



Massachusetts Bay Transportation Authority

Own Source Revenue

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A & F Subcommittee

May 9, 2024

Version 3

Agenda

- Defining Own Source Revenue
- Review of Own Source Revenue Categories
 - Real Estate
 - Parking
 - Advertising
- Summary



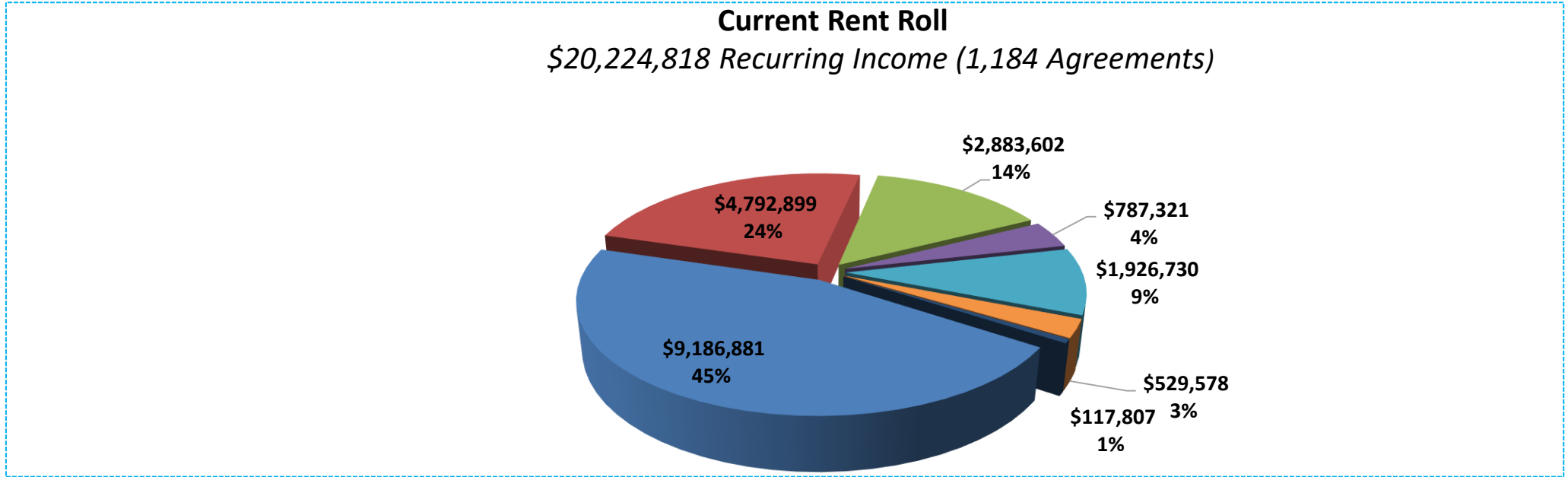
Defining Own Source Revenue

- The MBTA's Operating Budget is supported by:
 - **Non-Operating Revenues** (Subsidy)
 - **Operating Revenues** (Fares, Own Source)
- Own Source Revenue is made up of (in FY2023):
 - Real Estate: 35.5%
 - Parking: 32.5%
 - Advertising: 28%
 - Misc: 4%

Revenue Type	Source	FY 2024	
Non-Operating Revenues	Federal	4%	79%
	Local Assessment	8%	
	State Assistance	8%	
	State Sales Tax	59%	
Operating Revenues	Fares	17%	21%
	Own Source	3%	
	Other	1%	



Real Estate Rent Roll



■ Telecommunications	■ Land	■ Concessions	■ TOD	■ Utilities	■ Short Term Licenses	■ Other
118 Agreements	248 Agreements	53 Agreements	2 Agreements	335 Agreements	355 Agreements	73 Agreements

Note: above represents in place occupancy agreements, not inclusive of admin and other processing income.



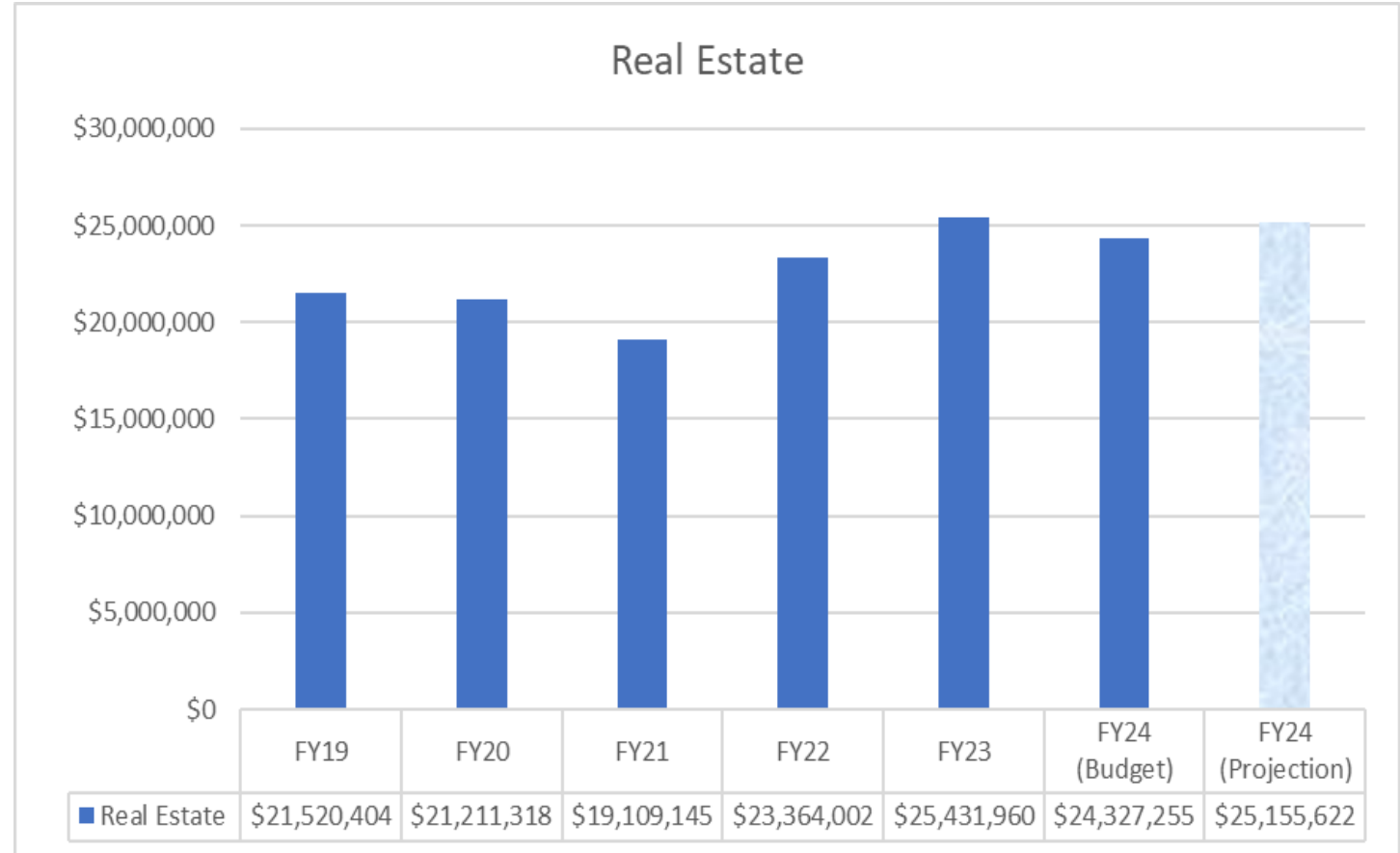
Real Estate

Revenue relatively stable

- \$26m in one-time transactions not included
- Retail challenged by ridership loss and space condition

Initiatives:

- Exploring impact of new technology on telecom/utility
- Reviewing MBTA facilities for revenue, cost reduction or future cost avoidance
- Advancing TOD opportunities
- Advocating for mitigation



* Revenue Includes South Station Bus Terminal managed by RE



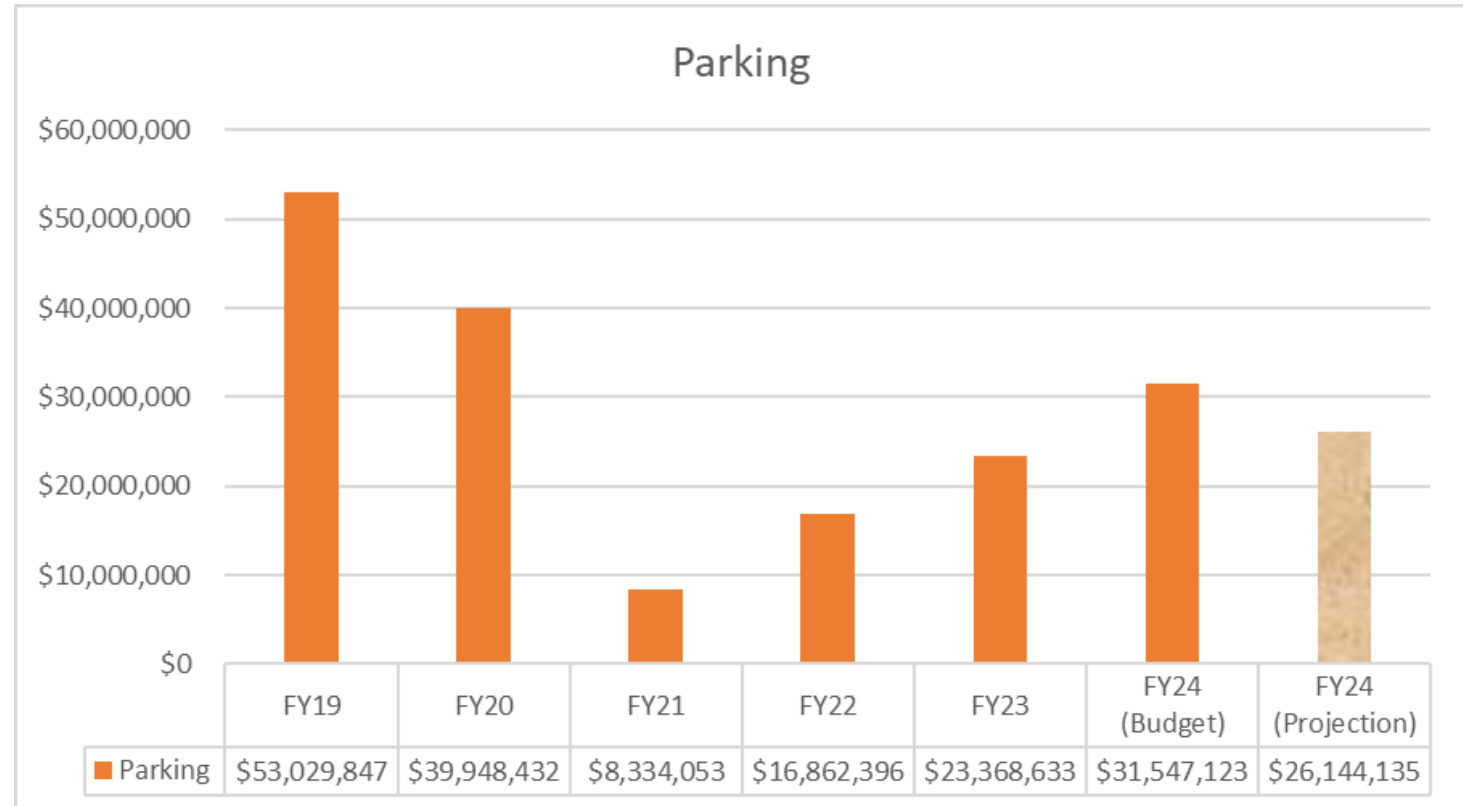
Parking

Revenue fell 86% during the pandemic; growing back

- Parking growth relies upon increases in ridership
- Deferred maintenance impacts space availability
- Greater cost efficiency with payment tech, Keolis contract

Initiatives:

- New parking enforcement technology
- Improving state of good repair
- Price adjustments and partnership deals



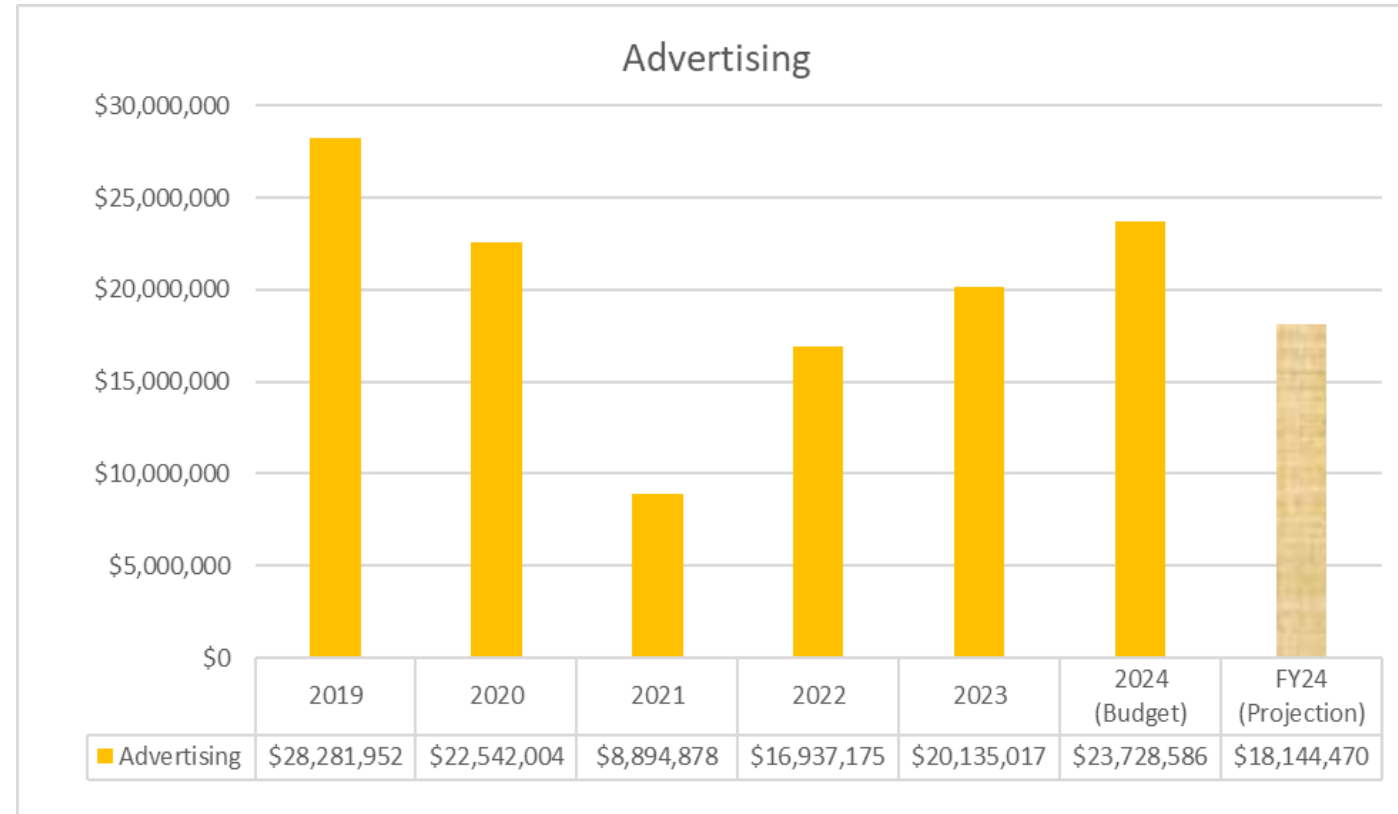
Advertising

Revenue also affected by ridership

- ROW restrictions and line closures have impacted revenues in FY24
- Additional advertising assets require State and/or local approvals

Initiatives:

- Street Furniture at Bus Stops
- Converting Billboards to Digital
- Digital Advertising Screens at station entrances
- Process improvements for posting advertising



Summary

- Advertising, Parking and Real Estate are sensitive to ridership trends.
- Some sources also provide non-revenue benefits like real time customer information and facility improvements.
- We are continually advancing initiatives to grow net revenue. We frequently partner with municipalities and state agencies to advance these.
- There are tradeoffs between maximizing revenue and priorities of safety, service, and state of good repair. Access to the system is limited by safety considerations and availability of staff to oversee third party work.
- TOD can provide value in many ways, but is not a major cash generator.
- We are also working to more efficiently manage our facilities to reduce costs and thereby increase net revenues.

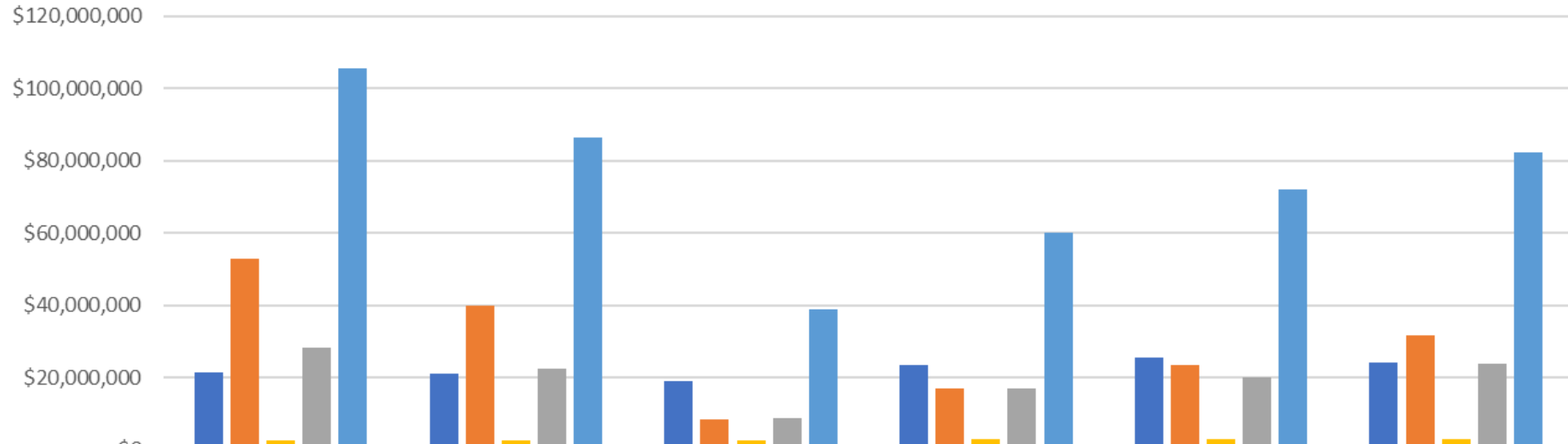


Appendix



Historic Performance of Own Source Revenue

Annual Own Source Revenue (Fiscal Year)



	FY19	FY20	FY21	FY22	FY23	FY24 (Budget)
Real Estate	\$21,520,404	\$21,211,318	\$19,109,145	\$23,364,002	\$25,431,960	\$24,327,255
Parking	\$53,029,847	\$39,948,432	\$8,334,053	\$16,862,396	\$23,368,633	\$31,547,123
Other Operating Revenue	\$2,735,973	\$2,704,131	\$2,687,580	\$2,927,828	\$2,965,060	\$2,820,696
Advertising	\$28,281,952	\$22,542,004	\$8,894,878	\$16,937,175	\$20,135,017	\$23,728,586
Total	\$105,568,176	\$86,405,885	\$39,025,656	\$60,091,401	\$71,900,670	\$82,423,660

Real Estate Parking Other Operating Revenue Advertising Total



Advertising Initiatives



- Re-procured Systemwide Advertising Concession with Industry-leading terms
- Updated advertising guidelines to allow alcohol advertising in some locations
- Piloted digital advertising panels at select stations

- Started large-scale deployment of digital advertising panels across network
- Launched new formats for outdoor advertising including full bus and train wraps
- Debuted real-time subway arrival information on digital panels inside stations

- Installed first Digital Urban Panels at station entrances
- Re-vamped static advertising inventory at North and South Stations
- Added bus arrival information on Digital Urban Panels at station entrances

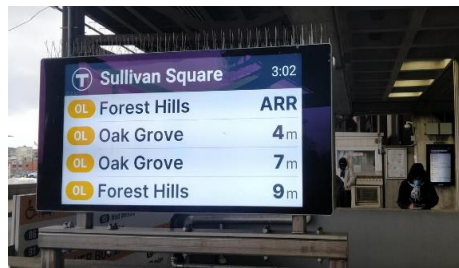
- Completed installation of 650+ digital advertising panels across the rapid transit network
- Procured Outdoor Information Panels to provide roadside customer information

- Re-procured Street Furniture Concession to provide sustainable operations, maintenance, and snow removal for bus shelters across the network
- Secured funding to support Street Furniture deployment
- Installed first Outdoor Information Panel

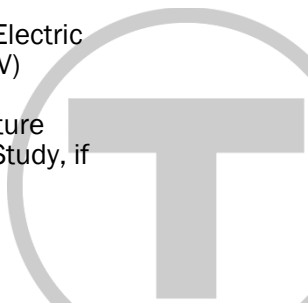
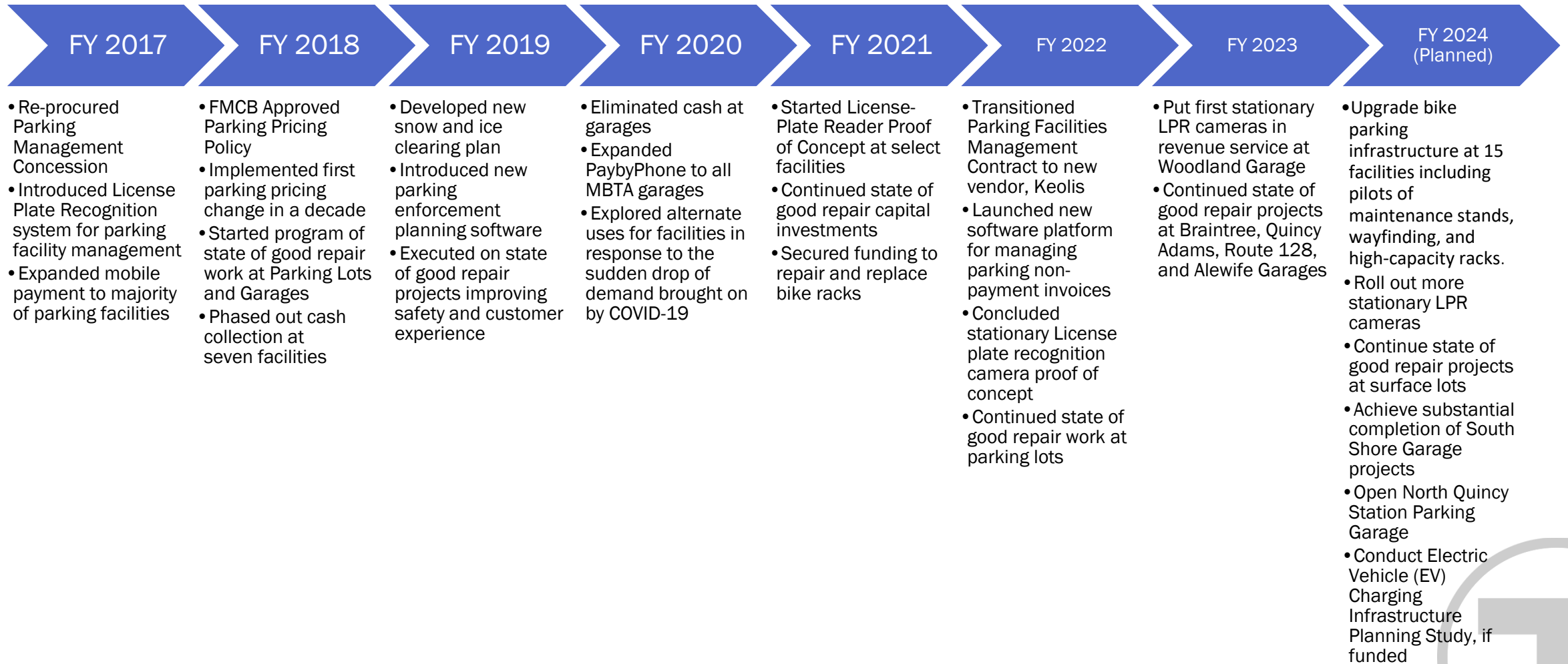
- Installed first Information Kiosk at Maverick Station
- Converted two Outdoor Information Panels from static to digital faces on roadsides
- Installed first Customer Information Displays at seven rapid transit stations

- Installed Information Kiosk at Roxbury Crossing, Nubian, and Kenmore stations
- Deployed new digital customer and advertising panels on rapid transit network

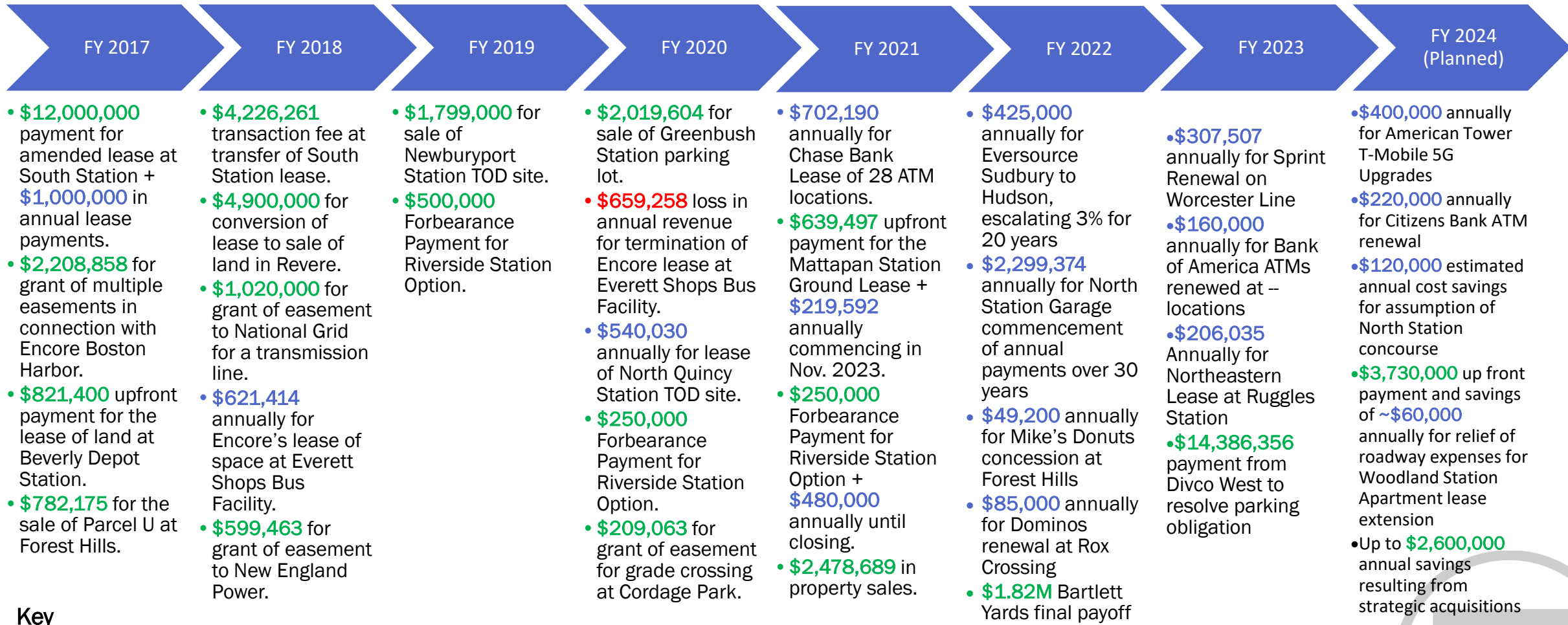
- Deploy additional Digital Urban Panels displaying multi-modal arrival information at more Rapid Transit Stations
- Deploy 250 Customer Information Displays dedicated to MBTA Real-Time Customer Information
- Deploy 24+ Bus Shelters and additional Information Kiosks across the region



Parking and Station Access Initiatives



Real Estate Revenue Highlights



Key

Recurring Revenue

One-Time Revenue



MBTA Transit Oriented Development Projects 2004-24

Project Status	Units	Affordable Units	Commercial SF	Value to MBTA	In Kind	Cash*
COMPLETED: 18 Projects	4,976	1,139	4,885,375	\$ 87,913,548	\$ 39,970,000	\$ 47,943,548
UNDER CONSTRUCTION: 6 Projects	1,466	313	1,648,683	\$185,472,059	\$170,000,000	\$ 15,472,059
IN PERMITTING: 6 Projects	1,715	667	1,777,200	\$ 66,455,000	\$ 47,000,000	\$ 19,455,000
GRAND TOTAL	8,157	2,119	8,311,258	\$339,840,607	\$256,970,000	\$ 82,870,607

* Actual one-time payment or net present value of rent stream



MBTA Transit Oriented Development Projects 2004-24

Project	Lessee/Developer	Units	Affordable	Commercial SF
Completed Projects				
Arborpoint at Woodland Station	National Development	180	45	N/A
The Carruth at Ashmont Station	Trinity Financial	116	74	38,000
Parcel 1A - Avenir at North Station	Trinity Financial	241	17	30,000
Hingham Shipyard	Samuels	479	24	240,000
225 Center Street at Jackson Square	JPNDC	438	291	60,000
Avalon North Station	Avalon Bay	503	54	3,575
Parcel U	Urbanica	102	78	2,660
Beverly Depot	Barnat Development	67	14	4,500
Boston Landing	NB Development Group	295	38	730,000
Assembly Row	Federal Realty	1843	230	3,385,000
Roxbury Crossing (Phase 1)	Mission Hill NHS	88	40	196,000
Newburyport	Minco	76	16	N/A
25 Amory Street - Jackson Square	JPNDC	44	44	N/A
125 Amory Street - Jackson Square	Urban Edge	62	62	N/A
250 Centre Street - Jackson Square	The Community Builders	112	45	2,140
Mattapan Station	POAH/Nuestra	135	70	10,000
Waterfront Square	Eurovest/Redgate	320	N/A	175,000
Scituate - Greenbush Station	Drew Company	77	11	13,000
TOTALS		4,976	1,139	4,889,875
Projects Under Construction				
Roxbury Crossing (Phase 2)	Mission Hill NHS	46	46	N/A
Bartlett Place	Nuestra/Windale	323	194	54,000
Fenway Center	Meredith/IQHQ	312	47	228,000
South Station Air Rights (Phase 1)	Hines	175	26	711,000
North Quincy Station	Bozzuto/Atlantic Development	610	*	55,000
Parcel 12, Boston	Samuels	N/A	N/A	655,683
TOTALS		1466	313	1,648,683
Projects in Permitting/Design				
Roxbury Crossing (Phase 3)	Mission Hill NHS	94	94	N/A
Salem Crescent Parcel	Winn Companies	120	48	N/A
66 Cambridge Street, Boston	Fallon Company	n/a	n/a	812,000
Riverside Station	Mark Development	602	194	10,000
Waterfield Place, Winchester	Civico	60	40	1,200
21 Elm Street, Swampscott	Winn Companies	114	76	N/A
Parcel 13 - Hynes Station Air Rights	Peebles	125	125	300,000
Back Bay Station	Boston Properties	600	90	654,000
TOTALS		1,715	667	1,777,200
GRAND TOTAL		8,157	2,119	8,315,758

*\$5 million contribution to the City's Affordable Housing Fund