It has long been clear that devoting 14 acres of prime waterfront property to a windowless mail sorting facility no longer makes sense. As Scott Van Voorhis correctly notes ("Shortsighted USPS Remains Focused on Southie Site," Banker & Tradesman, Jan. 11, 2016), relocating the South Postal Annex from Fort Point Channel to a less valuable site could unlock far higher uses there and potentially transform Fort Point Channel from an industrial backwater to Boston’s next urban gem. It is a mistake, however, to suggest that adding 10 acres of expanded rail uses to this prime site, as current plans for South Station Expansion (SSX) propose, will play any positive role in its transformation. On the contrary, redevelopment will be much improved and more feasible if it does not have to be built as an air-rights project above acres of new tracks.

Make no mistake, air-rights development is complex, expensive and often infeasible. Fifteen years after the city of Boston released its Civic Vision for 23 Turnpike air-rights parcels, not one has actually been completed. This should be a cautionary example for anyone who thinks SSX will expedite the resolution of our rail capacity crisis at South Station.

Current plans for SSX “Maximum Build” show more than half a million square feet of potentially rentable area on the first and second floors of the proposed development occupied by new rail tracks, with just a shallow band of usable commercial space remaining along Dorchester Avenue. Building above these new tracks will complicate the design, increase costs, and drastically cut the project’s revenue. These are obstacles to development, not incentives.

Regarding the notion that air-rights development might help to underwrite SSX’s ballooning costs, currently estimated at over $1.6 billion, the MBTA was advised by its consultants more than a year
ago that “the cost of including joint development infrastructure (foundations, underground parking, access ramps, etc.) would leave little, if any, revenue from development to assist with the costs associated with the SSX project.” (General Manager’s Report, Jan. 2015, p. 60).

There is no disputing the fact that additional rail capacity is urgently needed, not just at South Station, but also at North Station, where a land taking for additional tracks was completed in 2014. When expansion needs at both stations are taken together, their cost will likely surpass $2 billion. The irony is that adding more tracks to inefficient stub-end terminals is a very poor way to increase capacity, and provides no scalability when, 10 or 15 years hence, we are again out of space. Fortunately, there is a better way.

Planning For Future Needs

Cities around the world, facing the same challenges we do at both of our downtown terminals, are choosing to augment their “stub-end” terminals with “run-through” service operating below grade, just as our subway lines do. The greater operational efficiency of run-through service creates far more rail capacity and releases surface real estate for higher and better uses. A two-track rail link completed a few months ago in high-cost Zurich, Switzerland for $2 billion will carry more trains per day than South Station does with 13 tracks – while facilitating a major new development adjacent to the main station that would have been impossible had additional surface tracks been added. Stockholm’s second rail link is now nearing completion at a similar cost. London has completed tunneling work for a 12-mile underground rail link scheduled to open in 2019 and is already planning another.

In each of these cases and dozens more throughout the world, the real estate and rail capacity benefits are dwarfed by the even larger impact of unified regional and intercity rail service, which greatly improves convenience for users and efficiency for operators, while leveraging the value of past rail investments. To appreciate the hidden cost of our own disconnected rail service, we need only consider how crippled our transit lines would be if they were similarly divided.

Plans for a rail link between North and South stations were developed in the late 1990s but suspended in 2003 in the wake of Big Dig cost overruns. With cost estimates for South Station and North Station Expansion now approaching $2 billion, downtown property more valuable than ever, and broad awareness of the need to significantly upgrade our antiquated regional rail system, the North-South Rail Link is a compelling alternative that warrants renewed study. Former governors Michael Dukakis and William Weld, with the bi-partisan support of the Legislature and a coalition of mayors, have called on Gov. Charlie Baker to immediately resume, update and complete the analysis that was done from 1995-2003, to reflect the latest global “best practices” that are allowing our competitors to accomplish what we, thus far, have not.

Expanding stub-end terminals is at best a costly stop-gap that will compromise the potential of valuable waterfront property at both North and South stations and leave us with a fragmented rail system for the foreseeable future. By contrast, rail unification will enhance development, greatly improve rail operations, and forge a more equitable and sustainable future for our city and region, for generations to come.

http://www.bankerandtradesman.com/2016/01/usps-site-more-valuable-without-ssx-than-with-it/