



Planning Process

Benefits

Risks

Next Steps

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## *Boston 2024 Bid History*

- The Boston 2024 Olympic and Paralympic bid is the brainchild of two young Massachusetts citizens, Corey Dinopoulos and Eric Reddy, who sought to combine their love of Boston with their love of the Olympic and Paralympic Games
- Late 2013: After several meetings, State Senator Eileen Donoghue embraced the idea. A Legislative Commission was formed to explore its feasibility. After seven public meetings, the Commission released a study stating the Games were doable
- A group of citizens then explored the idea further, creating a vision for how Boston could host the Games. John Fish joined to lead the effort and galvanize support from the business community.
- June 13, 2014: The U.S. Olympic Committee selected four cities – Boston, LA, San Francisco, and Washington, DC – as finalists for the U.S. bid to host the 2024 Olympic and Paralympic Games
- July – December 2014: The USOC worked with each city to develop general conceptual plans for potentially hosting the Games
- January 8, 2015: The USOC selected Boston to represent the U.S. in the 2024 bid for the Games
- January 21 – Ongoing: Organizing committee conducts comprehensive, statewide community engagement
- May 21 – June 29, 2015: Steve Pagliuca joins Boston 2024 as chair; focuses on developing a bottom-up, fact-based, detailed plan that addresses benefits, risks, and long-term legacy opportunities for public release by June 30. Bid 2.0 reflects a fiscally-responsible, responsive, and sustainable approach for Boston hosting the world's greatest sporting event

**Bid 2.0**

***The process to develop the next phase of the bid was based on:***

- **Transparency:** Keeping the public informed on our progress and our operations
  - Collaborated with the Mayor’s office and Attorney General on disclosure standards far beyond legal requirements
  - Published first quarterly report; outlines full details of operations, revenues and expenses
- **Engagement:** 22 community meetings and attending 150 community events
  - Meetings with key constituencies, i.e., preservation, environmental and cycling groups
  - Ongoing briefings with elected officials across the state
- **Inclusion:** Expanded Board and Senior Advisory Council
  - Added 17 community members and youth athletes to the Board
  - Launched an Empowerment and Opportunity Committee
  - Developing policies to partner with women-, minority-, and veteran-owned businesses
- **Fact-Based Budget and Risk Analysis**
  - Informed by experts from USOC, IOC, and organizations with extensive Games experience
  - Applied principles of Olympic Agenda 2020
  - Met with critics to understand their concerns

***Bid 2.0 reflects community feedback, detailed budget assessments, significant community benefits, and a fair assessment of the risks.***

- Evolutionary process
- Continued engagement with stakeholders
- November 2016 statewide referendum on privately-funded Games
- Summer 2017 IOC vote for 2024 Host City

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## Olympic opportunity creates long-term benefits



Capitalize on one of the largest **economic development** opportunities in recent history

- *Significant job creation*
- *Substantial increase in housing*
- *Substantial increase in city revenue*



**Invest broadly in our communities**

- *Workforce development*
- *Youth development*
- *Business opportunities*



Catalyze transportation investments and **connect our neighborhoods**

- *Completion of Emerald Necklace*
- *Public and private investments in roads and public transit*
- *Expansion of green space*
- *Improvements to city's overall accessibility*



Highlight innovation economy and world-class institutions, **raising Boston's profile even higher** on the global stage

- *Raise Boston's profile on world stage*
- *Attract more investment, talent and tourism*



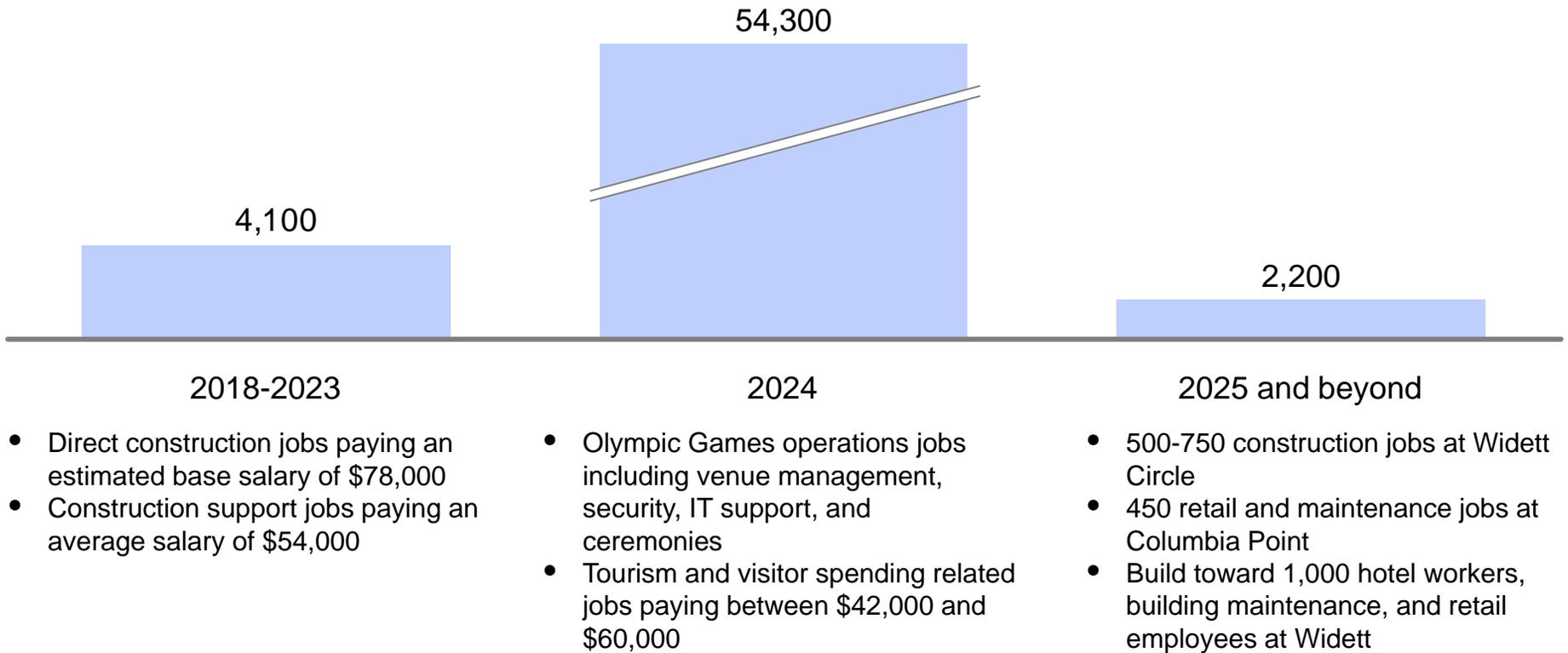
Spark **unprecedented collaboration** across the city and **foster even greater civic pride**

- *Engage youth through Olympic and Paralympic values*
- *Showcase unifying power of sport*
- *Integrate best interests of several constituencies to maximize benefits*
- *Aspire to create endowed legacy fund*

Hosting the Games: Engine for major job creation

Boston 2024 Supported Jobs

# of full-time, paid jobs



- Direct construction jobs paying an estimated base salary of \$78,000
- Construction support jobs paying an average salary of \$54,000

- Olympic Games operations jobs including venue management, security, IT support, and ceremonies
- Tourism and visitor spending related jobs paying between \$42,000 and \$60,000

- 500-750 construction jobs at Widett Circle
- 450 retail and maintenance jobs at Columbia Point
- Build toward 1,000 hotel workers, building maintenance, and retail employees at Widett

Launched initiative to implement best-in-class workforce development and MWBE programs; ensure economic opportunities stay in community and benefit those who need them most

1 All salaries in 2016 dollars

Source: The Boston Foundation, "Assessing the Olympics"; Boston 2024 Midtown Development Plan; Boston 2024 Columbia Point Development Plan 8

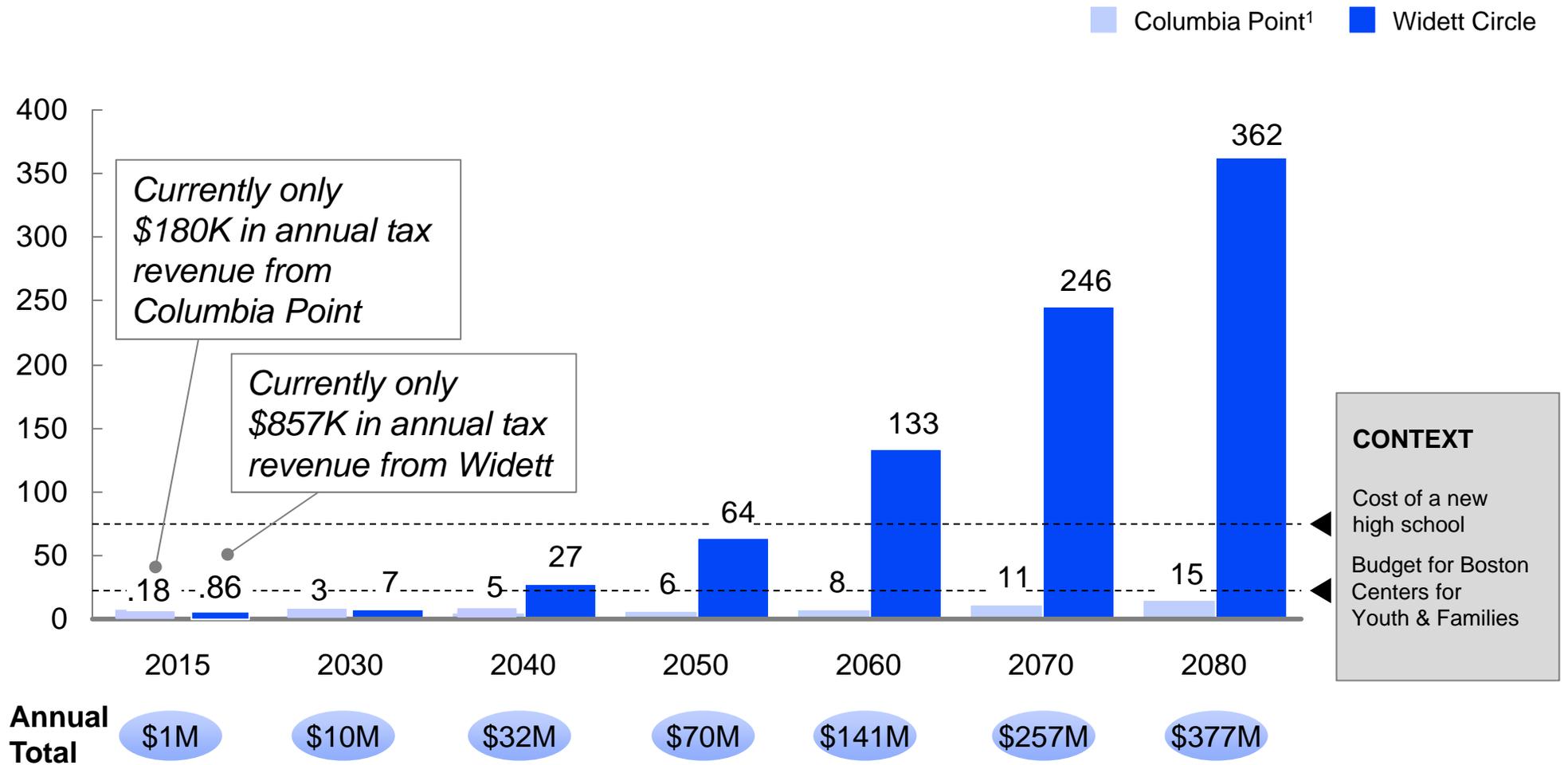


*Increased Boston tax revenues: Opportunity for significant investment*

Increase in Tax Base

**Absolute tax revenues to the City of Boston**

\$M per year (in corresponding year dollars)



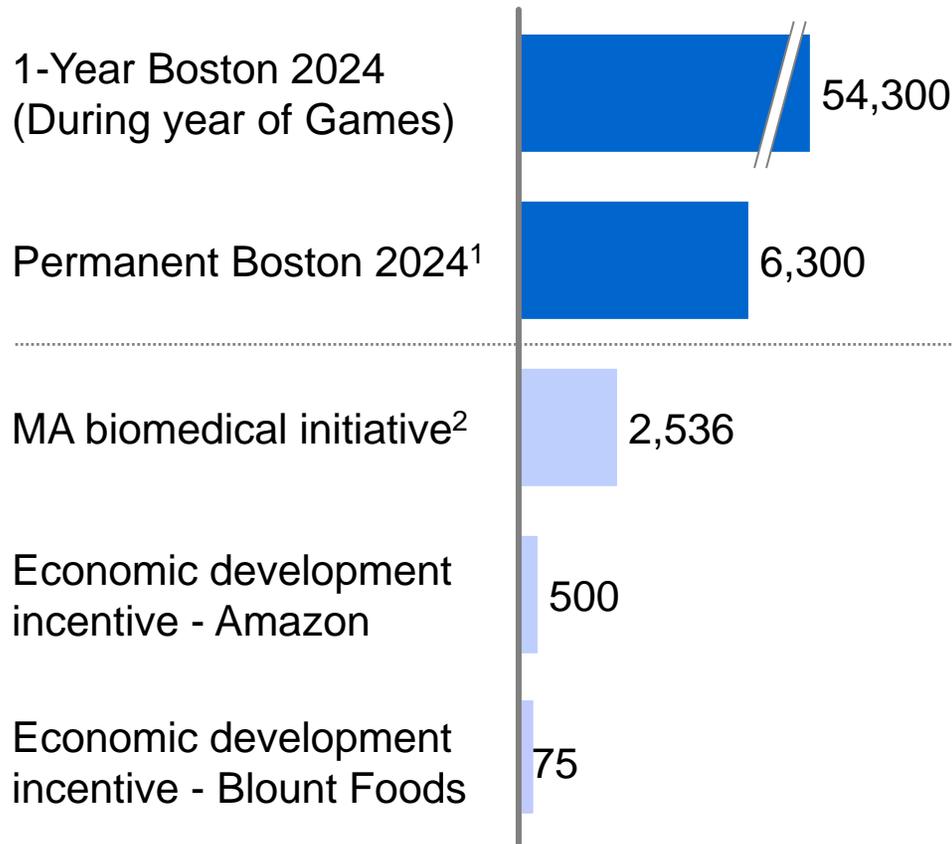
<sup>1</sup> Assumes net tax increase to the City after tax financing agreement

Source: Boston 2024 Midtown Development Plan; Boston 2024 Columbia Point Development Plan

Compared to other economic development projects, the Games create significantly larger benefits

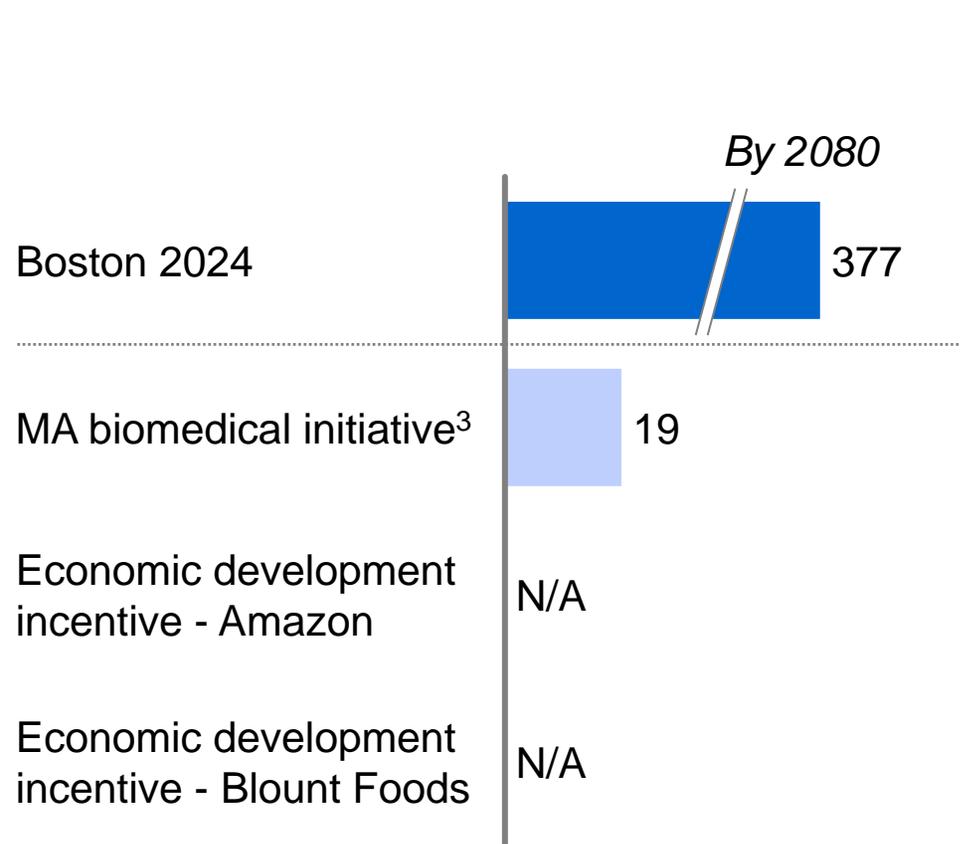
Job creation impact

# of paid jobs created



Tax revenue

\$M per year



1 Permanent (i.e., over >5 years) jobs only

2 2006 - 2012 period - MA jobs only

3 2009 - 2012 period

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*Advancing progress on Mayor's housing goals for 2030***TOTAL = 8,000 NEW APARTMENT UNITS****Widett Circle**

- **4,000** apartments units
  - Minimum 520 units of affordable housing
  - Mixed-use development at the heart of the city, surrounding 15 acres of new permanent park land
  - Transit-oriented housing served by South Station, MBTA Red Line, and new commuter rail station on Fairmount Line

**Columbia Point**

- **3,000** apartment units
  - Minimum 390 units of affordable housing
  - 500 units for senior housing
  - Waterfront-accessible housing with accompanying retail, innovation center and artisan workshop/gallery
- **900 – 1,000** student housing units
  - 2,700 planned student housing beds
  - 2-3 students per 1 unit of residential housing

**Benefits****Outcomes****Workforce Development**

- Adopt, track and enforce measures to employ residents of underserved communities
- Ensure contractors do the same; incorporate **project labor agreements** on major construction

**Youth Development**

- Invest in **local parks/sports clubs/youth programming** based on community input
- Private investment in Sportsmen's Tennis and White Stadium to benefit youth in tennis, football and track and field programs

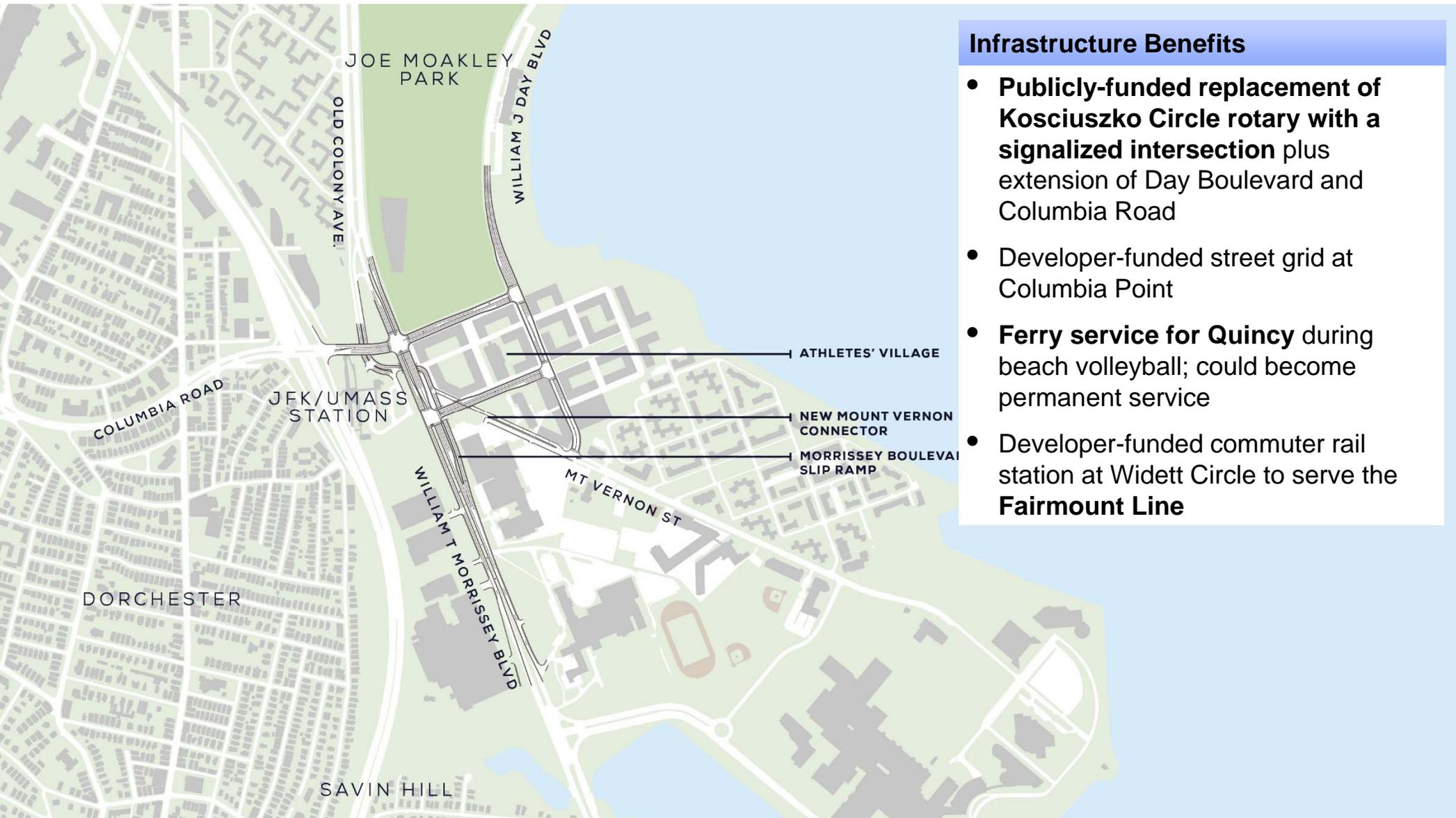
**Green Space**

- Enhanced, **expanded public parks and recreational fields**, e.g.: Moakley Park, Franklin Park, Harambee Park, and Squantum Point Park
- 15 new acres of permanent park land at Widett Circle

**Economic Opportunities**

- **International spotlight** for other Massachusetts cities, e.g.: New Bedford and Lowell
- Ensure **minority-, women- and veteran-owned businesses** participate equally in business opportunities generated by the Games

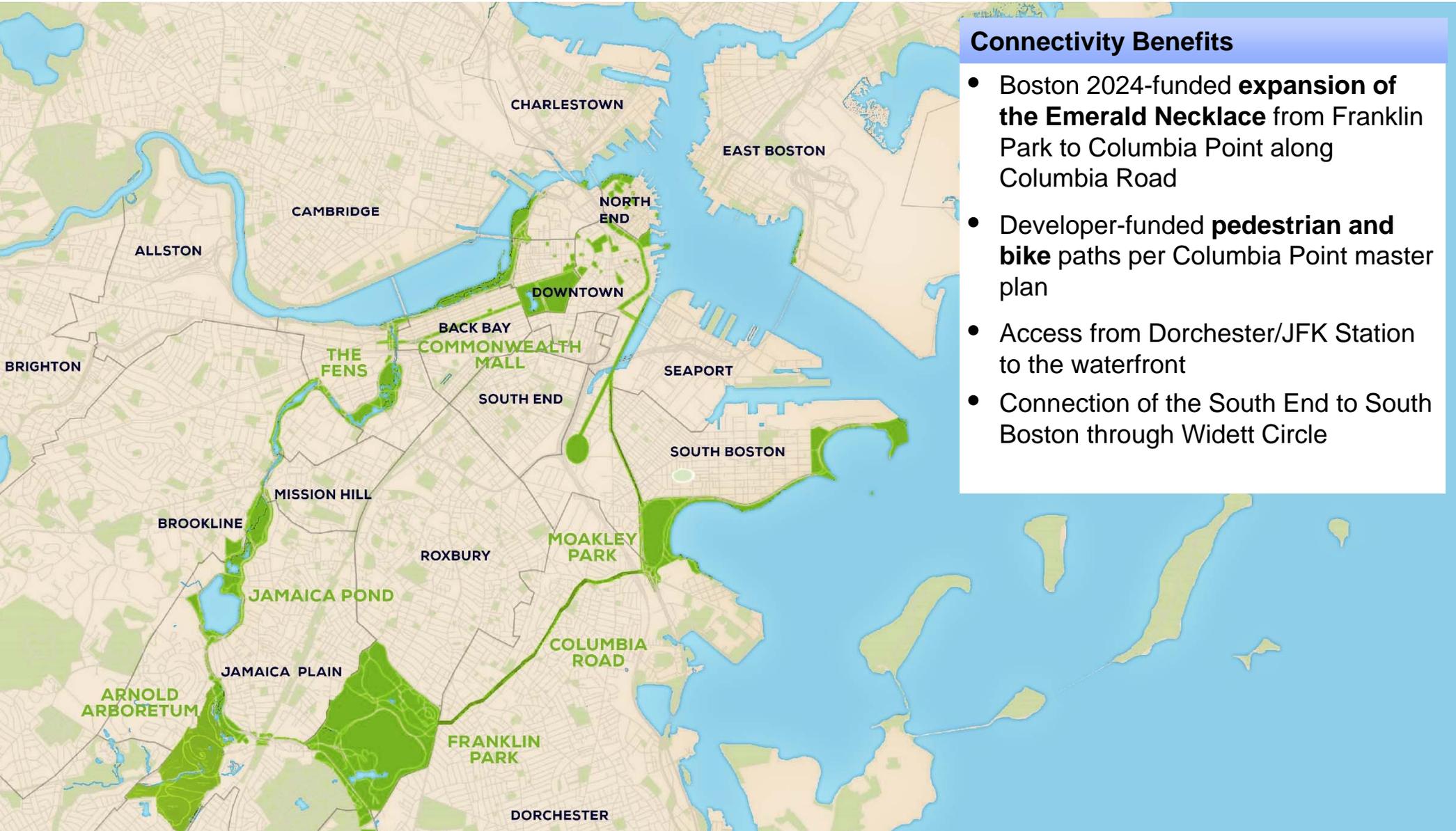
## Catalyze infrastructure development, greater connectivity



### Infrastructure Benefits

- **Publicly-funded replacement of Kosciuszko Circle rotary with a signalized intersection plus extension of Day Boulevard and Columbia Road**
- Developer-funded street grid at Columbia Point
- **Ferry service for Quincy** during beach volleyball; could become permanent service
- Developer-funded commuter rail station at Widett Circle to serve the **Fairmount Line**

*Catalyze infrastructure development, greater connectivity*



**Connectivity Benefits**

- Boston 2024-funded **expansion of the Emerald Necklace** from Franklin Park to Columbia Point along Columbia Road
- Developer-funded **pedestrian and bike** paths per Columbia Point master plan
- Access from Dorchester/JFK Station to the waterfront
- Connection of the South End to South Boston through Widett Circle

*Transformative opportunity creates long-term benefits*



**Economic Development**

- *Jobs*
- *Housing*
- *City revenue*



**Community Investment**

- *Workforce development*
- *Youth development*
- *Business opportunities*



**Connectivity**

- *Park lands*
- *Bike pathways*
- *Pedestrian access*



**Global Profile**

- *Innovation*
- *World-class institutions*
- *Tourism and commerce*



**Civic Pride**

- *Unity*
- *Collaboration*
- *Inspiration*

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*Key Questions*

- **Can we run a privately-funded Games with a surplus?**
- Can we create a venue plan that is cost-effective and beneficial to our communities?
- Can the city and state infrastructure handle the Games?
- Can we manage the security risk?



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## *Budget assumption process*

### ***Categories***

- Operating Budget : Revenues and expenses associated with hosting the Games
- Capital Budget: Private investments that fund long-term development and temporarily support the Games
- Infrastructure: Planned public investments that support Boston's long-term growth

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### ***Expert Data Analysis, Review; Applies Experience from Prior Games***

- Multiple visits with **former host cities** (London, Barcelona, Atlanta, Salt Lake City, Los Angeles)
- Deeper dive into London Games budget with **London 2012 CFO**
- **Revenue analysis of USOC and IOC data**
- Briefing at IOC headquarters on IOC revenue allocation
- Detailed budget guidance from Games experts, includes Broadstone Group, which has worked on seven Games

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### ***Budget Pressure-Testing***

- **Advice and consultation** from accounting, management consulting, real estate and construction experts
- **Vetted real estate projects** with local and national companies
- Engaged with opponents to **further identify risks**
- Driving toward **RFP-level detail** in **venue** budgeting
- Continuing to review with The Brattle Group and Mayor's Office of Olympic Planning

## *Olympic Agenda 2020 reduces cost of bidding for and hosting the Games*

- 2024 Bid Process: First under Agenda 2020
- Tokyo has already saved \$1.7 billion as a result of Agenda 2020 since winning 2020 Games

### ***Flexibility***

- Maximum use of existing facilities and use of temporary/demountable venues
- Allow for preliminary Olympic Games competitions outside of host city
- Open to holding some events outside of the host city

### ***Responsiveness***

- Consider flexibility in sports (e.g., Tokyo proposing baseball)
- Develop separate budgets for long-term infrastructure investment/return on investment and Games operations
- Consult third-party, independent advice to inform bid city's social, economic, and sustainability needs in bid city evaluation

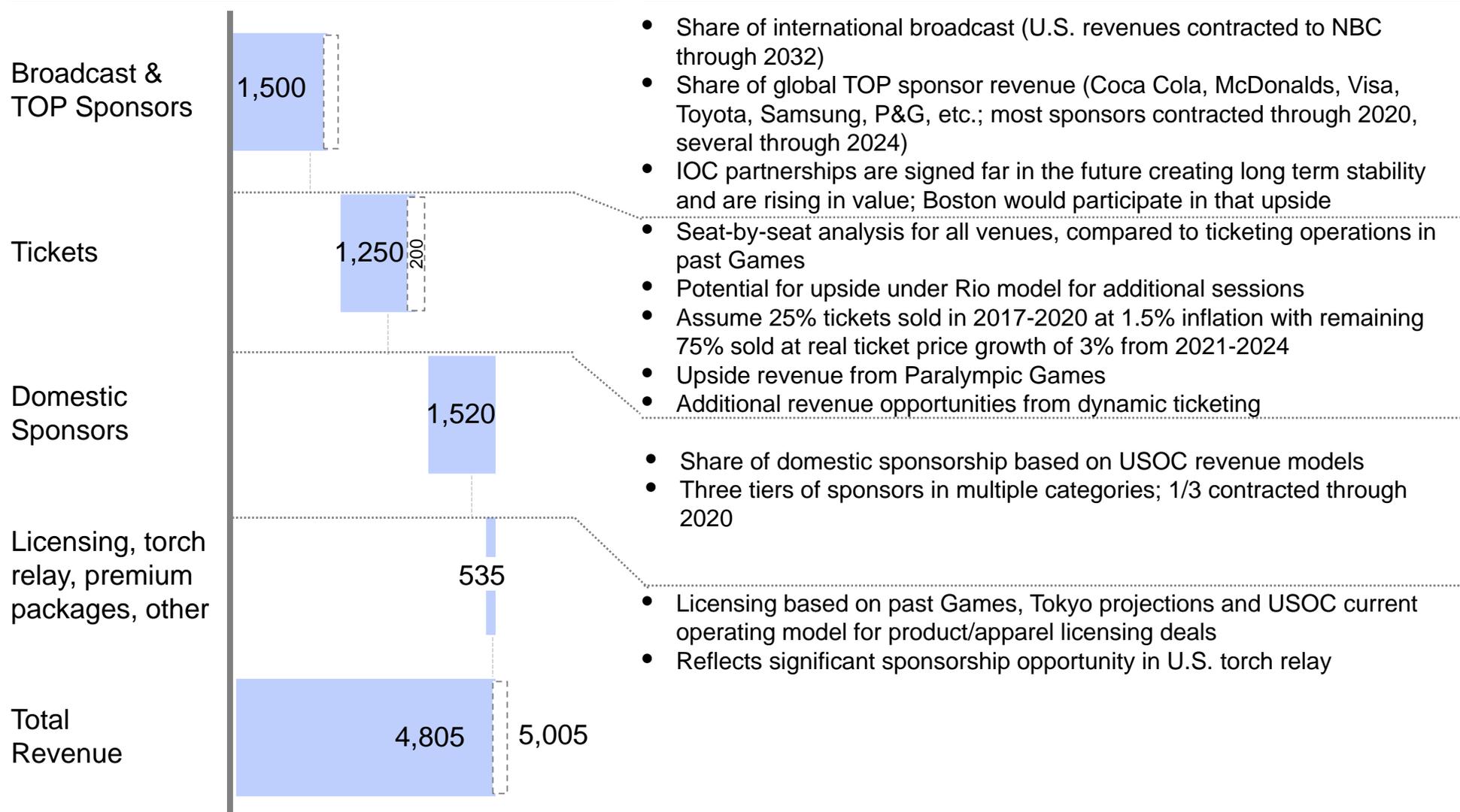
### ***Clarity***

- Set the number of athletes, officials and events
- Detail IOC financial contribution to the Games operation budget in the Host City Contract
- Define core requirements for hosting the Games/athlete field of play
- Reduce number of required presentations

# Projected Revenues

## Operating revenue<sup>1</sup>

\$M (2016)



## Description/Rationale

- Share of international broadcast (U.S. revenues contracted to NBC through 2032)
- Share of global TOP sponsor revenue (Coca Cola, McDonalds, Visa, Toyota, Samsung, P&G, etc.; most sponsors contracted through 2020, several through 2024)
- IOC partnerships are signed far in the future creating long term stability and are rising in value; Boston would participate in that upside
- Seat-by-seat analysis for all venues, compared to ticketing operations in past Games
- Potential for upside under Rio model for additional sessions
- Assume 25% tickets sold in 2017-2020 at 1.5% inflation with remaining 75% sold at real ticket price growth of 3% from 2021-2024
- Upside revenue from Paralympic Games
- Additional revenue opportunities from dynamic ticketing
- Share of domestic sponsorship based on USOC revenue models
- Three tiers of sponsors in multiple categories; 1/3 contracted through 2020
- Licensing based on past Games, Tokyo projections and USOC current operating model for product/apparel licensing deals
- Reflects significant sponsorship opportunity in U.S. torch relay

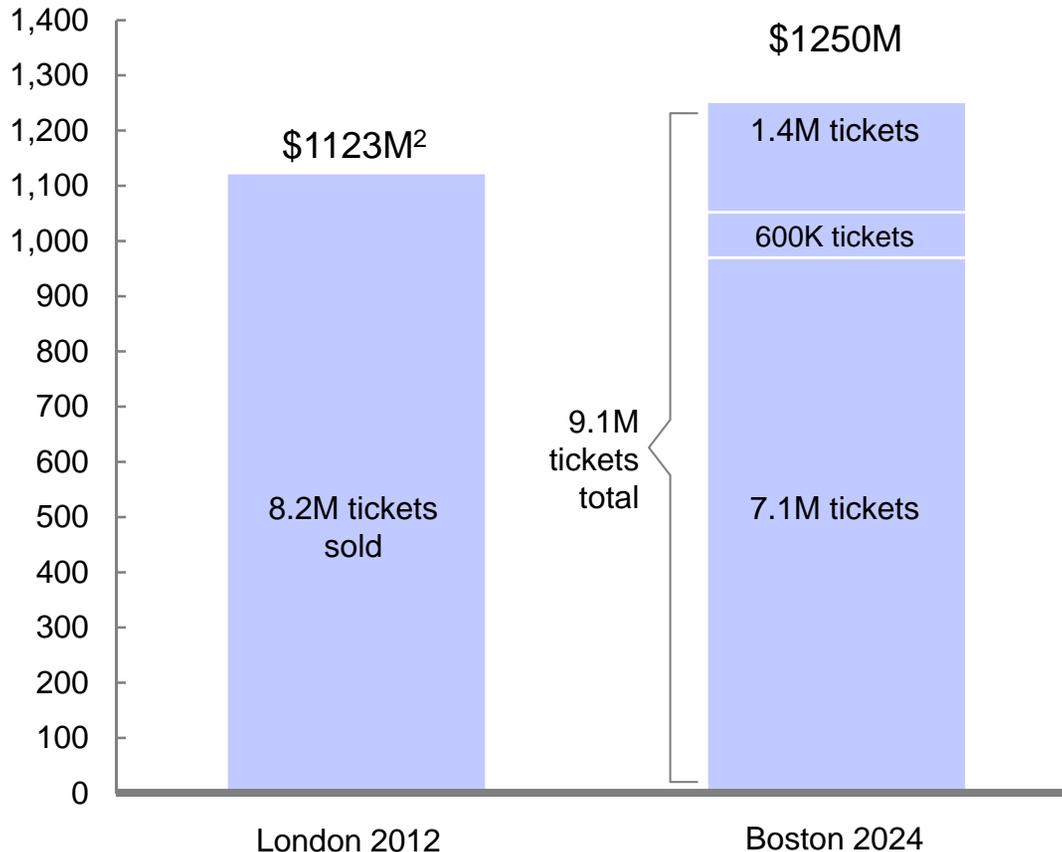
■ London 2012 comparable  
 □ Based on future games (e.g., Rio 2016, Tokyo 2020)

<sup>1</sup> Revenues and costs are cumulative between now and the end of the Games  
 Source: Consultation with IOC, USOC, and past Games hosts

*Ticket revenue projections based on seat-by-seat analysis*

**Ticket revenues**

\$M (2016)



- Boston 2024’s current venue plan with London 2012’s schedule, Boston’s baseline ticket volume: **7.1M<sup>1</sup>**
- Post-2012 Games additions:
  - Golf and Rugby have been added to the Rio Games, resulting in an additional **~600,000** tickets
  - Boston 2024 proposes a regional preliminary model for baseball, basketball and football across Northeast corridor creating an additional **~1.4M tickets**

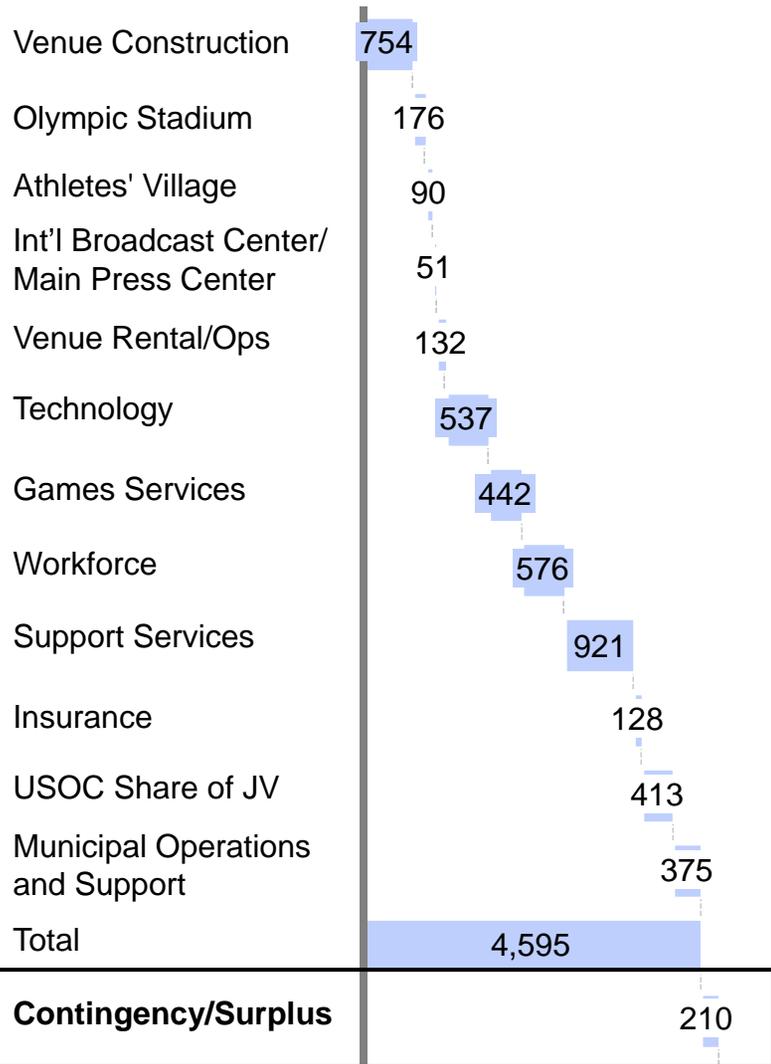
<sup>1</sup> Based on London 2012 90% net venue capacity and average ticket price of \$137 (2016 dollars)

<sup>2</sup> Converted to 2016 dollars. London 2012 reported \$998M in ticket sales in 2012 dollars.

Source: International Olympic Committee Olympic Marketing Fact File; Boston 2024 Analysis

**Projected Expenses**

**Operating costs<sup>1</sup>, \$M (2016)**



**Description/Rationale**

- Bottom-up budget and assumptions developed and tested with experienced local and Olympic Games construction experts; includes legacy costs
- Temporary stadium construction costs vetted with suppliers and experts
- Cost for Games-specific Village requirements (e.g., dining, International Plaza, Transport Mall, etc.)
- Temporary IBC construction costs
- Bottom-up analysis of Games operations and existing venue rental costs
- Technology for Games management and back office, telecommunications and other required technology services
- Based on London Games actual spend and adjusted for inflation, purchasing power parity, and exchange rate impact<sup>2</sup>
- Support services including finance, HR, legal, marketing, comms, and certain private spectator transport costs (e.g., shuttle buses)
- Premium paid for comprehensive insurance package
- USOC share of domestic marketing revenues based on draft JV agreement
- Ceremonies, city and municipal operations, and other joint venture expenses

<sup>1</sup> Revenues and costs are cumulative between now and the end of the Games

<sup>2</sup> Expenses using 1.55 and adjusted for inflation at 1.5% p.a. to 2016

Last three Games in U.S. generated a surplus

Comparable Games



**Total Revenues<sup>1</sup>: \$746.5M**  
**Surplus: \$232.5M**

**Total Revenues: \$1.7B**  
**Surplus: \$10M**

**Total Revenues: \$1.4B**  
**Surplus: \$101M**

- Widely considered most financially successful Games
- First privately financed Games, Record US TV deal raised \$225M
- Share of profits endowed LA84 Foundation, since given \$220 million to youth sports

- Successful Games with lasting economic impact on Atlanta
- Centennial Olympic Park fostered economic development downtown

- Successful Winter Games, turnaround story after missteps
- Double expected revenue from tickets sales
- Record \$494M in sponsorships
- Approx. \$80 million endowment in legacy facility, park and plaza endowment

*“In 1978... the only question was ‘how much of a deficit are you going to have...But now, in addition to this enormous financial success, we are **leaving a legacy of millions of dollars.**”*

*“As a final punctuation mark to the Olympic Games, we can say with certainty we **raised more money than we spent.**”*

*“We said these Games would be **scaled to available revenues** and they were -- and then so with style.”*

- Paul Ziffren, Chairman, LA Olympic Organizing Committee

- A.D. Frazier, COO, Atlanta Committee for the Olympic Games

- Former Utah Gov. Mike Leavitt

1 All values in historical dollars

2 Winter Olympic Games significantly smaller than Summer Olympic Games in scale and budgets

Sources: LAOCOG Official Report, <http://library.la84.org/6oic/OfficialReports/1984/1984v1pt2.pdf>; Official Report of the Centennial Olympic Games, <http://library.la84.org/6oic/OfficialReports/1996/1996v1.pdf>; Official Report of the XIX Winter Games, <http://library.la84.org/6oic/OfficialReports/2002/2002v1.pdf>; 2014 Olympic Marketing Fact File, [http://www.olympic.org/Documents/IOC\\_Marketing/OLYMPIC\\_MARKETING\\_FACT\\_%20FILE\\_2014.pdf](http://www.olympic.org/Documents/IOC_Marketing/OLYMPIC_MARKETING_FACT_%20FILE_2014.pdf); <http://www.nytimes.com/2002/09/18/sports/salt-lake-profit-tops-forecast.html>

*Contingency, risk mitigation initiatives, insurance will provide considerable protection*

### Conservative Budgeting and Multiple Layers of Protection

#### Project Risk Mitigation

- Additional 5% contingency built into each venue construction estimate
- Decades of construction management experience; carefully budget and manage venue development to evaluate construction progress
- Developers required to procure insurance as utilized in venue construction, including **capital replacement** insurance; allows insurer to take equity position in project
- Boston 2024 will also require in RFP from developers **surety and performance bonds, cost overrun insurance**

#### Contingency/Surplus

- Project a **\$210M contingency/surplus**
- **Conservative budgeting:** Generous cost estimates and conservative revenues

#### Insurance

- **Multiple layers of insurance** to protect the City of Boston and taxpayers. Coverage provided by the various policies may overlap, coverage will be cumulative
- **Phase in insurance coverage over time** with higher levels as Games approach

## *Insurance framework to protect taxpayers beyond budget contingency/surplus*

- **Building a comprehensive insurance framework that protects City of Boston and taxpayers**
  - We plan to procure multiple layers of insurance to address the full spectrum of insurable claims
  - We have examined the Chicago 2016 bid insurance package, evaluating where it provided sufficient coverage and where further coverage was needed
  - If selected as the host city, we will purchase broader and more innovative coverage with higher limits than Chicago 2016
- **Engaged international insurance brokerage and legal experts with experience in past Games, including London 2012**
  - Experts provided initial guidance on coverages and premiums based on review of the operating budget, the plans for Widett Circle and Columbia Point, and the 2.0 venue plan
  - Based on this guidance, we are carrying \$128M for premiums in the operating budget. This is in addition to the insurance premiums built into the budgets for each construction project and the capital replacement insurance in the budget for the two key developments
- **As a next step, Boston 2024 will formally procure and retain a broker of record to seek actionable proposals, review alternatives and begin negotiations**

*Compare and improve upon Chicago 2016 proposed insurance plan*

Type	Chicago Coverage	Risks Typically Covered
Public Liability and Indemnity	\$500M	<ul style="list-style-type: none"> <li>• Third Party Bodily Injury</li> <li>• Third Party Property Damage</li> <li>• Third Party Personal Injury</li> <li>• Contractual Liability</li> </ul>
Event Cancellation	\$475M	<ul style="list-style-type: none"> <li>• Natural Hazards</li> <li>• War/Terrorism</li> <li>• Power Disruption</li> <li>• Non-Appearance</li> <li>• Labor Disputes</li> <li>• Infectious Diseases</li> </ul>
All-Risk Excess Coverage	\$500M	<ul style="list-style-type: none"> <li>• Additional insurance that covers all risks included in Public Liability, Event Cancellation, OCOG Agreement and Host City Contract Indemnity</li> </ul>
Venue Construction	~\$2B	<ul style="list-style-type: none"> <li>• Surety bonds and performance bonds guaranteeing cost as well as timely performance</li> <li>• Costs due to accelerated completion</li> </ul>
Trade Credit Insurance	\$50-\$100M	<ul style="list-style-type: none"> <li>• Covers sponsor failure to pay due to bankruptcy</li> <li>• Sponsorship default risk will decline over time, so annual premium will trend downwards</li> </ul>
Capital Replacement	Procured by contractors	<ul style="list-style-type: none"> <li>• Covers a potential loss of financing of developers during construction</li> <li>• Would replace investment funds developer was obligated to produce</li> </ul>

**Governor  
and State  
Legislature**

- The Governor and Legislative leadership have hired The Brattle Group to review all aspects of our financial and operational plans to ensure that we can host a privately-funded Games

**City of  
Boston**

- The Mayor's top financial staff is engaged in our efforts to ensure all details are transparent and sound
- We are providing detailed information to the City's Office of Olympic Planning to ensure that Boston will benefit long-term and that any planning efforts are in line with the City's overall goals
- We continue to participate in a series of hearings before the Boston City Council's Special Committee on Boston 2024
- We are meeting on an ongoing basis with the Boston Finance Commission

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*Key Questions*

- Can we run a privately-funded Games with a surplus?
- **Can we create a venue plan that is cost-effective and beneficial to our communities?**
- Can the city and state infrastructure handle the Games?
- Can we manage the security risk?

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## Venues selected based on five key criteria

-  **1 IOC requirements and athlete experience**
  - Each venue must match the specified technical and sporting needs as well as required capacity
-  **2 Community support**
  - Collaborating with the public on investments beneficial to communities
-  **3 Legacy benefits**
  - Each venue must have a lasting sport, public space or transportation benefit
-  **4 Cost**
  - Choosing venues that support feasibility of privately-funded Games
-  **5 Strengthens bid**
  - Identifying iconic sites that provide a superior athlete and spectator experience

## Next phase of venue planning, using pre-existing facilities wherever possible

● Significant Progress ● Moderate Progress ● TBD

Event	Proposed Venue	Pre-existing facility	Operating Budget <sup>1,2</sup>	Legacy use	Progress
Archery	Harvard Stadium	✓	\$9,192,280	University facility	●
Badminton	Agganis Arena (BU)	✓	\$5,228,000	University facility	●
Basketball – Finals	TD Garden	✓	\$6,435,000	Professional sports venue	●
Boxing	BCEC	✓	\$12,166,000	Convention center	●
Cycling – Road/Marathon	Copley	✓	\$10,227,000	Public streetscape	●
Fencing/ Taekwondo	Tsongas Center (UMass Lowell)	✓	\$7,479,000	University facility	●
Football – Finals/Rugby	Gillette Stadium	✓	\$13,931,000	Professional sports venue	●
Gymnastics – Artistic & Trampoline	TD Garden	✓	\$6,068,000	Professional sports venue	●
Gymnastics – Rhythmic	Agganis Arena (BU)	✓	\$1,130,000	University facility	●
Handball	DCU Center	✓	\$5,090,000	Public arena	●
Weightlifting	Matthews Arena (Northeastern)	✓	\$7,949,000	University facility	●
Judo/Wrestling	Conte Forum (BC)	✓	\$6,260,000	University facility	●

<sup>1</sup> Operating budget costs in 2016 dollars

<sup>2</sup> Total venue construction costs also includes \$50M for non-competition venues and \$12M for Emerald Necklace legacy plan

*Next phase of venue planning, using pre-existing facilities wherever possible*

● Significant Progress ● Moderate Progress ● TBD

Event	Proposed Venue	Pre-existing facility	Operating Budget <sup>1,2</sup>	Legacy use	Progress
Sailing	New Bedford	✓	\$26,756,000	Investment in Fort Taber Park	●
Shooting	Billerica	✓	\$26,531,000	Legacy training center	●
Table Tennis	BCEC	✓	\$15,089,000	Convention center	●
Volleyball – Indoor	BCEC	✓	\$21,839,000	Convention center	●
Tennis	Harambee Park		\$37,512,875	Tennis stadium, park land court upgrades	●
Canoe – Slalom	Deerfield River		\$30,780,000	Legacy training center	●
Hockey	Alumni Stadium (BC)	✓	\$13,495,000	University facility	●
Cycling – Mountain Biking	TBD	✓	\$15,688,000	Permanent mountain biking course	●
Equestrian – Jumping & Dressage	White Stadium	✓	\$37,777,000	Revitalized public stadium and track	●
Equestrian – Cross Country	Franklin Park	✓	\$26,059,000	Refurbished golf course and park lands	●
Modern Pentathlon	White Stadium	✓	\$6,740,000	Revitalized public stadium and track	●
Volleyball – Beach	Squantum		\$28,264,000	New park lands	●

<sup>1</sup> Operating budget costs in 2016 dollars

<sup>2</sup> Total venue construction costs also includes \$50M for non-competition venues and \$12M for Emerald Necklace legacy plan

*Next phase of venue planning, using pre-existing facilities wherever possible*

● Significant Progress ● Moderate Progress ● TBD

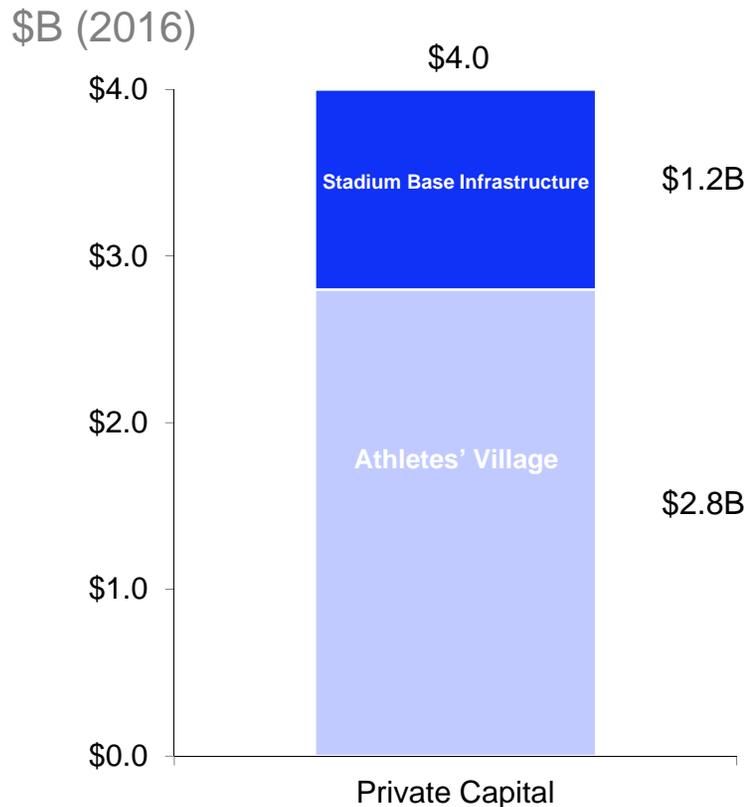
Event	Proposed Venue	Pre-existing facility	Operating Budget <sup>1,2</sup>	Legacy use	Progress
Aquatics – Diving	TBD	✓	\$11,656,000	TBD	●
Aquatics – Swimming & Synchro	TBD		\$69,528,500	TBD	●
Canoe – Sprint/Rowing	Merrimack River		\$44,584,000	Public recreation area	●
Water Polo	TBD		\$37,051,000	TBD	●
Triathlon/ Aquatics – Marathon	Herter Park	✓	\$11,900,000	Reinvestment in park lands	●
Golf	TBD	✓	\$24,535,000	TBD	●
Cycling – BMX	TBD		\$18,500,000	TBD	●
Cycling – Track	TBD		\$64,120,000	TBD	●
Basketball - Regionals	TBD		\$32,439,345	TBD	●
Olympic Stadium	Widett Circle		\$175,528,000	Midtown Development	●
Athletes’ Village	Columbia Point		\$89,772,000	Columbia Point Development	●
Int’l Broadcast Center/Main Press Center	TBD		\$50,500,000	TBD	●

1 Operating budget costs in 2016 dollars

2 Total venue construction costs also includes \$50M for non-competition venues and \$12M for Emerald Necklace legacy plan

*Three major development projects to be financed privately and leased for Olympic Games*

**Private Capital Investment Required for Games**



- Local development and real estate experts have been engaged in intensive analysis of the feasibility of projects at Widett Circle and Columbia Point that will temporarily support the Games and lead to future development.
- **Midtown Development Plan and Columbia Point Development Plan** include:
  - Project Plans
  - Infrastructure
  - Legacy Use
  - Financing
  - Permitting
- Meaningful risk mitigation strategies built into both plans, including but not limited to:
  - Above-market escalation costs
  - Contingency costs
  - Insurance coverage requirements, including capital replacement insurance, to be purchased by the developer

## *Leasing a temporary stadium for the Games followed by transformation of Widett Circle to new mixed-use neighborhood*



### Venue requirements

- 69,000 seat stadium
- Olympic-sized track with infield space for other athletic events
- Warm-up facilities adjacent to the main stadium
- Performance/staging capabilities for Opening and Closing Ceremonies
- Adequate broadcast and security space
- Accessibility from high-capacity transit lines

### Legacy vision and benefits

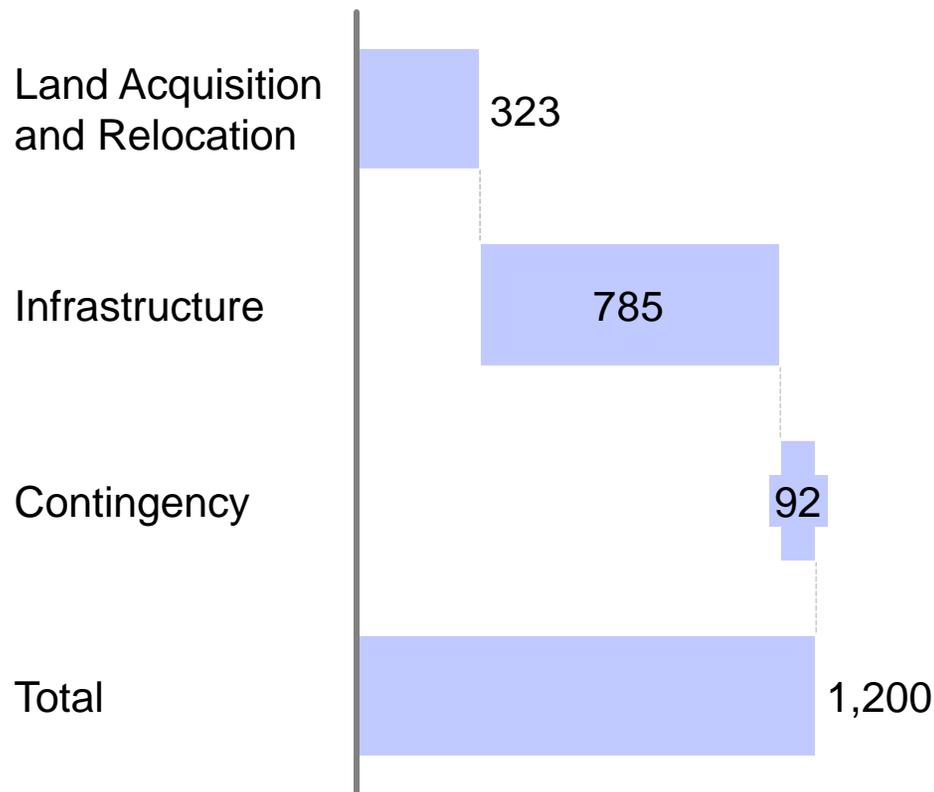
- 83 acres (18 blocks) of mixed use, transit-oriented residential and commercial development
- 7.9 million sq ft of development
- 15 acres of new, permanent park space
- New commuter rail station serving Fairmount Line paid for by developer
- Revitalized Dorchester Avenue with pedestrian and bike connections from South Station to South Boston
- Enhancements to Broadway Station

*Leasing a temporary stadium for the Games followed by transformation of Widett Circle to new mixed-use neighborhood*

**Financing and Risk Mitigation**

**Use of funds**

\$M



- Costs covered entirely by master developer
- Costs do not include \$176 million for a temporary stadium carried by the Boston 2024 operating budget
- Risks include higher than predicted costs for the land, relocation, and decking. Current land owners could refuse to negotiate reasonable value for property. Risks also include failure to deliver proposed rezoning or tax agreement.
- Methods to mitigate risk include:
  - Near-term finalization of land agreements and relocations
  - Cost reallocations between Boston 2024 and master developer to increase project rate of return
  - Comprehensive peer reviewed planning and professional construction management

## *Athletes' Village becomes safer, better-connected mixed-income housing and commercial center with waterfront access*



### Venue requirements

- 17,200 beds for Olympic and Paralympic athletes, trainers and coaches
- International cafeteria
- Health care and sports medicine facilities
- Training and warm up space
- Athletes' transportation hub
- International Plaza

### Legacy vision and benefits

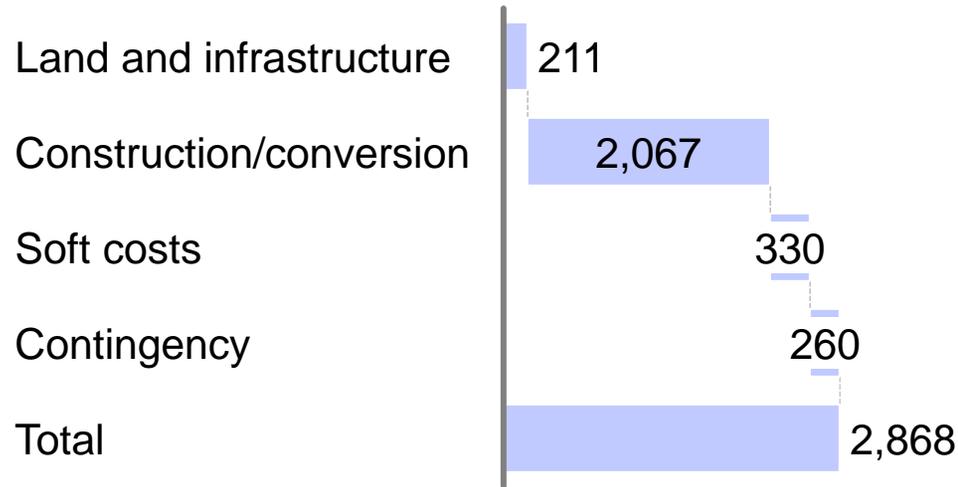
- 30 acres, 4 million sq ft of mixed-use, multi-generational development, including housing, retail and an innovation center and artisan workshop/gallery
- 2,700 new beds for UMass Boston, 3,000 units of mixed-use and affordable units
- 450 permanent jobs in retail and building operations and maintenance
- Direct and safe pedestrian and bike access from Dorchester to the waterfront
- Enhanced park and recreation facilities at Joe Moakley Park

*Athletes' Village becomes safer, better-connected mixed-income housing and commercial center with waterfront access*

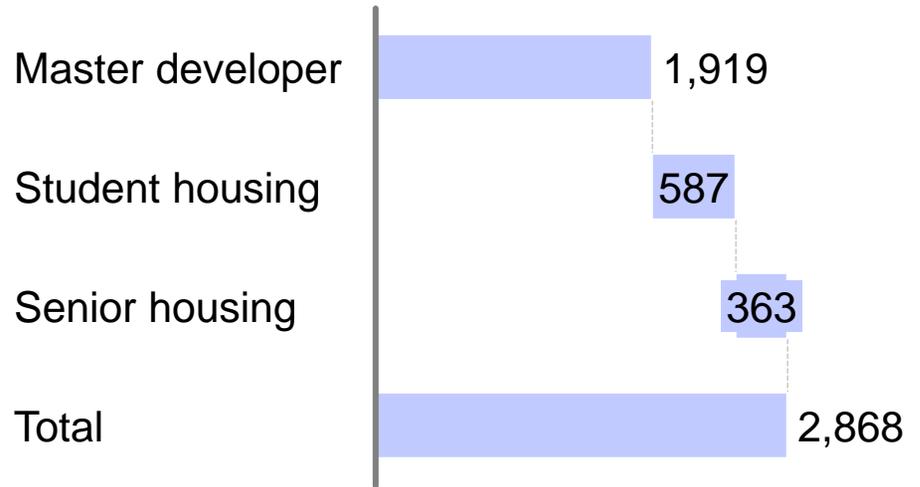
Athletes' Village

**Financing and Risk Mitigation**

**Use of funds**  
\$M



**Source of funds**  
\$M



- Risks include higher costs associated with Athletes' Village, failure to deliver proposed rezoning and tax agreements, lower revenue predictions or slower absorption rate of new residential property, and higher interest rates
- Methods to mitigate risk include:
  - Capital replacement insurance and surety bonds
  - Near-term procurement of proposed master developer to validate and assume risk
  - Comprehensive peer reviewed planning and professional construction management

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*Key Questions*

- Can we run a privately-funded Games with a surplus?
- Can we create a venue plan that is cost-effective and beneficial to our communities?
- **Can the city and state infrastructure handle the Games?**
- Can we manage the security risk?

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*Transport Analysis Overview*

- Consulted with transportation experts and advocates
- Quantified summer population changes
- Current transit system capacity
- Transit system capacity in 2024
- Impact of 2024 Games
- Current status of transportation improvements
- Next steps

*Our team deployed a rigorous approach in assessing infrastructure impacts as a result of the Games*

**Methodology**

- Reviewed operation of current MBTA system without Olympic Games impact
- Overlaid estimated Olympic Games demand at its peak (e.g., Saturday, Day 8 of the Games) and used midweek traffic counts as forecasted “supply”
- Pressure-tested analysis with VHB traffic consulting engineers

**Sources of Input**

- Boston Regional Metropolitan Planning Organization (MPO)
- Central Transportation Planning Staff (CTPS)
- CTPS Interstate counts 2011
- 2012 MBTA “Blue Book” ridership and service statistics
- 2014 MBTA Service Development Policy Manual
- Metropolitan Area Planning Council (MAPC)
- Hub & Spoke – Northeastern University

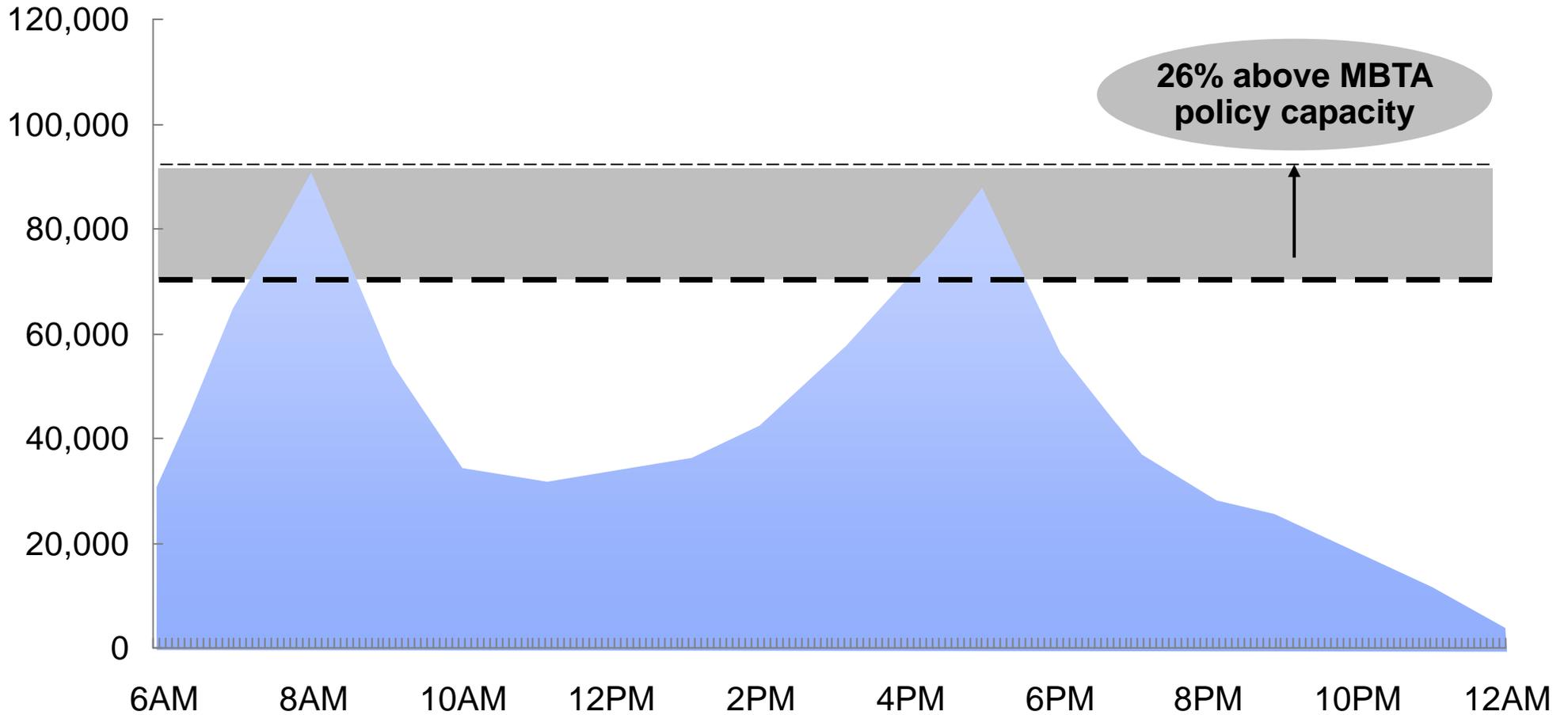
**Key Assumptions**

- Moderate annual growth rate of 1.5% to the year 2040 results in peak hour demand increase to nearly 73,000 passengers, exceeding existing system capacity
- 3.4% population growth between 2010-2024

*At rush hours, current MBTA ridership exceeds MBTA maximum policy capacity by 26%*

**2015 MBTA Ridership<sup>1</sup>**

# of boardings per hour – Red, Green, Orange and Blue lines



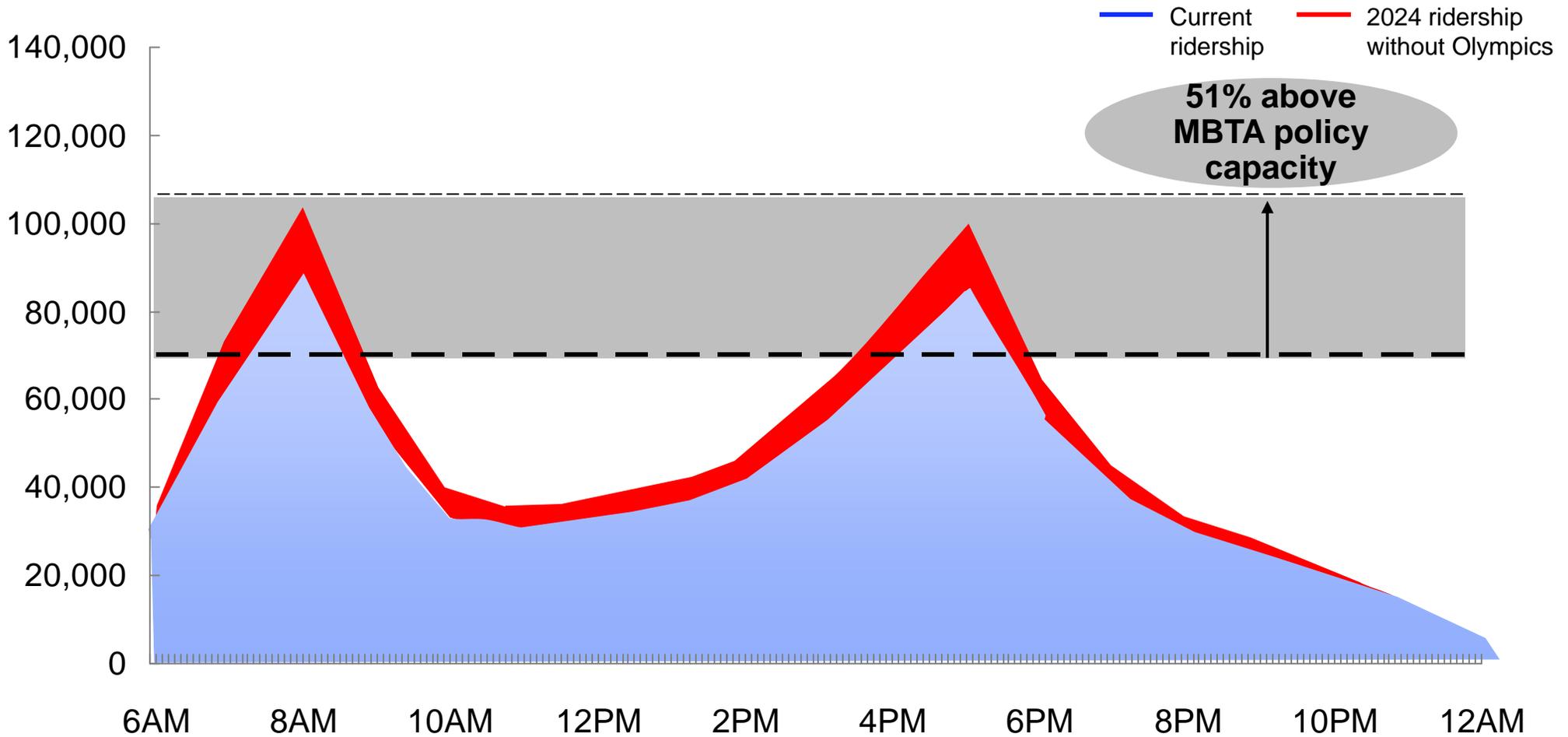
26% above MBTA policy capacity

<sup>1</sup> Ridership based on Thursday (busiest weekday) in summer months  
Source: VHB Consulting

*Without system improvements, rush hour demand in 2024 will exceed MBTA policy capacity by 51% even without the Games*

### 2024 MBTA Ridership without Improvements and without Olympics Games<sup>1</sup>

# of boardings per hour – Red, Green, Orange and Blue lines



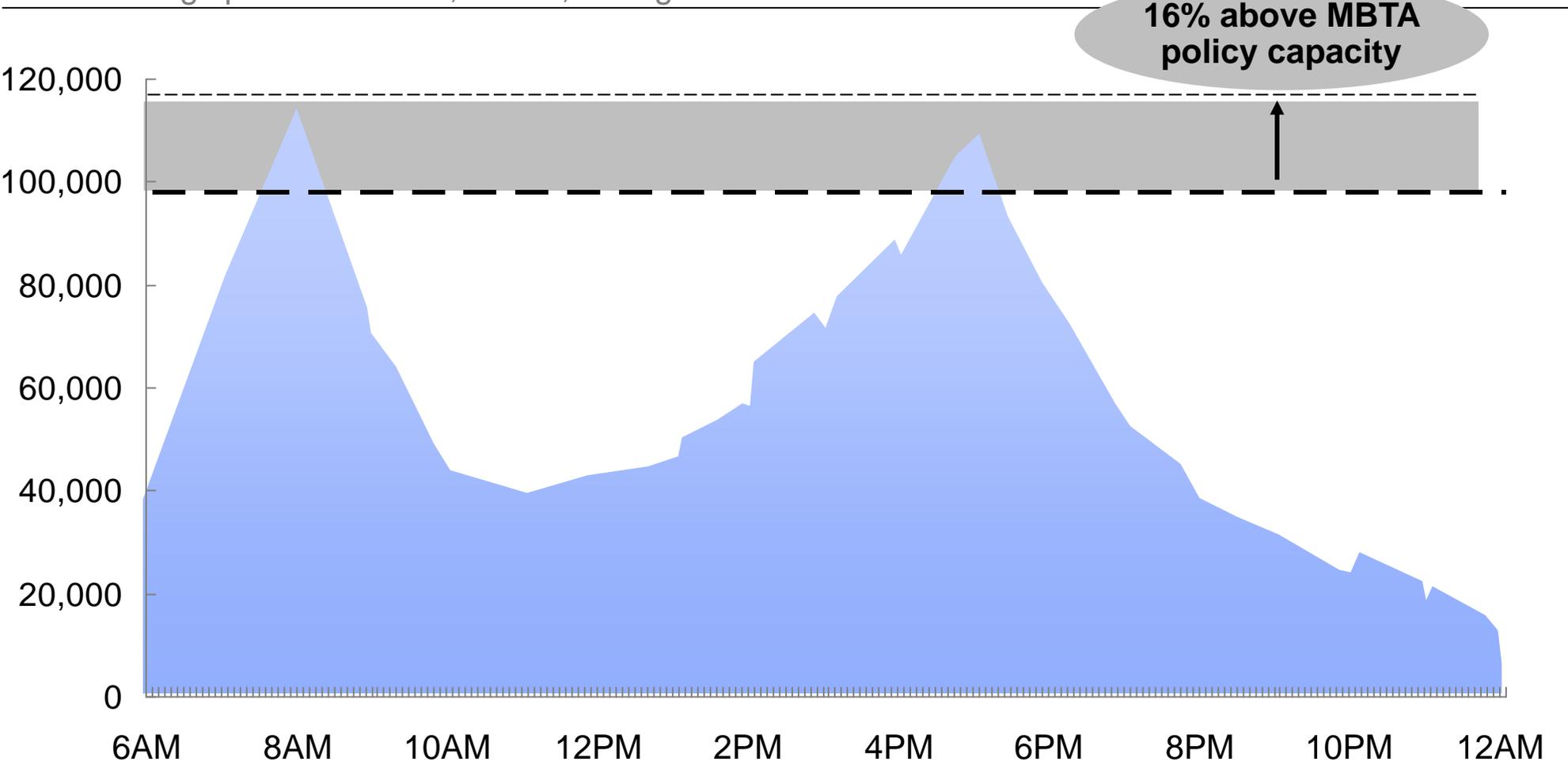
<sup>1</sup> Ridership based on Thursday (busiest weekday) in summer months

Source: VHB Consulting

*After system improvements, rush hour demand during the Games will exceed MBTA policy capacity by only 16%<sup>1</sup>*

**2024 MBTA Ridership with Improvements and with Olympics Games<sup>2</sup>**

# of boardings per hour – Red, Green, Orange and Blue lines



<sup>1</sup> System improvements are Red and Orange Line vehicle procurement and Red and Green Line power and signal upgrades

<sup>2</sup> Olympic ridership based on highest ridership day of the Olympic Games (Day 8)

Source: Boston 2024 Team analysis

*Infrastructure projects needed to support long-term growth*

Infrastructure

**Projects needed to support long-term growth**  
 \$M (Estimated costs)

	<u>Currently designed/ planned &amp; funded by Commonwealth</u>	<u>Unfunded &amp; necessary for regional growth irrespective of Games</u>
<b>Red Line &amp; Orange Line Vehicle Procurement</b>	801	-
<b>Commuter Rail Vehicle Procurement</b>	499	-
<b>Local Bus Vehicle Procurement</b>	356	-
<b>Transit System Power/Signal Upgrade (Green, Orange, Red Lines)</b>	321	-
<b>Additional Green Line Improvements (Power Signal Upgrades)</b>	-	350
<b>Additional Red Line Improvements (Power Signal Upgrades)</b>	-	105
<b>TOTAL</b>	<b>1,977</b>	<b>455</b>

*Infrastructure projects needed for legacy*

Infrastructure

**Projects needed for legacy value**  
 \$M (Estimated costs)

	Unfunded & necessary for regional growth irrespective of Games	In Columbia Point master plan & not funded	Games-specific & funded privately	Games-specific & Boston 2024 funded
<b>New Broadway T Station Entrance and Exit</b>	100	-	-	
<b>Kosciuszko Circle Improvements</b>	-	160	-	
<b>JFK Station Improvements</b>	-	60	-	
<b>Haul Road Reconfiguration</b>	-	-	30	
<b>Amtrak Wash Facility Modification</b>	-	-	10	
<b>Roads Around Olympic Stadium</b>	-	-	10	
<b>A Street Connection/Extension</b>	-	-	10	
<b>Mass Avenue Connector Extension</b>	-	-	10	
<b>Cabot Bus Facility Relocation</b>	-	-	61	
<b>New Commuter Rail Station at Widett Circle</b>	-	-	96	
<b>Columbia Point Village Interior Roads</b>	-	-	40	
<b>Legacy Venue Improvements</b>	-	-		72
<b>TOTAL</b>	<b>100</b>	<b>220</b>	<b>215</b>	<b>72</b>

## Vehicle traffic declines during the Games

### Los Angeles 1984

- **3% reduction in regular freeway traffic**
- **86% reduction in traffic below 35 mph**
- **14% reduction in truck traffic**
- 65% of tickets sold to Southern Californians decreasing rush hour traffic (with locals at the Games rather than at work)
- **97% of the companies staggered work hours** during the Olympic Games, compared to 19% before the Games

### Atlanta 1996

- **22.5% decrease in weekday morning rush hour traffic**
- 9.7% decrease in weekend morning rush hour traffic
- **2.8% decrease in total weekday 24-hour traffic counts**
- Rush hour spread out over a longer period than normal week day
- Peak flows 30 percent lower than normal weekdays

### Host cities deploy the following to reduce traffic during the Games:

- Mass media encouraging citizens and tourists to use public transportation and carpooling
- **Flexible hours** at local businesses
- **Rerouting** long-haul trucking around the city
- Intelligent highway systems technology
- **Manually-controlled traffic lights**
- New **one-way streets** in busy areas to create better flow

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*Transit planning is an ongoing process contingent on venue selection*

- Current analysis confirms infrastructure capacity to handle the Games with improvements to handle MBTA capacity
- Increasingly detailed analysis to support Olympic Games transportation will continue as venue locations are finalized
  - Analysis will move from system capacity to line capacity to station capacity level
  - Analysis will also overlay the Olympic and Paralympic Games schedule with the expected regional demand in summer of 2024
- More specific transit plans will be developed for each venue based on location and competition schedule

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*Key Questions*

- Can we run a privately-funded Games with a surplus?
- Can we create a venue plan that is cost-effective and beneficial to our communities?
- Can the city and state infrastructure handle the Games?
- **Can we manage the security risk?**

## *Expert-led security advisory committee examining major security issues*

### Security advisory committee

***Chaired by Juliette Kayyem, former Assistant Secretary for Intergovernmental Affairs at the Department of Homeland Security***

***Members include:***

- Michael Chertoff, former Secretary of **Homeland Security**
- Mike Brown, former Director, **Cybersecurity Coordination, Department of Homeland Security**
- Paul Evans, former **Boston Police Commissioner**
- David O'Connor, former **US Secret Service** Agent
- Rich Serino, former **FEMA** Deputy Administrator
- Mark Sullivan, former director of **US Secret Service**

### Planning already in process

- **Committee expanded** in late May and now holding monthly calls
- **Initial briefing** of federal, state and local authorities in second week of July
- **Discussions with USOC** federal government experts scheduled for late July
- Additional discussions with federal officials at DHS regarding NSSE designation late summer

*Anticipate that the federal government will lead Games security and provide necessary funding*

### **Boston 2024 expects to receive a designation as a National Special Security Event (NSSE)**

- In accordance with the **Presidential Protection Act of 2000**, NSSE designation **requires federal agencies to ensure the safety and security** of participants, attendees and the community around an NSSE.
  - **US Secret Service** – Lead agency, in charge of event security
  - **FBI** – In charge of intelligence and counter terrorism
  - **FEMA** – In charge of incident response management
- **NSSE designation process begins with a request from the Governor** to the Secretary of Homeland Security who then refers the decision to a three-member NSSE Working Group (composed of high ranking USSS, FBI and FEMA officials). The Secretary makes the final determination.
- **Past NSSEs events have included** (did not exist pre-9/11):
  - *2002 Salt Lake City Winter Olympic Games*
  - *G8 and NATO Summits*
  - *UN General Assembly meetings*
  - *Presidential nominating conventions and inaugurations*
  - *Presidential State of the Union addresses*
- **Federal funding for security will be required.** The federal government has authorized overtime expenses for local resources in past NSSEs and we anticipate the same here

Planning Process

Benefits

Risks

**Next Steps**

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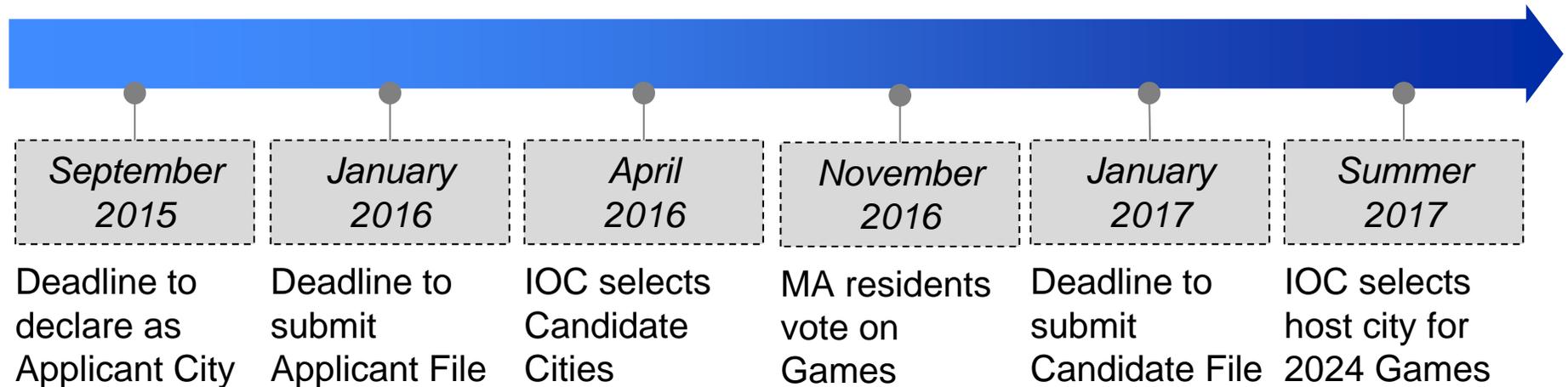
## *Bid 2.0: A winning plan for Boston*

- **From proof of concept to fact-based, detailed plan**
  - **Community engagement informs evolving plan**
  - **Budget** re-examined in a thorough and bottom-up process
  - **Insurance framework** in development to protect Massachusetts taxpayers beyond additional surpluses and contingencies in the budget
  - Extensive review of **city and state infrastructure**
  - Experienced professionals leading **security planning**
- **Significant benefits:** Driving economic development, catalyzing infrastructure, connecting communities, highlighting Boston as a global education, innovation and sports leader, and showing the unifying power of sport
- It's time to bring the Olympic and Paralympic Games back to the U.S., right here in Boston

*Continue community collaboration and evolution of bid*



- USOC Review: June 30



**International Olympic Committee milestones**  
 Key dates on the road to the selection of the 2024 host city

