

March 31, 2024

VIA ELECTRONIC MAIL

Mr. Michael Culotta
Regional Administrator
Region 2 Office
Federal Transit Administration
One Bowling Green, Room 428
New York, NY 10004

Mr. Mark Ferroni
Acting Associate Administrator for Planning and Environment
Federal Transit Administration
1200 New Jersey Avenue, SE
Washington, DC 20590

Re: Hudson Tunnel Project – Execution of Critical Third-Party Agreements

Dear Regional Administrator Culotta and Acting Associate Administrator for Planning and Environment Ferroni:

The Gateway Development Commission (“GDC”), as Project Sponsor, is submitting the documentation required as outlined in FTA’s Project Management Oversight Procedures for Readiness to Execute Full Funding Grant Agreement (“FFGA”) for the Hudson Tunnel Project (“HTP”) under the Federal Transit Administration’s (“FTA”) Section 5309 Capital Investment Grants (“CIG”) Program.

GDC is submitting this letter notifying FTA that all Critical Third-Party Agreements identified in the HTP Master Utility Agreement, Third-Party Agreement, and Permit Plan & Criticality List are complete. Over the last twenty months, we have worked diligently to meet every milestone without missing a single submission deadline established in the roadmap. Today's submission represents the last milestone in the roadmap and puts GDC on a glidepath to secure a \$6.88 billion CIG FFGA for the HTP. We are cognizant that the nature and pace of our submissions over these many months, while unprecedented, would not have happened without the technical assistance and support we received from FTA. In the process of reaching this milestone, GDC has transmitted sixteen submittals, consisting of six management plans, a robust financial plan, and the completion of critical agreements. GDC with the support of its Partners, has completed a total of forty-three agreements including:

- Six Utility Relocation Agreements
- Four Real Estate Agreements
- Ten Regulatory Compliance Permits
- Eight Programmatic and Labor-Related Agreements
- Eleven Project Funding Agreements

New York Office:
120 Broadway, 10th Floor
New York, New York 10271

New Jersey Office:
Two Penn Plaza East, 11th Floor
Newark, New Jersey 07105

The FTA is required by law to evaluate proposed projects against several criteria and ensure that prospective grant recipients demonstrate the technical, legal, and financial capability to implement the project. On July 6, 2023, the FTA approved GDC's request for the HTP to enter the New Starts Engineering phase of the FTA CIG Program. In addition to notifying the GDC that \$6.88 billion represents the maximum amount of CIG funding that will be provided by FTA should an FFGA be approved, the approval letter to enter FTA CIG Engineering Phase identified further steps that the HTP needs to achieve to be eligible for consideration to receive funding, including the requirement that GDC must complete all critical third-party agreements.

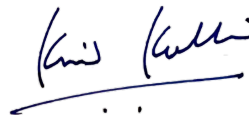
FTA defines critical agreements as those that could have substantial impact on cost, scope, or schedule. In order to meet a spring FFGA, FTA determined that execution of these critical third-party agreements was required by the end of March 2024. GDC, with the support of Amtrak, NJ TRANSIT, and the Port Authority of New York and New Jersey, has completed all critical third-party agreements identified by FTA for the HTP.

The HTP is the most urgent infrastructure project in the nation. If even one of the two tubes in the current 113-year-old North River Tunnel must undergo a planned shutdown for rehabilitation, without a new tunnel in place, there will be a 75% reduction in rail service linking New York-New Jersey to the rest of the Northeast Corridor ("NEC"). The HTP will improve resiliency, reliability, and redundancy for the most congested section of the NEC, the busiest passenger rail line in the United States. HTP will provide approximately 72,000 direct, indirect, and induced jobs and \$19 billion in economic activity created over the HTP's construction period.

This submission marks the final of numerous submissions by GDC to FTA during FTA CIG Engineering Phase in support of reaching a FFGA. In September 2023, GDC submitted documentation required to be completed within sixty days of entering FTA CIG Engineering Phase. In October 2023, GDC submitted documentation as outlined in FTA's Project Management Oversight Procedures for Risk and Contingency Review and Readiness to Execute a FFGA for the HTP. In January 2024, the Final Risk Assessment Refresh for a FFGA was concluded by FTA, and GDC submitted an updated HTP Financial Plan to FTA that reflected the findings of Final Risk Assessment Refresh.

GDC appreciates the FTA's on-going technical assistance and look forward to continuing to work with you and your staff to advance the HTP through the FTA CIG Program and towards an FTA CIG FFGA.

Sincerely,

A handwritten signature in blue ink, appearing to read "Kris Kolluri", with a horizontal line underneath.

Kris Kolluri
Chief Executive Officer
Gateway Development Commission

cc: Federal Railroad Administration
Rebecca Reyes-Alicea
Amishi Castelli
Matthew Keamy

Gateway Development Commission
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Kathryn Garcia, Director of State Operations, State of New York
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Diane Gutierrez-Scaccetti, Chief of Staff to the Governor, State of New Jersey
Kevin J. O'Toole, Chairman, PANYNJ