



Office of Performance Management Oversight (OPMO)

Massachusetts Port Authority
FY2020 Report



Agency Mission

- **Mission:** A world class organization of people moving people and goods – and connecting Massachusetts and New England to the world – safely and securely and with a commitment to our neighboring communities.
- **Contribution to Partnerships for Growth:** For the first eight months of FY 2020 the Authority’s business activity was on pace for another record year. Then, in March 2020, COVID-19 disrupted the world, the Commonwealth, and Massport. We are living in new and challenging times but MassPort's mission is unchanged. We remain focused on ensuring the safety, health and security of our facilities, our passengers and employees, and on performing our critical role of connecting residents and businesses to the world in support of the Commonwealth’s transportation and economic development goals.



Agency Goals

- **Agency Goal 1:** Operate Logan Airport as a world-class transportation facility to meet the air transportation needs of the Commonwealth.
- **Agency Target for Goal 1:** 42 million passengers at Logan (CY19)
- **Results of Goal 1:** The demand for domestic and international air services at Logan Airport was exceptionally strong last year. Logan handled a record 42.5M passengers in CY19. Of those passengers, 34.2M were domestic and 8.3M were international. However, COVID-19 has significantly impacted the aviation industry, resulting in a substantial decline in travel demand and Logan's business activity in 2020.
- **Agency Goal 2:** Support existing airline services at Worcester Airport and attract new airline services to promote economic development in Central Massachusetts
- **Agency Target for Goal 2:** a) more than 175,000 passengers for CY 2019; b) at least one new airline in FY 2020; and c) one new market in FY 2020
- **Results of Goal 2:** In CY19, Worcester Regional Airport served a record 194,877 passengers. Worcester also welcomed a third carrier, Delta Air Lines, which operated alongside American Airlines and Jet Blue, and provided nonstop service to Detroit. However, due to COVID-19 and the substantial decline in air travel the U.S. DOT granted permission to JetBlue and American Airlines to suspend Worcester air services in June 2020.



Agency Goals

- **Agency Goal 3:** Meet the cargo container shipping needs of Massachusetts and New England exporters and importers.
- **Agency Target for Goal 3:** 160,000 containers serviced at Conley Terminal in FY2020
- **Results of Goal 3:** Conley processed 161,000 containers in FY20, slightly ahead of the FY20 goal of 160,000 containers.
- **Agency Goal 4:** Operate Flynn Cruise port Boston to service home-port and port-of-call cruises that contribute to the Commonwealth's tourism industry and economic growth.
- **Agency Target for Goal 4:** Exceed 410,000 passengers during Cruise Season 2019 (April to November).
- **Results of Goal 4:** Flynn Cruiseport Boston welcomed 402,346 passengers during the 2019 cruise season. Seven unexpected weather related cruise cancellations impacted final passenger results.
- On March 13, 2020, the Centers for Disease Control (CDC) issues a No-Sail Order for cruise lines in the U.S. with subsequent extensions through September 30. The Cruise Line Industry Association voluntarily extended the No-Sail Order through October 31. The Federal No-Sail Order effectively cancelled the 2020 cruise season at Flynn Cruiseport Boston.



Agency Goals

- **Agency Goal 5:** Help meet the demand for hotel rooms in the Seaport District and contribute to economic growth in the Commonwealth
- **Agency Target for Goal 5:** Continue to advance construction process for 1,350 hotel rooms for Parcel K and Omni Hotel on parcel D-2.
- **Results of Goal 5:** Construction continues to advance for the Omni Boston Hotel at The Seaport. The hotel is scheduled to open in early 2021 and will consist of 1,055 guest rooms and suites, 100,000 square feet of event space, all day dining, and other value added customer amenities associated with a world class hotel. The hotel is located at the corner of Summer and D Streets and will have direct enclosed access to the Boston Convention & Exhibition Center.
- Parcel K in the Seaport, which began construction in 2018, is a three building mixed-use development project totaling approximately 500,000 square feet. The development includes a twelve story Hyatt Place Hotel consisting of 294 rooms, 11,000 square feet of retail space, and a second floor podium public open space. The new ORA Seaport Apartments, adjacent to the Hyatt Hotel Place, has 12 stories, 304 rental units, and 7,000 square feet of retail space. The two buildings will share public open space and 450 below grade parking spaces.



Logan International Airport

- **Program Description:** Massport operates Logan International Airport, New England's leading commercial service airport and international gateway. Logan was the 16th busiest airport in the U.S. in 2019. As of June 1, 2019, 53 U.S. and foreign airlines provide nonstop service to 77 domestic and 56 international destinations. In CY19, Logan Airport achieved its 9th consecutive record for passenger volume by serving 42.5 million passengers. International traffic accounted for 20% of total passengers in 2019.
- **Program Budget:** \$680,067,000
- **Partnerships for Growth Goal Alignment:** (Business, Community, Workforce)
- **Fiscal Year Goal 1:** Operate Logan International Airport as a world-class transportation facility to meet the air transportation needs of the Commonwealth.
- **Fiscal Year Target 1:** 42 million passengers at Logan (CY19)
- **Results of Goal 1:** The demand for both domestic and international air service at Boston Logan was strong in 2019. In calendar year 2019 Logan International Airport serviced 42.5M passengers through the airport. Of those 42.5M passengers, 34.2M were domestic and 8.3M were international passengers. However, COVID-19 has significantly impacted the travel industry, resulting in a substantial decline in travel demand and Logan's business activity in 2020.



Logan International Airport

- **COVID – 19 Response:**
- Implementation of four initiatives to create a clean and healthy airport environment:
 - 1) Maximize Hygiene – visible, frequent and intensive cleaning practices
 - 2) Maximize use of Face Coverings – passengers and employees in public spaces are required to wear face coverings
 - 3) Minimize Contact – promote a touchless passenger journey
 - 4) Maximize Distance – Maintain 6 feet separation whenever possible
- Implemented safety training and health screening protocols for Massport employees
- Massport supplied each department with a health and wellness safety kit



Worcester Regional Airport

- **Program Description:** Massport owns and operates Worcester Regional Airport, located in central Massachusetts. The Worcester Airport serves commercial airlines and general aviation aircraft. JetBlue began nonstop commercial services from Worcester Airport to Orlando and Ft. Lauderdale in November 2013 and added nonstop service to New York JFK in May 2018. American Airlines began service to Philadelphia in October 2018.
- **Program Budget:** \$2,155,000
- **Partnerships for Growth Goal Alignment:** (Business, Community, Workforce)
- **Fiscal Year Goal 1:** Support existing airline services at Worcester and attract new airline services
- **Fiscal Year Target 1:** a) more than 175,000 passengers for CY 2019; b) at least one new airline in FY 2020; and c) one new market in FY 2020
- **Results of Goal 1:** In CY19, Worcester Regional Airport served a record 194,877 passengers. Worcester also welcomed Delta Air Lines with service to Detroit in August 2019. Delta now operates alongside American Airlines and Jet Blue. However, COVID-19 has significantly impacted the aviation industry, resulting in a substantial decline in travel demand in 2020. In June 2020, Jet Blue and American Airlines, with U.S. Dot approval, suspended services at Worcester Regional Airport.



Worcester Regional Airport

- **COVID – 19 Response:**
- Implementation of four initiatives to create a clean and healthy airport environment:
 - 1) Maximize Hygiene – visible, frequent and intensive cleaning practices
 - 2) Maximize use of Face Coverings – passengers and employees in public spaces are required to wear face coverings
 - 3) Minimize Contact – promote a touchless passenger journey
 - 4) Maximize Distance – Maintain 6 feet separation whenever possible
- Implemented safety training and health screening protocols for Massport employees



Maritime

- **Program Description:** The Authority owns, manages, develops, operates and markets the public cargo and passenger terminals and related maritime properties of the Port. Boston is New England's major port and the only deepwater port in the region. The Authority's maritime businesses include cargo container ship operations at Conley Terminal, homeport and port-of-call cruise ship activity at the Flynn Cruiseport Boston, the Moran Autoport Terminal in Charlestown, utilized as an automobile import/export facility and rental facilities for seafood processors at the Boston Fish Pier and Massport Marine Terminal in South Boston.
- **Program Budget:** \$90,736,000
- **Partnerships for Growth Goal Alignment:** (Business, Community, Workforce)
- **Fiscal Year Goal 1:** Meet the cargo container shipping needs of Massachusetts and New England exporters and importers.
- **Fiscal Year Target 1:** 160,000 containers serviced at Conley Terminal in FY2020
- **Results of Goal 1:** Conley serviced 161,000 containers in FY20, slightly ahead of the FY20 goal of 160,000 containers. This goal was successful despite the Fall 2019 headwinds concerning International tariffs and the impact on supply chains and the manufacturing of imported products. Additionally the final quarter of FY20 (Mar-Jun) was impacted by COVID-19.



Maritime

- **Fiscal Year Goal 2:** Operate Flynn Cruiseport Boston to service home-port and port-of-call cruises that contribute to the Commonwealth's tourism industry and economic growth.
- **Fiscal Year Target 2:** Exceed 410,000 passengers during Cruise Season 2019 (April to November)
- **Results of Goal 2:** Flynn Cruiseport Boston served 402,346 passengers during Cruise Season 2019, which was slightly below goal due to weather cancellations. Additionally, Cruise Season 2020 has been impacted by COVID-19. The last cruise ship departure from a major port in the U.S. occurred on March 13, 2020 when the CDC issued a No-Sail Order in the U.S., which has been extended through September 2020.



Maritime

- **COVID – 19 Response:**
- Implemented four initiatives to create a clean and healthy environment at Massport's port facilities:
 - 1) Maximize Hygiene – frequent and intensive cleaning practices
 - 2) Maximize use of Face Coverings –employees in public spaces are required to wear face coverings
 - 3) Minimize Contact – increase use of touchless technologies
 - 4) Maximize Distance – Maintain 6 feet separations whenever possible
- Implemented safety training and health screening protocols for Massport employees



Real Estate

- **Program Description:** The Authority owns, develops and manages properties in the Port, including real estate for maritime, industrial and commercial uses. This diversified land use strategy generates new and sustainable revenue sources to support Massport's maritime mission and capital development of Conley Terminal. The Authority views the development of its properties as an important contributor to economic development in the Commonwealth.
- **Program Budget:** \$27,175,000
- **Partnerships for Growth Goal Alignment:** (Housing, Business, Community, Workforce)
- **Fiscal Year Goal 1:** Help meet the demand for hotel rooms in the Seaport District and contribute to economic growth in the Commonwealth
- **Fiscal Year Target 1:** Continue to advance construction of 1,350 hotel rooms for Parcel K and Omni Hotel on parcel D-2.
- **Results of Goal 1:** Construction continues to advance for the Omni Hotel. The hotel is scheduled to open in early 2021 and will be a catalyst to development in the Seaport. The completed hotel will have 1,055 guest rooms and suites, 100,000 square feet of event space, and enclosed access to the Boston Convention & Exhibition Center.



Real Estate

- **Results of Goal 1 - continued:** Parcel K in the Seaport, which began construction in 2018, is a three building mixed-use development project totaling approximately 500,000 square feet. The development includes a twelve story Hyatt Place Hotel consisting of 294 rooms, 11,000 square feet of retail space, and a second floor podium public open space. The new ORA Seaport Apartments, adjacent to the Hyatt Place Hotel, has 12 stories, 304 rental units, and 7,000 square feet of retail space. The two buildings will share public open space and 450 below grade parking spaces.
- **COVID – 19 Response:**
- Massport contacted 50+ tenants to convey information about Massachusetts’ business reopening plans and COVID-19 safety protocols
- Massport informed tenants of the Phase I reopening plan protocols for office, manufacturing, and laboratory uses and provided information regarding economic support programs in place
- Massport reached out to tenants about future reopening protocols
 - Phase II reopening plan includes hotel, restaurant/retail, and close-contact personal service uses