process

- Need for accelerated permitting noted in press release on November 12, 2015:
 - “The federal and state partners agreed, due to the nature of this project and to make it a reality in a timely manner, to work together to expedite all environmental and planning approvals needed to bring this project online as soon as possible.”
- Port Authority, Amtrak, and NJT focused on obtaining all permits in expedited timeframe

Gateway Development Corporation

Next Steps

- Obtain federal grants
- Continue close coordination with Amtrak and NJ Transit
- Establish development corporation
- Obtain environmental counsel and develop approach for expedited environmental approvals
- Seek inclusion on President's Dashboard