



Office of Performance Management Oversight (OPMO)

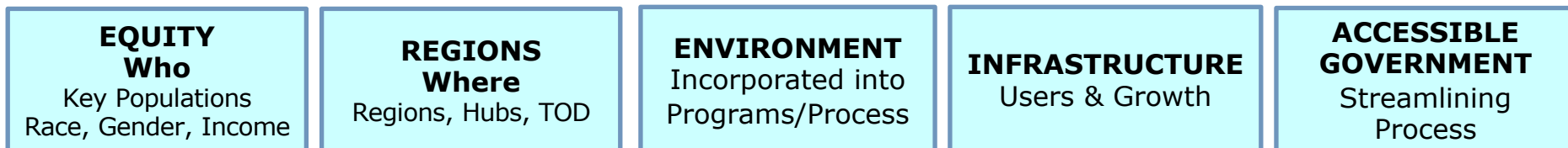
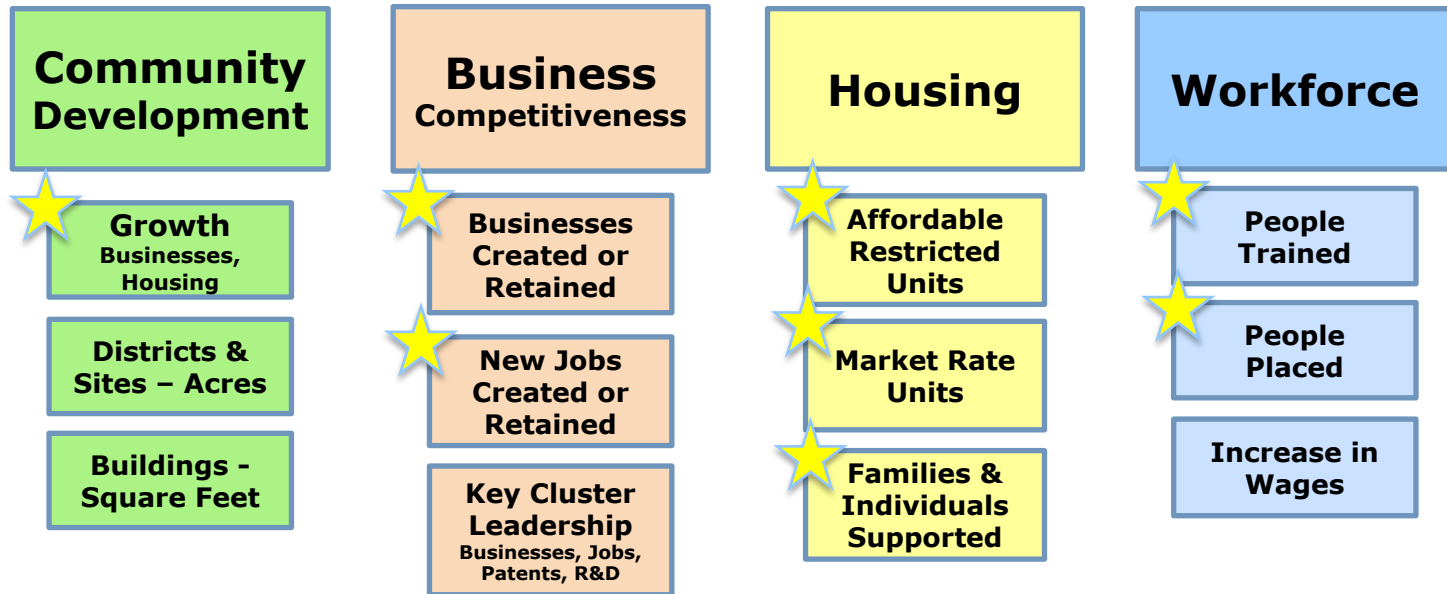
Massachusetts Port Authority Report



Economic Development Plan

Key Outcome Metrics

Economic Development Plan Pillars & Principles



Investment Leveraged from Other Sources - \$

Engagement & Technical Assistance – Contact with Individuals & Companies



Agency Mission

- **Mission:** A world class organization of people moving people, and goods – connecting Massachusetts and New England to the world – safely, securely and efficiently, with a commitment to sustainability, our neighboring communities, and diversity, equity, and inclusion.
- **Contribution to Partnerships for Growth:** In its 63-year history, Massport has evolved having faced a myriad of challenges and has grown stronger through these experiences. Today Massport faces a new, unprecedented challenge – the COVID-19 pandemic.
- The Authority's goals through this challenge are to ensure the health of our employees, passengers, business partners and neighboring communities; reduce expenses and think of new and creative ways to fulfill our mission; and to preserve jobs as Massport's vital transportation assets will lead the way in the economic recovery.
- To reach these goals and position Massport for future growth, the Authority needs to quickly imagine and adapt to a "new normal." Investments will be strategic, creative and innovative to keep the Authority operating in the new environment while fueling the economic growth of the Commonwealth. Massport will focus on generating broader and deeper economic impact for the Commonwealth with an emphasis on enhancing access, opportunity, and equity for people of color and diverse businesses.



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:** Work with our domestic and international airlines partners and manage through this period of COVID-19 to reach our target of 12.8M passengers in FY21.
- **Results of Goal 1:** At the end of June 2021, 12.2 million domestic and international passengers passed through Logan Airport.
- **Agency Goal 2:** Contribute to economic development in Central Massachusetts through enhancing the Worcester Regional Airport.
- **Agency Target for Goal 2:** The Worcester Airport runway project will improve the runway's surface condition by replacing deteriorated pavement for improved safety and to keep our airline partners operational at this facility. In addition to safety enhancements, existing runway lights will be replaced with energy efficient LED fixtures. This project leverages \$5.3M in Federal Aviation Administration funding and creates the equivalent of 139 full time jobs during the construction period.
- **Results of Goal 2:** Capital Programs completed the Runway 11 project as of 12/31/2020 which leveraged \$5.3M in Federal Aviation Administration funding. Some of the enhancements replaced the LED Lights with "Runway Distance Remaining" LED signs. This made the runway safer for our airline partners during operations and created over 139 jobs through completion of the project.



Agency Goals

- **Agency Goal 3:** To maximize the flow of Massachusetts and New England foreign and domestic water borne commerce through the Port of Boston by providing efficient, cost competitive facilities and services to Massachusetts businesses.
- **Agency Target for Goal 3:** 104,000 containers serviced at Conley Terminal in FY21
- **Results of Goal 3:** In FY2021, Conley Terminal serviced a total of 140,750 containers or 35% more than expected. Conley Terminal also completed Phase 2 of the Boston Harbor Deep Draft Navigation Project as it works toward becoming “Big Ship Ready” in FY2022. Phase 2 included dredging of the Broad Sound North Entrance, President Roads, outer Main Ship Channel, Lower Reserved Channel and the Main Ship Channel up to the Massport Marine Terminal.



Agency Goals

- **Agency Goal 4:** Advance the development of maritime industrial and seafood industry real estate projects on strategic Authority owned assets to preserve and enhance the maritime industry's vertical supply chain which is dependent on Port assets.
- **Agency Target for Goal 4:** Advance development of more than 350,000 sq ft of modern seafood industry processing facilities, distribution and logistics, and other maritime industrial uses on multiple parcels at the Massport Marine Terminal (MMT) in South Boston.
- **Results of Goal 4:** Massport approved the designation of the Eastern Salt Company as the developer of approximately 10 acres (435,000 sq ft) at the MMT in South Boston. Eastern Salt is a family-owned and woman-led business with over 60 years of Port of Boston experience in importing and distributing road salt at its Chelsea Creek facility. The company plans to operate a multi-use maritime terminal capable of handling bulk cargo, heavy equipment and wind energy supplies.



Agency Goals

- **Agency Goal 5:** Increase economic development on Authority owned assets to contribute to the economic success of the Commonwealth and to generate financial resources necessary for the capital intensive Maritime industries at Conley Terminal and Flynn Cruiseport Boston.
- **Agency Target for Goal 5:** Complete Gables Seaport, a transit-oriented 23-story apartment building offering (307 units) and ground floor retail at 501 Congress Street. Development is pursuing LEED Silver certification.
- **Results of Goal 5:** Gables Seaport apartments completed construction and opened to the public in September 2020 with 307 units. It is LEED Silver certified. Complete Hyatt Place Hotel (295 keys) and Ora Seaport Apartments (304 units) with 450 below-ground parking spaces, ground floor retail, and ample public space on Massport Parcel K.
- **Results of Goal 5:** Hyatt Place Hotel and Ora Seaport Apartments completed construction and opened to the public in September 2020 with a combined 599 units and below grade space for 450 vehicles.



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 2018. In calendar year 2019, Logan Airport achieved its 9th consecutive record for passenger volume by serving 42.5 million passengers, 1.6 million passengers more than the previous record set in 2018. International passengers accounted for nearly 20% of Logan's passenger volume in 2019.
- **Program Budget:** \$487,624,000
- **Partnerships for Growth Goal Alignment:** Business, Community, Workforce
- **COVID – 19 Response:** Continued implementation of four initiatives to create a clean and healthy airport environment for passengers and employees: Maximize Hygiene – visible, frequent and intensive cleaning practices, Maximize use of Face Coverings – passengers and employees in public spaces are required to wear face coverings, Minimize Contact – promote a touchless passenger journey, Maximize Distance – Maintain 6 feet separation whenever possible.
- Logan is the first U.S. airport installing physical barriers between passengers and TSA agents at automated security screening lanes.



Logan International Airport

- **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:** Facilitate airline reinstatement of domestic and international services suspended due to COVID-19 to reach a target of 12.8 million passengers in FY21.
- **Results of Goal 1:** At the end of June 2021, 12.2 million domestic and international passengers passed through Logan Airport.



Worcester Regional Airport

- **Program Description:** Massport owns and operates Worcester Regional Airport, located in central Massachusetts. The Worcester Regional Airport serves commercial airlines as well as general aviation aircraft from small recreational airplanes to large corporate business jets. JetBlue began nonstop commercial services from Worcester Regional 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. Both suspended flights in June 2020 due to the COVID-19 pandemic. Delta Airlines began service to Detroit in August 2019 which continues daily. Massport continues to actively recruit additional commercial airlines to serve Worcester Regional Airport.
- **Program Budget:** \$1,488,000
- **Partnerships for Growth Goal Alignment:** Business, Community, Workforce
- **COVID – 19 Response:** Continued implementation of four initiatives to create a clean and healthy airport environment for passengers and employees: Maximize Hygiene – visible, frequent and intensive cleaning practices, Maximize use of Face Coverings – passengers and employees in public spaces are required to wear face coverings, Minimize Contact – promote a touchless passenger journey, Maximize Distance – Maintain 6 feet separation whenever possible.



Worcester Regional Airport

- **Fiscal Year Goal 1:** Generate jobs in central Massachusetts through enhancements at the Worcester Regional Airport
- **Fiscal Year Target 1:** Rehabilitation of the runway will improve surface condition, ride smoothness, friction, and drainage characteristics, and reduce the potential of Foreign Object Debris (FOD). In addition to the runway rehabilitation, runway lighting will be replaced with new energy efficient LED. This project is anticipated to receive a \$5.3M grant from the FAA to 100 percent of the grant eligible costs for the work in FY21. This project is estimated to generate approximately 139 full time employees.
- **Results of Goal 1:** Capital Programs completed the Runway 11 project as of 12/31/2020 which leveraged \$5.3M in Federal Aviation Administration funding. Some of the enhancements replaced the LED Lights with “Runway Distance Remaining” LED signs. This made the runway safer for our airline partners during operations and created over 139 jobs through completion of the project.



Maritime – Conley Terminal

- **Program Description:** Over 2,500 businesses rely on the Port of Boston's weekly services: Mediterranean Shipping Company's (MSC) direct service from North Europe, with connections to Latin America, the Mediterranean, and Southeast Asia and Ocean Alliance, which provides weekly, direct service from Asia. Conley Container Terminal facilitates the shipment of a variety of commodities, including furniture, recycled fibers, seafood, home décor, wine and spirits, apparel, footwear, and auto parts.
- Strong partnerships have enabled Conley Terminal to proactively collaborate with New England-based retailers and shippers. While China remains Conley Terminal's largest trading partner, New England retailers' diversified sourcing strategies are expanding Conley's trade portfolio into Southeast Asian countries, including Vietnam, India, and Pakistan.
- **Program Budget:** \$47,957,568
- **Partnerships for Growth Goal Alignment:** (Business, Community, Workforce)
- **COVID – 19 Response:** Continue implementation of four initiatives to create a clean and healthy environment: 1) Maximize Hygiene, 2) Maximize use of Face Coverings, 3) Minimize Contact, 4) Maximize Distance.



Maritime – Conley Terminal

- **Fiscal Year Goal 1:** Meet the cargo container shipping needs of Massachusetts and New England exporters and importers.
- **Fiscal Year Target 1:** Service 104,000 containers at Conley Terminal in FY2021
- **Results of Goal 1:** In FY2021, Conley Terminal serviced a total of 140,750 containers or 35% more than expected. Conley Terminal also completed Phase 2 of the Boston Harbor Deep Draft Navigation Project as it works toward becoming “Big Ship Ready” in FY2022. Phase 2 included dredging of the Broad Sound North Entrance, President Roads, outer Main Ship Channel, Lower Reserved Channels and the Main Ship Channel up to the Massport Marine Terminal.



Real Estate

- **Program Description:** The Authority owns, develops and manages a range of maritime industrial and commercial real estate assets on more than 600 acres of waterfront property in Charlestown, East Boston, and South Boston. This diversified portfolio strategy generates sustainable revenue sources to support Massport's maritime mission and capital development of Conley Terminal. The Authority views the development of its maritime industrial and commercial (i.e., office, hotel, residential, retail) projects as an important economic development driver for the Commonwealth.
- **Program Budget:** \$29,067,000
- **Partnerships for Growth Goal Alignment:** (Housing, Business, Community, Workforce)
- **COVID – 19 Response:** Massport contacted 50+ tenants to convey information around 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, outreach to tenants about future reopening protocols will be on-going in FY2021, Phase II reopening plan includes hotel, restaurant/retail, and close-contact personal service uses



Real Estate

- **Fiscal Year Goal 1:** Advance through various stages of design, permitting, and construction of more than 2.5M sf of mixed-use commercial development projects, including office, lab, hotel and residential and advance Maritime Industrial business by advancing more than 350,000 sf of development on six acres at the Massport Marine Terminal (MMT) in South Boston.
- **Fiscal Year Target 1:** Complete/open Gables Seaport (307 rental apartments, 1500 sf of retail), Hyatt Place Hotel (294 keys), and Ora Seaport (305 rental apartments); conclude Parcel A-2 design and permitting for 570,000+ sf office building; and select development team for Parcel H.
- At MMT, advance the deal negotiations, design, permitting and construction of seafood industry and other potential maritime industrial uses on parcels including 4, 5A, 5B, 6B, 6C, 7, and 8.
- **Results of Goal 1:** Gables Seaport apartments opened to the public in September 2020, Hyatt Place Hotel and Ora Seaport Apartments opened in September 2020, The OMNI Hotel will open to the public in September 2021, Massport plans to develop a world class office building, including significant public space, with its partner, Boston Global Investors, LLC on Parcel A-2, Massport selected Lincoln Property Company to develop Parcel H which includes a 730,000 sf life science building and significant public realm improvements.