

OFFICE OF PERFORMANCE MANAGEMENT AND OVERSIGHT
REPORTING AGENCY OVERVIEW

Reporting Agency Overview

Provide Information below for the Agency for Fiscal Year 2019

Reporting Agency Name

Massachusetts Convention Center Authority

General Description

The Massachusetts Convention Center Authority (MCCA) owns and oversees the operations of the Boston Convention & Exhibition Center (BCEC), The Lawn On D Powered by Citizens Bank, Lot On D, the John B. Hynes Veterans Memorial Convention Center, the MassMutual Center in Springfield, Mass. and the Boston Common Garage.

Agency Mission

The MCCA's mission is to generate significant regional economic activity by attracting conventions, tradeshow, and other events to its world-class facilities while maximizing the investment return for the residents and businesses in the Commonwealth of Massachusetts.

Agency Budget funded by the Commonwealth of Massachusetts

The MCCA's 2019 adopted budget called for \$18 million in operating expense -inclusive of payments to defray pension and OPEB liabilities- and \$37 million in capital expense is budgeted to be drawn from the Convention Center Fund. The CCF is funded with dedicated taxes from the hospitality industry and primarily used for bond payments on the original construction of the BCEC, as well as for ongoing capital investments and a portion of the operations of the MCCA across all of its facilities.

Agency Total Budget (*including Commonwealth of Massachusetts funding*)

\$127 million

Does the Agency have additional mandatory reporting requirements? - select Yes or No

Yes

If Agency has additional mandatory reporting requirements - provide Details.

The MCCA is required to file financial statements with the State Comptroller's office, which are subject to annual independent audit.

OFFICE OF PERFORMANCE MANAGEMENT AND OVERSIGHT
REPORTING AGENCY ENABLING LEGISLATION

Reporting Agency Enabling Legislation

Provide details for all Agency Enabling Legislation.

Include: Mass General Law; Session Law (published in the Acts and Resolves); House Bills; Senate Bills (examples: Economic Development Bill)

General Law Citations: The General Laws are laws that are general in nature and are organized by subject. Private companies publish "annotated" editions of the General Laws. Notes are included at the end of each chapter and section of these editions, which include when the law was added and revised.

Acts and Resolves Citations: Acts and Resolves are yearly compilations of laws passed by the Massachusetts General Court, the state's legislature. These laws are arranged chronologically. These session laws provide the exact text of the law passed by the legislature, including what chapters and sections of the General Laws should be changed.

1

Citation for Legislation

Chapter 190 of the Acts of 1982

Link to Legislation

<http://archives.lib.state.ma.us/actsResolves/1982/1982acts0190.pdf>

2

Citation for Legislation

Chapter 152 of the Acts of 1997

Link to Legislation

<https://malegislature.gov/Laws/SessionLaws/Acts/1997/Chapter152>

3

Citation for Legislation

Chapter 195 of the Acts of 2014

Link to Legislation

<https://malegislature.gov/Laws/SessionLaws/Acts/2014/Chapter195>

OFFICE OF PERFORMANCE MANAGEMENT AND OVERSIGHT
REPORTING AGENCY'S FISCAL YEAR 2019 GOALS & TARGETS

Reporting Agency Fiscal Year 2019 Goals & Targets

All reporting agencies must provide 5 Agency Goals and Targets for Fiscal Year 2019.

Goal #1

Agency Fiscal Year 2019 Goal # 1

The MCCA will generate significant annual economic impact, revenue, jobs and business activity through major conventions held in the Commonwealth.

Metric Fiscal Year 2019 Goal # 1 will be measured by

Number of room nights, attendees, events and economic impact generated.

Metric Source

Reported totals to MCCA at event close (small changes can occur as final event reporting can have as much as a 6 month lag, but changes are not anticipated to be substantial.

Target for Fiscal Year 2019 Goal #1

of events: 440 (46 citywide); # of roomnights: 580,000; # of attendees: 665,000; economic impact: \$750 million

Was Fiscal Year 2019 Goal #1 Achieved? *(yes, no, partially)*

Yes

Fiscal Year 2019 Goal # 1

Results - *or* - Details if not achieved

MCCA currently estimates that its events generated 640,000 room nights and had 780,000 attendees, along with 480 events, totaling an estimated \$870 million in economic activity. The MCCA estimates that its annual activities support 5,200 jobs and generate \$42 million in tax benefits.

Goal #2

Agency Fiscal Year 2019 Goal # 2

The MCCA is developing revenue generating initiatives to make our facilities more self-sufficient and less reliant on tourism tax revenue.

Metric Fiscal Year 2019 Goal # 2 will be measured by

End of year financial performance and our ability to reduce the budgeted operating draw from the Convention Center Fund from the previous year.

Metric Source

Audited MCCA Financial Reports

Target for Fiscal Year 2019 Goal # 2

\$71,902,155 in revenue, \$83,727,443 in expense, operating subsidy of \$11,444,945, which was a \$400K reduction from the pro-forma budget assumption for FY 2018.

Was Fiscal Year 2019 Goal # 2 Achieved? *(yes, no, partially)*

Yes

Fiscal Year 2019 Goal # 2

Results - *or* - Details if not achieved

The MCCA's FY 2019 actual results were \$79.1 million in operating revenues and \$89.2 million in operating expenses, resulting in a coverage ratio of 0.90 and (after additional adjustments for non-cash expenses and non-operating cash receipts) a total operating draw from the Convention Center Fund of \$3.5 million. Additionally, the MCCA adopted an operating budget for FY 2020 that calls for an operating draw of \$11.3 million, roughly \$120,000 less than the 2019 operating pro-forma budget.

Goal #3

Agency Fiscal Year 2019 Goal # 3

As we strive to provide an exceptional experience to customers, it is important that we routinely scrutinize all phases of our operations. The feedback helps us make meaningful changes to improve the experience of clients and future customers.

Metric Fiscal Year 2019 Goal # 3 will be measured by

Survey results on more specific measurements: facility experience, wireless network, transportation and parking.

Metric Source

MCCA conducted attendee surveys

Target for Fiscal Year 2019 Goal # 3

Quarterly Survey Date for Show Customers, Attendees and Exhibitor should achieve a rating of good, very good or excellent between 90% and 98% of the time.

Was Fiscal Year 2019 Goal # 3 Achieved? *(yes, no, partially)*

Partially

Fiscal Year 2019 Goal # 3

Results - *or* - Details if not achieved

The MCCA achieved rating scores for Attendees (96%), Exhibitors (86%), and Clients (94%).

OFFICE OF PERFORMANCE MANAGEMENT AND OVERSIGHT

PROGRAM & INITIATIVE OVERVIEWS, GOALS & TARGETS

Provide program information, goals, and targets for all agency programs and initiatives that connect with economic development and that receive funding from the Commonwealth of Massachusetts.

Program / Initiative Information, Goals, Targets

Program / Initiative

Program Overview

Name

Boston Convention & Exhibition Center

Legislation - if applicable

Chapter 152

Legislation Website Link - if applicable

<https://malegislature.gov/Laws/SessionLaws/Acts/1997/Chapter152>

Program / Initiative Website Link - if one exists

<https://www.signatureboston.com/BCEC>

Description of Program / Initiative

The Boston Convention & Exhibition Center is a world-class exhibition facility located in Boston's Seaport District. The building contains 516,000 square feet of contiguous exhibit space, 82 meeting rooms, 40,000-square-foot ballroom, and the most advanced convention technology in the industry, including free Wi-Fi access throughout the facility. The convention center is conveniently positioned directly across the harbor from Logan Airport, with airport transit time being only a few minutes via the Ted William Tunnel.

Fiscal Year 2019 Budget (REVENUE)

\$37,684,935.00

Total Fiscal Year 2019 Budget (EARNED REVENUE)

\$42,517,619.00

Total Budget (Total \$, including other sources)

\$37,684,935.00

Program Goals and Targets

Program / Initiative's

Fiscal Year 2019

Goal #1

The BCEC will generate significant annual economic impact, revenue, jobs and business activity through major conventions held in the Commonwealth.

Metric Goal #1 will be measured by

Number of room nights, attendees, events and economic impact generated.

Source of Metric for Goal #1

Reported totals to MCCA at event close

Target for Fiscal Year 2019 Goal #1

of events: 114 (24 citywide); # of roomnights: 395,000; # of attendees: 440,000; economic impact: \$500 million

Was Fiscal Year 2019 Goal #1 Achieved? - select yes, no, or partially

Yes

Fiscal Year 2019 Goal # 1

Results - *or* - Details if not achieved

In FY 2019, the BCEC hosted 97 events (24 citywide), including 390,000 room nights, 500,000 attendees and generating a projected \$510 million in economic impact*. (Please note that room night and attendance figures may change once all events report actualized figures. Additionally, the MCCA's figures do not include what is accepted in the industry as a 30% average of underreported room nights are booked "outside of the block". These room nights, once counted, significantly increase the MCCA's estimated economic impact.)

Program / Initiative's

Fiscal Year 2019

Goal #2

Meet or exceed targeted revenue per gross squarefoot figures

Metric Goal #2 will be measured by

Financial dollars

Source of Metric for Goal #2

This metric is reported on annually in the MCCA's financial reporting in its management discussion section

Target for Fiscal Year 2019 Goal #2

\$52.97

Was Fiscal Year 2019 Goal #2 Achieved? - select yes, no, or partially

Yes

Fiscal Year 2019 Goal #2

Results - *or* - Details if not achieved

\$59.77

Program Overview

Name

Hynes Convention Center

Program / Initiative Website Link - if one exists

<https://www.signatureboston.com/hynes>

Description of Program / Initiative

The John B. Hynes Veterans Memorial Convention Center (Hynes) is located in the heart of Boston's beautiful and historic Back Bay neighborhood. The Hynes is an all-inclusive convention destination, directly connected to more than 3,100 hotel rooms, 200 shops and restaurants, and many other nearby conveniences.

Fiscal Year 2019 Budget (REVENUE)

\$15,090,349.00

Total Fiscal Year 2019 Budget (EARNED REVENUE)

\$17,069,421.00

Total Budget (Total \$, including other sources)

\$15,090,349.00

Program Goals and Targets

Program / Initiative's

Fiscal Year 2019

Goal #1

The Hynes will generate a meaningful amount of economic impact, revenue, jobs and new business that major conventions deliver to the Commonwealth.

Metric Goal #1 will be measured by

Number of room nights, attendees, events and economic impact generated

Source of Metric for Goal #1

Reported totals to MCCA at event close

Target for Fiscal Year 2019 Goal #1

of events: 116 (22 citywide); # of roomnights: 185,000; # of attendees: 225,000; economic impact: \$250 million

Was Fiscal Year 2019 Goal #1 Achieved? - select yes, no, or partially

Yes

Fiscal Year 2019 Goal # 1

Results - *or* - Details if not achieved

In FY 2019, the Hynes hosted 130 events (22 city wide) which resulted in 170,000 room nights and 280,000 attendees, generating \$228 million in economic impact*. (Please note that room night and attendance figures may change once all events report actualized figures. Additionally, the MCCA's figures do not include what is accepted in the industry as a 30% average of underreported room nights are booked "outside of the block". These room nights, once counted, significantly increase the MCCA's estimated economic impact.)

Program / Initiative's

Fiscal Year 2019

Goal #2

Meet or exceed targeted revenue per gross squarefoot figures

Metric Goal #2 will be measured by

Financial dollars

Source of Metric for Goal #2

This metric is reported on annually in the MCCA's financial reporting in its management discussion section

Target for Fiscal Year 2019 Goal #2

\$52.89

Was Fiscal Year 2019 Goal #2 Achieved? - select yes, no, or partially

Yes

Fiscal Year 2019 Goal #2

Results - *or* - Details if not achieved

\$59.83

Program / Initiative

Program Overview

Name

MassMutual Center

Program / Initiative Website Link - if one exists

<http://www.massmutualcenter.com/>

Description of Program / Initiative

The Mission of the MassMutual Center is to generate significant economic impact for the residents of Western Mass by providing high-quality facilities and services, recruiting and retaining the best staff, and creating a mix of entertainment and tourism activity that inspires residents and visitors to experience and enjoy Downtown Springfield and Western Mass. The MassMutual Center team recognizes the best way to fulfill our mission is by providing exceptional service to our clients and guests. Everyone from our sales and event managers to our service personnel and operations staff is committed to making every event a memorable and successful one. Our team is dedicated to making the MassMutual Center the venue of choice in the New England area.

Fiscal Year 2019 Budget (REVENUE)

\$4,881,764.00

Total Fiscal Year 2019 Budget (EARNED REVENUE)

\$5,261,951.00

Total Budget (Total \$, including other sources)

\$4,881,764.00

Program Goals and Targets

Program / Initiative's

Fiscal Year 2019

Goal #1

The MCCA will significantly increase the amount of economic impact increasing major events deliver to the Commonwealth.

Metric Goal #1 will be measured by

Number of events.

Source of Metric for Goal #1

MGM Sales

Target for Fiscal Year 2019 Goal #1

112 Events

Was Fiscal Year 2019 Goal #1 Achieved? - select yes, no, or partially

Yes

Fiscal Year 2019 Goal # 1

Results - *or* - Details if not achieved

Events hosted at the Convention Center totaled 148

Program / Initiative's

Fiscal Year 2019

Goal #2

Significantly increase Arena revenue per attendee by 5%.

Metric Goal #2 will be measured by

Financial dollars

Source of Metric for Goal #2

The MCCA includes this metric annually in the management discussion portion of its audited financials.

Target for Fiscal Year 2019 Goal #2

\$8.57

Was Fiscal Year 2019 Goal #2 Achieved? - select yes, no, or partially

Yes

Fiscal Year 2019 Goal #2

Results - *or* - Details if not achieved

\$12.12

Program / Initiative

Program Overview

Name

Lawn on D

Program / Initiative Website Link - if one exists

<https://www.signatureboston.com/lawn-on-d>

Description of Program / Initiative

A first-of-its-kind outdoor interactive space in Boston, The Lawn On D Powered by Citizens Bank began as an experimental event landscape that brings together different communities, audiences and area residents for innovative programming and events in the epicenter of the South Boston Waterfront and South Boston neighborhoods. The Lawn On D is owned and operated by the Massachusetts Convention Center Authority (MCCA).

Fiscal Year 2019 Budget (REVENUE)

\$1,655,900.00

Total Fiscal Year 2019 Budget (EARNED REVENUE)

\$1,827,409.00

Total Budget (Total \$, including other sources)

\$1,655,900.00

Program Goals and Targets

Program / Initiative's

Fiscal Year 2019

Goal #1

The Lawn on D will increase the amount of events and new business that to deliver economic impact to the Commonwealth.

Metric Goal #1 will be measured by

Number of events

Source of Metric for Goal #1

MCCA sales

Target for Fiscal Year 2019 Goal #1

98 events

Was Fiscal Year 2019 Goal #1 Achieved? - select yes, no, or partially

Yes

Fiscal Year 2019 Goal # 1

Results - *or* - Details if not achieved

109

Program / Initiative's

Fiscal Year 2019

Goal #2

Increase revenue per event for the lawn

Metric Goal #2 will be measured by

Financial dollars

Source of Metric for Goal #2

Divide total revenue by the total number of events held on the lawn

Target for Fiscal Year 2019 Goal #2

\$18,399

Was Fiscal Year 2019 Goal #2 Achieved? - select yes, no, or partially

Partially

Fiscal Year 2019 Goal #2

Results - *or* - Details if not achieved

\$16765.22; while this is less than the 2019 budget goal, it's primarily a result of the MCCA successfully hosting substantially more events than budgeted.

Program / Initiative

Program Overview

Name

Boston Common Garage

Program / Initiative Website Link - if one exists

<http://bostoncommongarage.com/index.html>

Description of Program / Initiative

Our spacious, state-of-the-art parking facility is located beneath Boston Common and provides clean, well-lit parking for 1,350 vehicles at an affordable price. Best of all, it's just a short walk to most of Boston's top attractions, including the State House, Beacon Hill, Back Bay, the Theater District, and the shops of Downtown Crossing.

Fiscal Year 2019 Budget (REVENUE)

\$11,389,690.00

Total Fiscal Year 2019 Budget (EARNED REVENUE)

\$12,286,530.00

Total Budget (Total \$, including other sources)

\$11,389,690.00

Program Goals and Targets

Program / Initiative's

Fiscal Year 2019

Goal #1

Experience only a slight decline in the average revenue per space-day as ride-sharing services continue to gain popularity.

Metric Goal #1 will be measured by

Financial dollars

Source of Metric for Goal #1

Total revenue divided by the number of space-days

Target for Fiscal Year 2019 Goal #1

\$24.11

Was Fiscal Year 2019 Goal #1 Achieved? - select yes, no, or partially

Yes

Fiscal Year 2019 Goal # 1

Results - *or* - Details if not achieved

\$24.62

Program / Initiative's

Fiscal Year 2019

Goal #2

Increase or maintain monthly parking revenues compared to projected 2018 figures

Metric Goal #2 will be measured by

Financial dollars

Source of Metric for Goal #2

Summary of anticipated operating revenues

Target for Fiscal Year 2019 Goal #2

\$4,997,201.00 or a 0.7% increase

Was Fiscal Year 2019 Goal #2 Achieved? - select yes, no, or partially

No

Fiscal Year 2019 Goal #2

Results - *or* - Details if not achieved

\$4,798,491; the MCCA experienced a drop in monthly parker revenues in 2019; however, this impact was more than offset by a substantial increase in daily parker revenue, reversing a longer term trend of decreases.



OFFICE OF PERFORMANCE MANAGEMENT AND OVERSIGHT
POINT OF CONTACTS

Point of Contact for Head of Agency

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Title

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