

FOR IMMEDIATE RELEASE

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**GATEWAY DEVELOPMENT COMMISSION ANNOUNCES EXECUTION OF
\$3.8 BILLION FSP GRANT FOR HUDSON TUNNEL PROJECT, RECEIVES
INITIAL \$1.9 BILLION**

\$2.7 Billion in Grants Now Available for Active and Upcoming Construction Work

Newark/New York – The Gateway Development Commission (GDC) today announced that the Commission has executed the \$3.8 billion Federal-State Partnership (FSP) Grant agreement with the Federal Railroad Administration (FRA), completing the \$12 billion federal contribution for the Hudson Tunnel Project (HTP). The action also immediately obligates the initial \$1.9 billion from the grant.

Together with the \$800 million in New Starts Capital Investment Grant (CIG) Program funding that has already been obligated, GDC now has \$2.7 billion in grant funds immediately available for construction of the HTP. In addition to the above amounts, the local share of the Hudson Tunnel Project comprising \$4 billion is available to advance construction.

In a joint statement, **Alicia Glen, New York GDC Commissioner and Co-Chair, Balpreet Grewal-Virk, New Jersey GDC Commissioner and Co-Chair, and Tony Coscia, GDC Amtrak Commissioner and Vice Chair**, said, “The HTP is already starting to bring huge economic benefits to the Northeast and the nation as a whole, starting with the jobs and economic activity resulting from GDC’s direct spending during construction. While we have had the full funding for the HTP committed for months, today we received one of the first major infusions of funds that enables us to turn these commitments into reality. With nearly \$3 billion in the bank, the full economic impact of this massive project is beginning to be felt.”

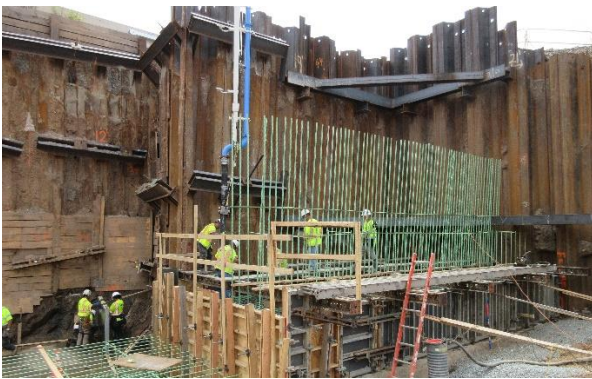
GDC CEO Kris Kolluri said, “The entire \$16 billion funding commitment we need to complete the HTP has been secure since GDC signed our Full Funding Grant Agreement this summer. With this dramatic infusion of immediately available cash, GDC is well-prepared to execute the next phase of major construction, and continue moving forward with confidence as we ramp up and prepare to begin tunnel boring activity next year.”

“Thanks to President Biden's Bipartisan Infrastructure Law, the Biden-Harris Administration continues to advance projects of national significance along America’s busiest rail corridor, and this month’s finalized funding agreement on the Hudson Tunnel Project is another sign of progress,” said **FRA Administrator Amit Bose**. “The Biden-Harris Administration is investing billions of dollars in the Northeast Corridor to upgrade aging infrastructure that will allow for higher speeds, shorter travel time, and greater reliability for a growing number of riders. These improvements will be felt in New York, New Jersey, and beyond while creating jobs and growing the economy. FRA appreciates the partnerships and planning that are critical to making progress on the Hudson Tunnel Project and other Gateway Program projects possible, and we look forward to our work together.”

The [FSP Grant Program](#) was established by the Infrastructure Investment and Jobs Act (IIJA) to fund capital projects that reduce the state of good repair backlog, improve performance, or expand or establish new intercity passenger rail service. GDC applied for an FSP Grant in March 2023 and all \$3.8 billion requested was committed in November 2023.

This grant is part of the historic \$12 billion in federal funding to the HTP – the largest federal funding commitment to a rail transportation project in modern history. This federal commitment will cover 70 percent of the HTP’s cost, saving New York and New Jersey billions compared to the original plan to split costs 50-50 between the federal and local partners.

GDC has also made significant progress on construction of the HTP since securing full funding for the project in July. Construction crews recently poured the first concrete for the new tunnel at the [Tonnelle Avenue Bridge and Utility Relocation Project](#) in North Bergen, New Jersey, and work is underway on Phase 2 of the [Hudson River Ground Stabilization \(HRGS\) Project](#), which is preparing the Hudson riverbed for tunnel boring.



Workers pour concrete for the new bridge abutments at the Tonnelle Avenue Project



Floating construction barge in the Hudson River working on the HRGS Project

In line with GDC’s commitment to transparency and public engagement, the Commission last month installed an EarthCam at the [Hudson Yards Concrete Casing – Section 3 \(HYCC-3\)](#) site on Manhattan’s west side. Every day, a new panoramic image of the HYCC-3 construction site is available on the [GDC website](#). A separate EarthCam has captured daily photos of the Tonnelle Avenue Project construction site since April.



Recent photo of the HYCC-3 construction site captured by EarthCam. New panoramic photos are posted daily on the GDC website.

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The Gateway Program is the most urgent major infrastructure program in the country – a comprehensive set of rail investments that will improve commuter and intercity services, add needed resiliency, and create new capacity for the busiest section of the Northeast Corridor (NEC). The NEC is the most heavily used passenger rail line in the country hosting more than 2,200 train movements and 800,000 passenger trips daily.

Additional Statements

Senate Majority Leader Charles Schumer said, “For a long time now, the Gateway project has been my passion. It’s a labor of love. And after many false starts and obstacles placed in our way, Gateway is full speed ahead with billions from FTA ready to go and be used for critical work and construction. Gateway’s future is assured and the most important public works project in America is all systems go.”

“Today’s Hudson Tunnel Project announcement is another critical step toward modernizing our rail and transit infrastructure,” said **Senator Cory Booker**. “I applaud the Biden Administration’s support and commitment of a 70 percent federal share for this project. This funding will help us alleviate congestion and improve rail services for passengers throughout the entire Northeast Corridor and the tens of thousands of New Jersey commuters who rely on this infrastructure every day. I am proud to have helped secure these federal funds so we can enter the next phase of construction.”

“The Gateway Project will have a profound impact on New Jersey families for generations to come and help bring reliable transit and economic security for millions from New Jersey and throughout the East Coast,” said **Congressman Andy Kim**. “With the crucial support of the Bipartisan Infrastructure Law, I’m proud that federal funding is helping turn promises into continued progress and setting this federal-state partnership and project up for historic success.”

"Congressman Payne was a strong advocate for the Hudson Tunnel Project and would be thrilled to see this latest FSP grant agreement come to fruition, just as I am," said **Congresswoman LaMonica McIver**. "This vital funding will help maintain momentum on the tunnel’s construction, driving significant job creation and economic growth in the region. Enhancing the capacity and resilience of the Northeast Corridor is vital for our economy, and I am committed to being a strong advocate for these crucial infrastructure investments in Congress, just as my predecessor was."

Congressman Rob Menendez said, “The Hudson Tunnel Project will transform our region for generations to come. With this infusion of available funds, we continue to make progress toward that goal. By making the largest investment in mass transit in our nation’s history, we are showcasing what we can achieve when federal, state, and local governments partner together — creating jobs, strengthening our infrastructure, and growing our economy.”

“I am thrilled that the Gateway Development Commission has executed the \$3.8 billion Federal-State Partnership Grant for our nation’s most important transportation infrastructure project, the Hudson Tunnel Project,” said **Congressman Jerrold Nadler**. “I am proud to have supported President Biden and Vice President Harris’ Bipartisan Infrastructure Law, which established the Federal-State Partnership Grant Program. I am grateful to the Biden-Harris Administration for prioritizing funding for this project after years of delays during the previous administration. With this

grant and the \$800 million in federal funds already obligated, we have the funding secured to complete this vital project and ensure the economic security of our region.”

“This milestone is a direct result of the New Jersey delegation’s relentless efforts to secure the federal funding needed to build a 21st century infrastructure system that our region and the nation depend on,” said **Congressman Frank Pallone**. The Hudson Tunnel Project is not just essential to the millions of passengers who rely on it daily, but to the economic engine of the entire Northeast Corridor. By delivering this critical infusion of federal dollars, we are creating jobs, strengthening the economy, and ensuring New Jersey commuters enjoy safer, more reliable service for many years to come.”

“Three years ago, I fought hard to pass the Bipartisan Infrastructure Law – which has delivered a historic \$12 billion in federal funding to build the Hudson River Tunnel as part of the Gateway Project. With the final federal grant secured and construction underway, we are making great progress towards completing the Hudson River Tunnel, which will reduce traffic, lower commute times, and bolster New Jersey’s economy while bringing good-paying union jobs back to our state,” said **Representative Mikie Sherrill**. “Today’s funding agreement obligates billions in Federal-State Partnership grants that I worked to secure, allowing construction to accelerate into next year. This federal commitment, the largest rail investment in our nation’s history, has also reduced New Jersey’s share of the project, freeing up state funds for other critical transportation investments without raising taxes on residents.”

“The execution of the Federal-State Partnership grant marks a significant milestone in advancing the Hudson Tunnel Project, which is vital for the region’s mobility and resiliency. This essential construction project is projected to create 95,000 jobs and generate \$19.6 billion in economic activity, offering numerous opportunities for local union subcontractors to be part of securing the region’s future,” said **Felice Farber, Executive Director of Subcontractors Trade Association**.

"Local Union 147 NYC Sandhogs Liuna would like to commend the Gateway Development Commission for securing the Federal Funding Grant allowing the long-delayed Hudson Tunnel Project to become a reality," said **Richard T. Fitzsimmons Business Manager Local 147 Liuna**. "This project will provide good union jobs for local men and women. The project will benefit the entire Amtrak Northeast Corridor by relieving congestion, decreasing travel times, and reducing area pollution. The members of Local 147 look forward to getting to work!"

"Congratulations to Gateway CEO Kris Kolluri on his successful strategy to obtain unprecedented funding for this project. The Alliance for Action is confident that the construction and execution of the Gateway Project will be equally successful. It'll bring new jobs and incredible economic impact. This is a significant milestone for the most important infrastructure project in our country - bar none!" said **Jerry Keenan, President of the New Jersey Alliance for Action**.

“Today is not just a construction funding announcement; today is a bold statement about our regional values through significant investment in the future. Full Funding agreement means more than just numbers on a spreadsheet – it means work-force game-changer, economic investment and a much needed modernization of a critical transportation corridor. Everyone benefits from this announcement today and we are proud to be part of that effort.” said **Greg Lalevee, Business Manager of Operating Engineers Local 825.**

“On behalf of the New York Building Congress and our Board of Directors, I want to congratulate the Gateway Development Commission on the recent execution of the \$3.8 billion agreement between GDC and the Federal Railroad Administration,” said **Carlo A. Scissura, Esq., President and CEO of the New York Building Congress.** “The completion of the \$12 billion in federal contributions marks a crucial milestone for the Hudson Tunnel Project and underscores the importance of robust investment in modernizing our nation’s infrastructure. Our members are proud to have worked on every stage of this project thus far, and with \$2.7 billion in grant funds now available, we are excited to continue to work on the transformative impact this project will have on regional connectivity and economic vitality.”

General Contractors Association of New York Executive Director, Robert G. Wessels said, “The nearly 300 Members of General Contractors Association of New York – and their over 25,000 skilled workers – are extremely pleased that the Hudson Tunnel Project is moving forward smartly with the help of this Federal-State Partnership grant. We commend the federal government, and in particular, Senate Majority Leader Chuck Schumer for having championed this historic funding for what is a critically important regional – and national – infrastructure investment that will generate many times its cost in economic activity. Our member firms are already actively engaged in the initial construction elements of the project and look forward to continuing to do what they and their workforce have done best for over 115 years, namely ‘Build New York!’”

"The construction work that has already begun on the Hudson Tunnel Project – thanks to this historic federal funding – is driving significant job creation and economic growth, and these benefits will continue to increase as construction moves forward," said **Tom Wright, President & CEO of Regional Plan Association.** "The construction currently in progress represents more than \$1 billion of work, which will yield 7,500 jobs and generate \$1.5 billion in economic output, and full construction of the tunnel project is projected to create 95,000 jobs and generate \$19.6 billion in economic activity. RPA is proud to lead the Build Gateway Now coalition and celebrate this milestone."