



# Office of Performance Management Oversight (OPMO)

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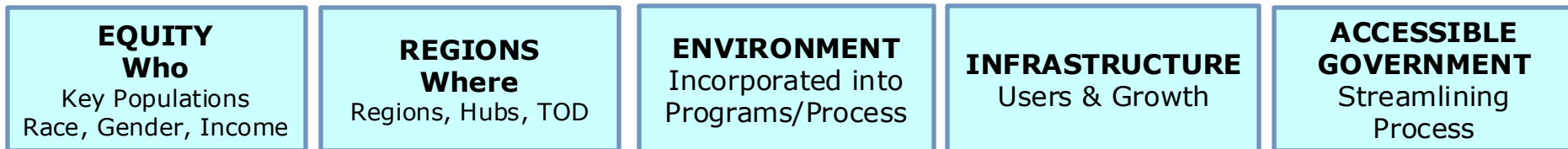
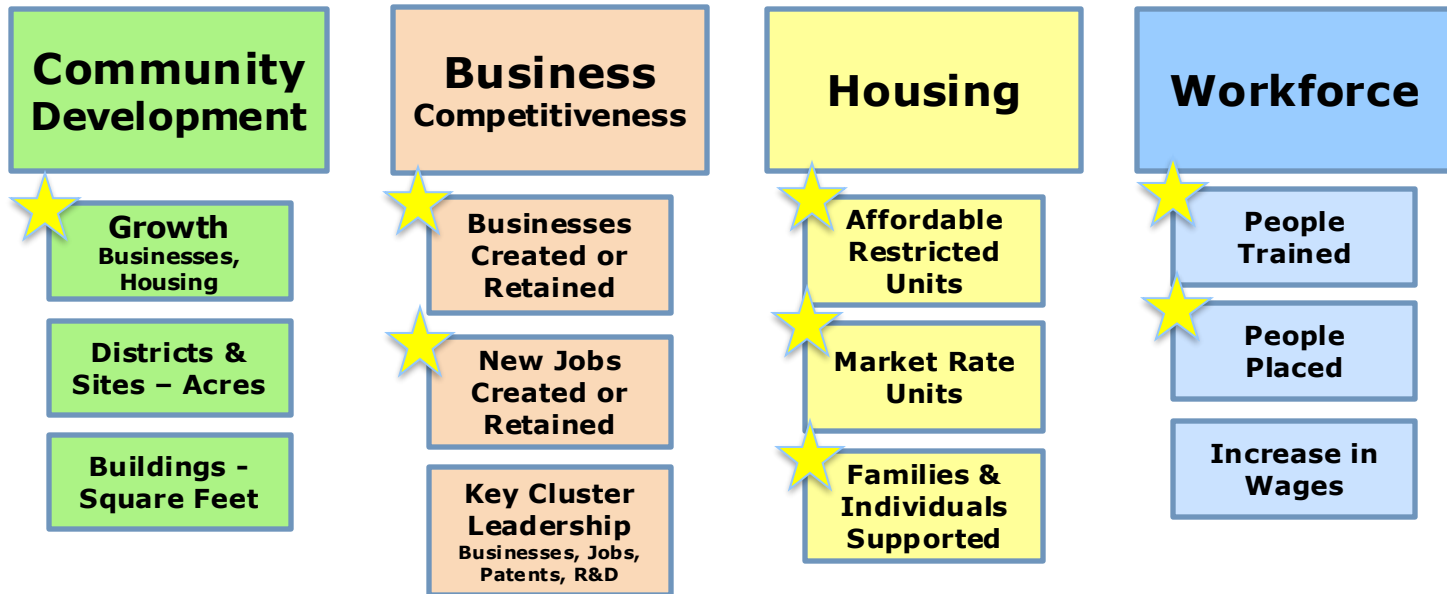
**Massachusetts Port Authority**  
FY2024 Planning Template



# 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

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**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.

The Authority's goals in the next year are to: (1) ensure safe and secure 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; and (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, creatively and be more innovative in how it operates, while fueling the economic growth of 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

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**Agency Goal 1:** Advance implementation of the Authority's program to be Net Zero by 2031. 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 (HOV) initiatives and sustainability and resiliency measures across all facilities and operations.

- **Total Initiatives Budget:** \$123 million

## Agency Targets for Goal 1:

- **Advance Logan Airport Planning for MassCEC's Accelerating Clean Transportation for All (ACT4All) Grant Implementation** - In support of state-wide goals to increase adoption of EV, Massport will collaborate with MassCEC to complete an assessment of Logan Airport Ride-for-Hire electrification options (legal, contractual, policy, equipment & infrastructure). Massport will also initiate early-action planning and design of expanded Logan Rental Car Center EV infrastructure.
- **Results of Goal 1:** Massport has collaborated with MassCEC to study the electrification of commercial modes at the airport. Massport installed 8 fast chargers in its Ride App and taxi pool lots, and 4 additional fast chargers will be installed by the end of 2024. The installation of these charging stations, along with funding from the State, has incentivized commercial drivers to switch to electric modes. Massport continues to collaborate with MassCEC on future opportunities.



# Agency Goals

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- **Procure Ten Silver Line 1 Enhanced Electric Buses** - Massport will procure 10 new Silver Line enhanced electric buses as part of its strategy to reduce carbon emissions and achieve Net Zero by 2031. These buses replace the older “dual mode” buses in the Silver Line 1 fleet and are capable of operating with zero emissions on the Logan campus.
- **Results of Goal 1:** Massport acquired 10 enhanced electric buses, in collaboration with the MBTA, for the Silver Line 1 route servicing Logan Airport. These state-of-the-art buses, which feature advanced battery technology and improved energy efficiency, are designed to replace older, more polluting diesel models. By integrating these electric buses into our HOV fleet, Massport is lowering greenhouse gas emissions and demonstrating its commitment to sustainable transportation. This initiative is part of a broader strategy to modernize infrastructure, enhance the overall quality of HOV ground transportation services, and achieve our Net Zero goals.
- **Develop Long-term Fleet Decarbonization Strategy** - Massport will complete fleet decarbonization studies and develop an Authority wide strategy to decarbonize light and heavy duty vehicles across aviation and maritime facilities.
- **Results of Goal 1:** Massport completed the fleet decarbonization studies and began executing a sustainability plan for its vehicle fleet, including the purchase of more than 100 hybrid vehicles, plug-in hybrids, and electric vehicles (EVs). Massport is also advancing the use of renewable diesel after successfully completing a renewable diesel pilot project on diesel snow plows, on-airport and off airport buses, street sweepers and other equipment, which demonstrated that renewable diesel is a viable energy substitute for operational equipment and reducing emissions until electric or other technology zero-emissions equipment are commercially available.



# Agency Goals

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- **Secure new North Shore Logan Express Service Site** - Massport plans to secure a permanent replacement location for its current Logan Express service from the North Shore Mall to continue serving customers from points north of the airport and strengthen our long-term commitment to HOV services to help reduce roadway congestion to and from Logan Airport.
- **Results of Goal 1:** During FY24, Massport secured a new long-term site for the North Shore Logan Express service. On August 6, 2024, Peabody Logan Express service was relocated to the near-by site and rebranded as the Danvers Logan Express. The new location offers a convenient, direct HOV/transit option for travelers from the North Shore, helping to reduce the number of private vehicles on the roads, decrease congestion, and increase HOV options for traveling to and from Logan Airport.



# Commercial Airport Facilities

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- **Program Description:** Massport operates Logan International Airport, New England's leading commercial service airport and international gateway. Logan Airport expects to reach 39.6 million passengers in FY2024 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:** \$880 million Logan; \$15.6 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 39.6M passengers in FY2024 at Logan International Airport. Sustain commercial airline flights and passenger levels at Worcester Regional Airport.
- **Results of Goal 1:** In FY2024, Logan Airport served 41.8 million domestic and international passengers, 2.2 million more passengers than our goal. Three major commercial airlines continued serving Worcester Regional Airport, which accommodated 228,000 passengers, an 18% increase over FY2023 and the highest passenger level since Massport acquired the airport in 2010.



# Maritime – Conley Terminal

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- **Program Description:** Over 2,500 businesses rely on Conley Terminal's weekly container shipping services with direct connections to/from China, Southeast Asia, North Europe, the Mediterranean, the Middle East, and Latin America. 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:** \$62 million
- **Fiscal Year Goal 1:** Meet the cargo container shipping needs of Massachusetts and New England exporters and importers.
- **Fiscal Year Target 1:** Process at least 132,000 containers during FY2024
- **Results of Goal 1:** In FY2024, Conley Terminal processed 145,000 containers, exceeding its goal by 10%. Conley Terminal's direct connectivity grew to more than 35 global ports, opening up new markets and industries for Massachusetts and New England based shippers. Conley Terminal was ranked 5<sup>th</sup> among North American ports for berth performance as measured by vessel time in port by the World Bank Group and S&P Global Market Insight's 2023 Port Performance Index.



# Maritime – Flynn Cruiseport Boston

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- **Program Description:** Flynn Cruiseport Boston welcomed 128 cruise ships and over 310,000 passengers through Boston and the Commonwealth in CY2022, the Cruiseport's first full season since the COVID-19 pandemic. In CY2023, the Cruiseport is expected to reach or exceed pre-pandemic passenger levels, contributing to 2,200 jobs and \$135.5 million annually in economic impact. Flynn Cruiseport Boston offers cruising from March through November from nearly 30 cruise lines, sailing to Bermuda, Canada/New England, and select Caribbean and Trans-Atlantic sailings.
- **Program Budget:** \$10 million
- **Fiscal Year Goal 1:** Support the travel and tourism industry in Boston and the Commonwealth by growing cruise passengers, diversifying the destinations offered, and expanding the types of cruise sailings from Boston.
- **Fiscal Year Target 1:** Welcome at least 333,000 cruise passengers during FY2024
- **Results of Goal 1:** In FY2024, Flynn Cruiseport welcomed over 380,000 passengers, which exceeded the FY2024 goal and was 7% above the FY2023 volume.



# Real Estate

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**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:** \$45 million
- **Fiscal Year Goal 1:** Advance commercial projects through the design, permitting and construction phases
- **Fiscal Year Target 1:** Advance the development of Parcel 5A and begin construction of a new 28,000 square foot state-of-the-art seafood facility at the Massport Marine Terminal (MMT) along the South Boston waterfront, which will keep maritime jobs in Boston and strengthen the South Boston seafood cluster.
- **Fiscal Year Target 2:** Issue a Request for Letters of Interest (RFI) seeking ideas and concepts for a maritime industrial development at MMT Parcel 4, which will inform a subsequent Request for Proposals (RFP) by 6/30/24 to select a development team and maritime project for this 3-acre parcel. This is another opportunity to support the working waterfront, facilitate investment in the maritime sector, and create blue collar jobs.
- **Results of Goal 1:**
  - Target 1 – The seafood processing facility planned for MMT Parcel 5A is fully designed and permitted. However, high interest rates and construction inflation have made the project's advancement challenging. The project requires lower interest rate financing and construction costs before it can proceed.
  - Target 2 – Massport issued an RFI for MMT Parcel 4 in FY2024. Responses from developers did not warrant proceeding to the RFP stage. High interest rates and construction costs continue to impact the economic viability of real estate projects, such as this one.



# Housing Availability and Affordability

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- **Program Description:** Address prominent issues of housing availability and affordability in the Commonwealth of Massachusetts.
- **Program Budget:** \$200K
- **Fiscal Year Goal 1:** Advance project to construct the first predominantly affordable residential project in the South Boston Waterfront on Parcel D-4.
- **Fiscal Year Target 1:** 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. The current plans include 200 affordable housing units.
- **Results of Goal 1:** Massport selected a development team to advance a mixed-income residential project in the South Boston Waterfront. The project consists of a 200-unit building on Parcel D-4 that is currently in the design and permitting phases. This will be the first residential building in the South Boston Waterfront with 100% affordable units. Plans for the 15-story building include retail, a daycare, and resident services on the lower levels, and convenient access to the MBTA World Trade Center Silver Line station. The building will feature all-electric systems, solar shading devices, and solar photovoltaic panels on the roof, aiming for sustainable certifications in Passive House and LEED Gold. The prioritization of affordable housing as a component of the Authority's portfolio is an outgrowth of Massport's leadership in promoting diversity, equity, and inclusion in real estate projects.



# End of Fiscal Year Reporting - Excel Directions

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Reporting Requirement: In addition to the goal update provided in this PowerPoint, OPMO Agencies must also update the excel sheet that outlines, to fulfill the OPMO statute requirements:

- Grants
- Loans
- Technical Assistance
- Other Financial Assistance
- Patents & Products