



Office of Performance Management Oversight (OPMO)

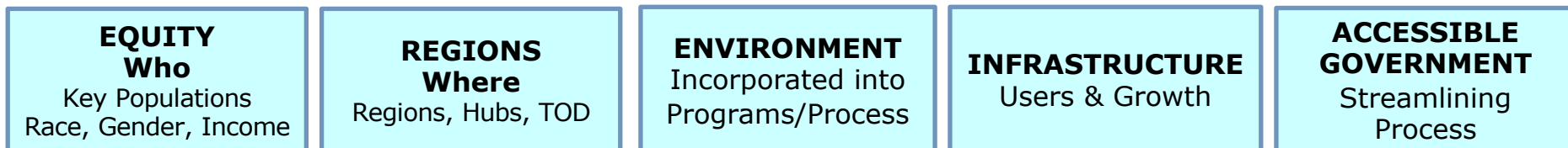
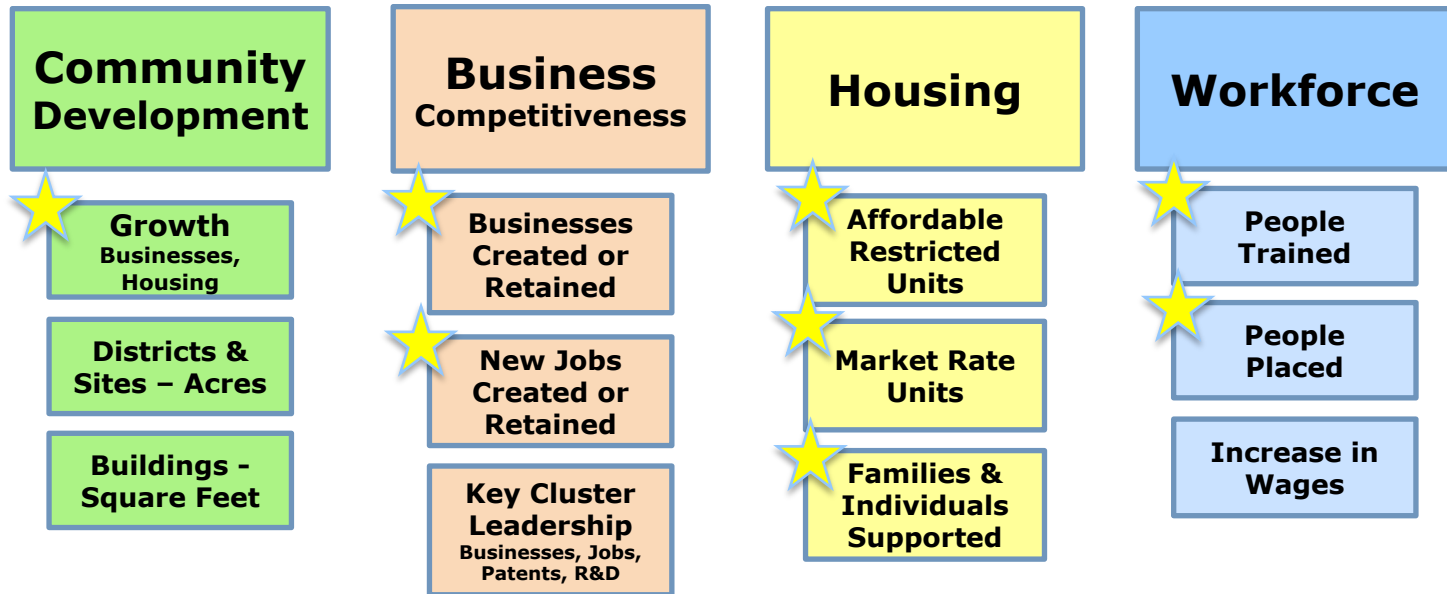
Massachusetts Port Authority
FY2023 Report



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** – Massport is transitioning from responding to the adverse impacts of COVID-19 on its business model to reinstatement of customer services and managing future growth with the return of business activity across its various business lines. With new procedures, technology and policies in place, Massport will continue to focus on rebuilding, and adapting its businesses to thrive in the post-pandemic world.



Agency Mission

- **The Authority's goals in the next year are to:**
 1. Ensure safe, secure and healthy facilities
 2. Generate economic impact for the Commonwealth
 3. Enhance the customer experience
 4. Improve financial and operational performance
 5. Embed DE&I into our organizational DNA
 6. Advance our environmental leadership
 7. Bring about digital transformation
 8. Maintain strong relationships with business partners, customers, stakeholders, elected officials, surrounding communities and employees
- To reach these goals and position Massport for the future, the Authority will invest strategically and be more innovative in how it operates so it can continue to drive economic growth in the Commonwealth. Massport will focus on generating broader and deeper economic impact for the Commonwealth and will emphasize enhancing access, opportunity, and equity for people of color and diverse businesses.



Agency Goals

- **Agency Goal 1:** Advance implementation of Authority-wide Net Zero Roadmap. Build on existing environmental programs to reduce carbon emissions through a range of energy efficiency and demand reduction strategies, clean/renewable energy purchases and on-site generation, ground transportation/high occupancy vehicle initiatives and sustainability and resiliency measures across all facilities and operations.
- **Agency Targets for Goal 1:**
 - Implement Agency-wide Climate Action Initiatives. Massport will implement Authority-wide measures that reinforce decarbonization goals. Climate action measures will include expansion of HOV services, upgrades to HVAC, lighting and other electrical systems to promote energy efficiency, clean/renewable power purchases, electric/hybrid vehicle and equipment procurement and EV charging infrastructure.
- **Total Initiatives Budget:** \$26 million
- **Results of Goal 1:**
 - Massport's HOV ridership in FY23 increased to 2 million LEX riders, an increase of 60%, by adding a new Logan Express site for employees in Quincy, increasing capacity for passengers at the Braintree Logan Express site, and through the execution of its comprehensive plan to expand HOV options for passengers and employees during the Sumner Tunnel closure. Massport also funded the purchase of 10 hybrid electric Silver Line 1 buses.
 - Massport is decarbonizing its fleet of light duty vehicles by procuring 112 new electric and hybrid electric vehicles. Four new EV charging stations were added to the Logan campus to support Massport and private ground transportation operators (rental cars, ride-apps and taxis). Massport also recently awarded Logan's on-campus shuttle bus contract, which will transition the bus fleet to lower carbon fuel sources.



Agency Goals

- **Agency Goal 2:** Advance implementation of Authority-wide Net Zero Roadmap. Build on existing environmental programs to reduce carbon emissions through a range of energy efficiency and demand reduction strategies, clean/renewable energy purchases and on-site generation, ground transportation/high occupancy vehicle initiatives and sustainability and resiliency measures across all facilities and operations.
- **Agency Target for Goal 2:**
 - **Implement Agency-wide Climate Action Initiatives** – MassPort will implement Authority-wide measures that reinforce decarbonization goals. Climate action measures will include expansion of HOV services, upgrades to HVAC, lighting and other electrical systems to promote energy efficiency, clean/renewable power purchases, electric/hybrid vehicle and equipment procurement and EV charging infrastructure.
- **Total Initiatives Budget:** \$26 million



Agency Goals

- **Results of Goal 2:**
 - Massport's HOV ridership in FY23 increased to 2 million LEX riders, an increase of 60%, by adding a new Logan Express site for employees in Quincy, increasing capacity for passengers at the Braintree Logan Express site, and through the execution of its comprehensive plan to expand HOV options for passengers and employees during the Sumner Tunnel closure. Massport also funded the purchase of 10 hybrid electric Silver Line 1 buses.
 - Massport is decarbonizing its fleet of light duty vehicles by procuring 112 new electric and hybrid electric vehicles. Four new EV charging stations were added to the Logan campus to support Massport and private ground transportation operators (rental cars, ride-apps and taxis). Massport also recently awarded Logan's on-campus shuttle bus contract, which will transition the bus fleet to lower carbon fuel sources.



Agency Goals

- **Agency Goal 3:** Expand the MassPort Diversity Model, used in commercial real estate development to the procurement of goods and services to increase awards to businesses of color and other diverse vendor groups.
- **Agency Targets for Goal 3:**
 - Award at least 18.6% of all purchasing bid awards to M/WBE vendors in FY2023.
- **Results of Goal 3:**
 - MassPort awarded 16.2% of contracts categorized as Supplier Diversity Office (SDO) certified vendor eligible opportunities to SDO Certified Diverse Vendors with a total value of \$7 million in FY23.



Commercial Airport Facilities

- **Program Description:** Massport operates Logan International Airport, New England's leading commercial service airport and international gateway. Logan Airport expects to reach 33.6 million passengers in FY2023 as it rebounds from the impacts of COVID-19 on domestic and international air travel. Massport also operates Worcester Regional Airport, which provides commercial service from central Massachusetts to popular leisure destinations and connecting hubs.
- **Program Budget:** \$702 million Logan; \$2 million Worcester
- **Fiscal Year Goal 1:** Operate world-class transportation facilities to meet the air transportation needs of the Commonwealth.
- **Fiscal Year Target 1:** Service 33.6M passengers in FY2023 at Logan International Airport. Advance land development opportunities at Worcester Regional Airport and continue servicing three major commercial airlines at this facility.
- **Results of Goal and Target 1:** In FY2023, Logan Airport served 39.2 million domestic and international passengers, 5.6 million more passengers than our goal. Three major commercial airlines continued serving Worcester Regional Airport, which accommodated 193,000 passengers, the highest passenger level since Massport acquired the airport. Massport continues to be actively engaged with third party developers to explore development opportunities at Worcester Airport.



Maritime – Conley Terminal

- **Program Description:** Over 2,500 businesses rely on Conley Terminal’s weekly container shipping services with direct connections to/from North Europe, China, and Southeast Asia. Conley Terminal facilitates the shipment of a variety of commodities, including furniture, recycled fibers, seafood, home décor, wine and spirits, apparel, footwear, and auto parts.
- **Program Budget:** \$54 million
- **Fiscal Year Goal 2:** Meet the cargo container shipping needs of Massachusetts and New England exporters and importers.
- **Fiscal Year Target 2:** Process at least 115,000 containers during FY2023 and add one new container service at Conley Terminal.
- **Results of Goal 2:**
 - In FY2023, Conley Terminal serviced 123,460 containers, exceeding its goal by 7.5%. Conley Terminal’s direct connectivity grew from seven to more than 30 global ports, opening up new markets and industries for Massachusetts and New England based shippers.
 - Conley Terminal gained two new services in FY2023, diversifying it’s global market reach.
 - Mediterranean Shipping Company (MSC) added direct connectivity to Southeast Asia, Turkey, Greece, and other parts of the Mediterranean
 - COSCO Shipping and OOCL deployed a new service connecting Boston to Vietnam, India, and Southeast Asia.



Real Estate

Program Description: Advance commercial developments on Authority-owned assets to create jobs and tax revenue for the Commonwealth and to generate the financial resources necessary to fund Maritime's capital intensive program.

- **Program Budget:** \$43 million
- **Fiscal Year Goal 3:** Advance commercial projects through the design, permitting and construction phases
- **Fiscal Year Target 3:**
 - Begin construction of Seaport Circle (Parcel H), which includes approximately 600,000 sq. feet of life sciences laboratory/research, office and street-level retail and a separate 15,000 sq. foot life sciences career training center to prepare diverse communities from across Greater Boston for STEM jobs in the Commonwealth's growing life sciences industry. The Seaport Circle development will also include a new MBTA Silver Line station on the ground floor to improve the transit experience in the South Boston Waterfront area..
- **Results of Goal 3:**
 - In FY2023, the developer of Seaport Circle obtained all major permits, completed the design and applied for a construction permit. Construction has been impacted by rising interest rates and changes in the real estate market. The developer is continuing to work on obtaining preleasing commitments prior to construction commencement.



Housing Availability and Affordability

- **Program Description:** Address prominent issues of housing availability and affordability in the Commonwealth of Massachusetts.
- **Program Budget:** \$1.0M
- **Fiscal Year Goal 4:** Advance project to construct the first predominantly affordable residential project in the South Boston Waterfront on Parcel D-4.
- **Fiscal Year Target 4:** Select a development team to build a mixed-income housing development on Parcel D-4 in South Boston to bring the first affordable housing development to the South Boston Waterfront. To maximize the number of affordable units, Massport will adapt its innovative commercial real estate development selection model, which includes DE&I as one of four equally weighted criteria, to also include the maximum level of housing affordability.
- **Results of Goal 4:** Massport's Board voted to designate a development team for Parcel D-4 led by Boston-based The Community Builders (TCB). The team's design proposal includes 200 affordable housing units, the first affordable housing development in the South Boston Waterfront.