

## ICYMI: NJ Transit Executive Director: "Administration Wants New Tunnel"

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*In Case You Missed It*  
**"Administration Wants New Tunnel"**  
– *Veronique Hakim, NJ Transit Executive Director*

### Administration wants new tunnel

Veronique Hakim is executive director of NJ Transit  
The Record  
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Let's be clear: Governor Christie and his administration support building a new tunnel to bolster capacity and ensure safe passage along the Northeast Corridor — the busiest in the nation.

What is needed is a tunnel that is properly designed, that sensibly connects to other critical transportation infrastructure and that does not unfairly burden New Jersey taxpayers with the bulk of the costs despite benefits to the broader region.

It is convenient for critics to gloss over problems with the Access to the Region's Core proposal, but the project was a raw deal for New Jersey taxpayers and not ideal for commuters.

Rather than fully integrate with the existing infrastructure of our region — the Northeast Corridor owned and operated by Amtrak, Penn Station on Manhattan's West Side or Grand Central Terminal on the East Side — the ARC tunnel would have ended at a newly constructed station seven stories below 34th Street in Manhattan.

ARC's tracks didn't connect to Penn Station. They didn't connect to Grand Central. And they could not be used by Amtrak. From its conception, the project failed to live up to everything it was advertised to be. Importantly, New Jersey taxpayers were on the hook for every nickel of cost overruns of the ARC project — projections that ballooned by billions of dollars as new reviews of the project took place.

In fact, the projected costs of the ARC project increased from \$7.4 billion in 2007 to \$13.7 billion late in 2010, not even including nearly \$800 million estimated at the time to replace the century-old portal bridge over the Hackensack River, which was necessary for any new tunnel project to fulfill its time-saving potential. The Federal Transit Administration's own detailed risk assessment confirmed these projections.

At the end of the day, that meant putting New Jersey taxpayers at risk — not anyone else — for anywhere from \$3 billion to \$5 billion in cost overruns.

Saying no is hard, but ultimately the governor refused to write a blank check from the people of New Jersey for open-ended cost overruns, leaving New Jersey to carry the burden for upward of 70 percent of the project's cost.

After ARC's cancellation was announced, the administration sat with federal transportation officials. Loans were offered that would pass the cost — and cost overruns — of this project to our children, and that did not fairly spread the risk of additional cost to anyone but New Jersey families and commuters.

Nothing that was offered changed the bottom line. And that simply wasn't acceptable.

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Our next tunnel project must work for everyone, benefit everyone and be paid for by everyone.

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