

Assessing the Impacts of SunRail Stations on Property Values and Development

Phase 2 Property Value Analysis

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Executive Summary

In 2015, a team of faculty and students from Florida State University (the FSU Research Team) conducted a study to benchmark and quantify the property value changes and development-related tax revenues associated with the new SunRail commuter rail system in the Orlando Metropolitan Area.¹ The FSU Research Team used a paired case study approach to analyze property value and tax revenue changes at the parcel level for 1) areas around the twelve Phase 1 SunRail stations and 2) control areas with similar characteristics near the station areas but with no rail stations. The quantification of these development-related revenue streams can be a useful input into fiscal analyses of transit investments and may demonstrate that these systems offer a greater return on investment than traditional cost recovery measures might suggest.

The 2015 study found that SunRail investments have catalyzed new development around stations and yielded measurable economic benefits in the form of property tax increases from new transit-oriented developments (TOD). However, the development around stations was highly variable across the system, with some stations having experienced modest to substantial new development while others experienced no development of note. While SunRail stations generally outperformed their control areas, the system was so new that its impacts had not had time to be fully realized. Many of the proposed TODs were still in the planning or construction phase and had yet to be fully represented in the property tax rolls. As the system matures, the property value and tax revenue impacts are generally expected to increase.¹

In 2018, the Florida Department of Transportation (FDOT) contracted the FSU Research Team to conduct a follow-up study to update the 2015 assessment of SunRail's impact on property values and development. This follow-up study monitored SunRail's development impacts over the past two years to evaluate whether SunRail's tax revenue impacts were increasing over time. In addition, this study would extend the property value analysis to the four Phase 2 South stations which opened in July 2018 to uncover Phase 2's early effects and to provide a baseline for tracking SunRail's impacts over time. To ensure consistency with the previous results, the FSU Research Team utilized the same paired case study approach to analyze SunRail's property value and tax revenue impacts using the most recent 2016 and 2017 property tax roll data. This approach compares the growth of property values in SunRail station areas (the area within a half-mile of a station) to a control area with similar characteristics to estimate the tax revenue impacts that resulted from property value changes around the stations.

As detailed in this report, SunRail has proven to be a catalyst for positive property value growth. The sixteen station areas experienced \$2.4 billion (62.8%) in cumulative property value growth, outpacing their control areas by 22.9%. It is estimated that SunRail

contributed to as much as \$1.19 billion in property value growth. Even more promising is the fact that SunRail's impact on property values has increased as the system has matured. While the announcement and construction of SunRail showed early signs of positive property value effects, the rail line's property value impacts have escalated rapidly since service began in 2014. In this way, SunRail has provided promising indications that it may continue to spur development and boost local property values in the coming years.

SunRail's impact varied significantly from one station area to another. Property value outcomes of individual station area ranged from a 125.4% growth to a 0.3% decline. More urbanized station areas in Orange County, such as Church Street, Florida Hospital, and Winter Park, experienced very high growth in property values, resulting in the highest contribution to SunRail's property value increment. However, since there were broader economic forces and redevelopment initiatives at play in the Downtown and Hospital stations, further study would be required to determine exactly how much of this increment was directly attributable to SunRail. Suburban stations experienced more modest but notable value improvements, with the highest growth occurring in the study's second half.

The property value increases led to significant tax revenue impacts in the station areas. The annual tax revenue of all sixteen stations increased by a cumulative \$18.5 million between 2011 and 2017. However, the tax revenue results deviated considerably from trends observed in the property value analysis. Most notably, tax revenues increased at a slower rate than the property values, because a significant portion of the property value growth, especially in the hospital stations, occurred in tax exempt properties. Similarly, while the station areas experienced substantially more property value growth during the second half of the study period, tax revenue growth remained fairly consistent across the entire study period. In particular, the Downtown and Hospital station areas showed superior improvement in terms of property value increment, but this did not translate into high tax revenue generation as much of the property value growth was tax exempt. In this context, the Suburban station areas provided a better reflection of SunRail's influence on tax revenue, because they possess the highest baseline share in total estimated tax revenue from all the station areas.

Tax revenue growth was often driven by new multifamily and mixed-use TODs being constructed near stations. Closely examining how SunRail's impact varied from station to station, provided a deeper understanding of what factors shaped SunRail's property tax impacts by determining why new TODs were placed in a particular station area. Evidence suggests a mix of factors including the station's urban context (i.e. urban vs. suburban, Orange vs. Seminole County), the area's predisposition to TOD (i.e. neighborhood setting, land use mix, and infrastructure), and the local government commitment to TOD (i.e. supportive land use planning and infrastructure investments) contributed to the relative success of redevelopment efforts around SunRail stations.

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Chapter 1: Introduction

Transit systems in the US generally require public subsidies in order to sustain services. According to the 2016 National Transit Database, farebox revenues in the US only covered 36% of operating costs and almost none of the capital costs.² The total amount of annual public transit subsidies in the US has reached more than 48 billion dollars.² While many would argue that these subsidies are justified by the public benefits of transit provision (e.g., providing mobility to disadvantaged groups and reducing the negative impacts of driving), the non-monetary nature of the benefits makes such justifications difficult. Robust support of transit investments among policy makers and the general public would come more easily if transit systems could demonstrate positive fiscal impacts beyond those achieved through fare box returns.¹

Other than direct operating revenues generated largely from fares, transit systems may also generate additional public revenues through development impacts around transit stations and along transit routes. This revenue can take the form of increased property taxes, sales taxes, and impact fee revenues associated with new development attracted to station areas. The advantage of capturing these increased values is that they can be captured and used to support the transit services long-term. The quantification of these indirect, development-related revenue streams can be a useful input into fiscal analyses of transit investments, and may help demonstrate that these systems offer a greater return on investment than traditional cost recovery measures might suggest. In addition to these revenue streams, the rail system also helps to revitalize lack-luster neighborhoods, creating vibrant, active, thriving communities.¹

In 2014, Phase 1 of the SunRail commuter rail line began providing weekday service to 12 stations in the greater Orlando area. This system runs 32 miles north-to-south from Debary to the Sand Lake Road area connecting Downtown Orlando to numerous urban centers and suburban communities (Figure 1). SunRail's second phase, which opened in July 2018, expanded service 17 miles south to four additional stations: Meadow Woods, Tupperware, Kissimmee, and Poinciana Stations

Since it opened, SunRail has faced many of the same challenges experienced by transit systems across the country. In particular, ridership has remained lower than originally projected,³ requiring federal, state, and local funding to remain operational. However, in addition to providing mobility to disadvantaged groups and relieving traffic congestion on I-4, SunRail has caused notable TODs to be constructed within easy access of stations all along the rail line.

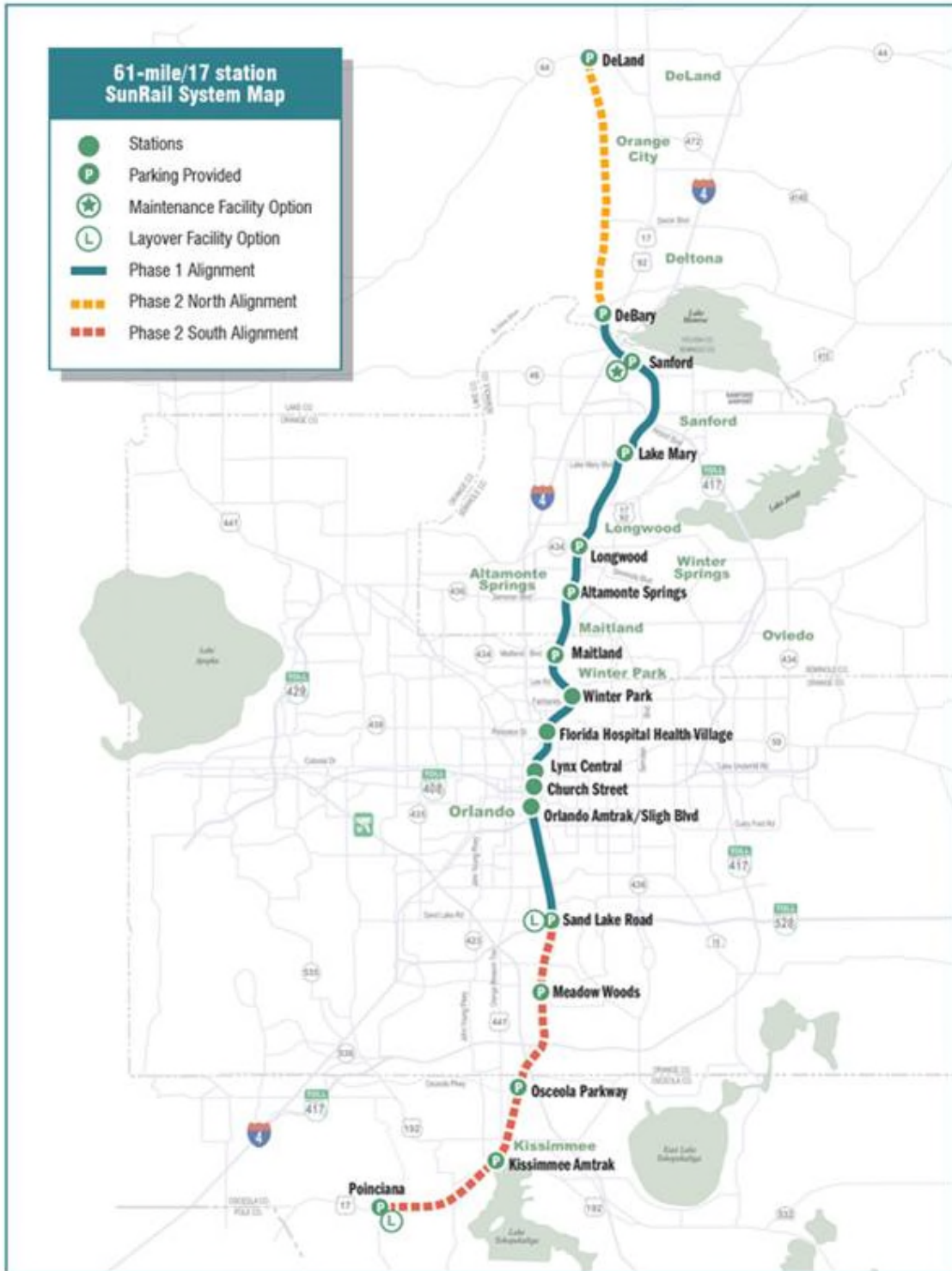
In 2015, FDOT sponsored a team of faculty and students from Florida State University to conduct a study to benchmark and quantify the property value impacts and development-related tax revenues associated with the SunRail system.¹ The recent construction of the SunRail system provided a perfect opportunity to assess the development and property value impacts of transit investments from proposal to implementation. This would also identify whether the TOD associated with SunRail generated additional public revenues, with the ultimate goal of helping to provide a more accurate assessment of SunRail's positive fiscal impact.

This previous study found that SunRail has brought substantial positive property value impacts – and by extension increased property taxes – to the affected jurisdictions.¹ However, SunRail's impacts varied significantly between stations.¹ While the results indicated that SunRail stations generally outperformed their control areas, SunRail was so new that its impacts had yet to be fully realized. Many of the proposed TODs were still in the planning or construction phase and were not fully represented in the property tax rolls.

In 2018, FDOT contracted the FSU Research Team to conduct a follow-up study to update the previous study and to evaluate whether SunRail's development and tax revenue impacts were increasing over time. This follow-up study included two major tasks. The first task updated the tax revenue analysis for SunRail's twelve Phase 1 stations to measure the impacts over the past two years since the previous study ended. The second task was to extend the property value analysis to the four Phase 2 South stations which opened in July 2018.

This report summarizes the findings of the FSU Research Team's assessment of SunRail's impacts on property values and development-related tax revenues associated with both Phase 1 and Phase 2 SunRail station areas. More specifically, Chapter 2 outlines the methodology used to evaluate the property value changes and tax revenue impacts in each station area. Chapters 3 and 4 then summarize the findings of the updated Phase 1 analysis. Chapter 3 provides the results of the property value and tax revenue analysis and how SunRail's impact has amplified as the rail line progressed from proposal through construction and implementation. Chapter 4 summarizes a more in-depth, station-by-station analysis of the dynamics shaping SunRail's impact on individual station areas. The station-by-station property value analysis also provides insights into why SunRail has had a greater impact on some station areas than others. Chapters 5 and 6 then provide a similar analysis for the Phase 2 station areas with Chapter 5 outlining the Phase 2 property value and tax revenue analysis and Chapter 6 providing a station-by-station analysis of the four Phase 2 stations.

Figure 1: SunRail Commuter Rail System Map



Source: FDOT, 2015⁴

Chapter 2: Property Value and Tax Revenue Analysis

Methodological Approach

To benchmark and quantify the property value changes and development-related tax revenue associated with the new SunRail commuter rail system, the FSU Research Team utilized a paired case study approach. Under this approach the property value changes and tax revenues at the parcel level were analyzed for 1) areas around SunRail stations (the experimental group) and 2) control areas with similar characteristics, but no rail station investment (the control group). This section outlines the steps the FSU Research Team took to conduct this analysis.

2.1 Station Area and Control Area Selection

Parcel data for the four counties comprising the study area, Volusia, Seminole, Orange, and Osceola were obtained from each county's respective property appraiser. Parcel datasets were collected for each year within the study period 2011 – 2017. Based on common conventions established by the literature, station areas were assumed to be the locations within a half-mile radius of a given SunRail stop. Geographic Information Systems (GIS) buffering operations were used to capture the subset of parcels within each county that fall within a half-mile radius of a given SunRail Station.

Control areas were systematically selected for each SunRail station area in order to help discern whether changes to overall property values were related to SunRail's presence or were influenced by unrelated market trends. Changes that occurred in control areas during the same period were considered to be unrelated to the presence of the rail system. Changes that occurred in the station areas that went above and beyond what occurred in the control areas were considered to have been influenced by SunRail.

For the Phase 1 stations, the FSU Research Team utilized the same control areas that were selected during the original study. To select control areas for the Phase 2 stations, the research team employed the same methodology that was used to select the Phase 1 control areas in 2015. The control areas were selected using a minimum difference analysis that compared 10-15 candidate control areas to the station area over a range of factors including demographics, socioeconomics, land use patterns, and the regulatory environment. The candidate area with the greatest similarity to the characteristics of the station area was identified as the control area (Figure 2). The identified candidate area was then verified by local planning staff as a viable control area for each station. For a complete description of the minimum difference analysis used to select comparable control areas, please see Chapter 2 of the FSU Research Team's original report that benchmarked and quantified SunRail's property value impacts.¹

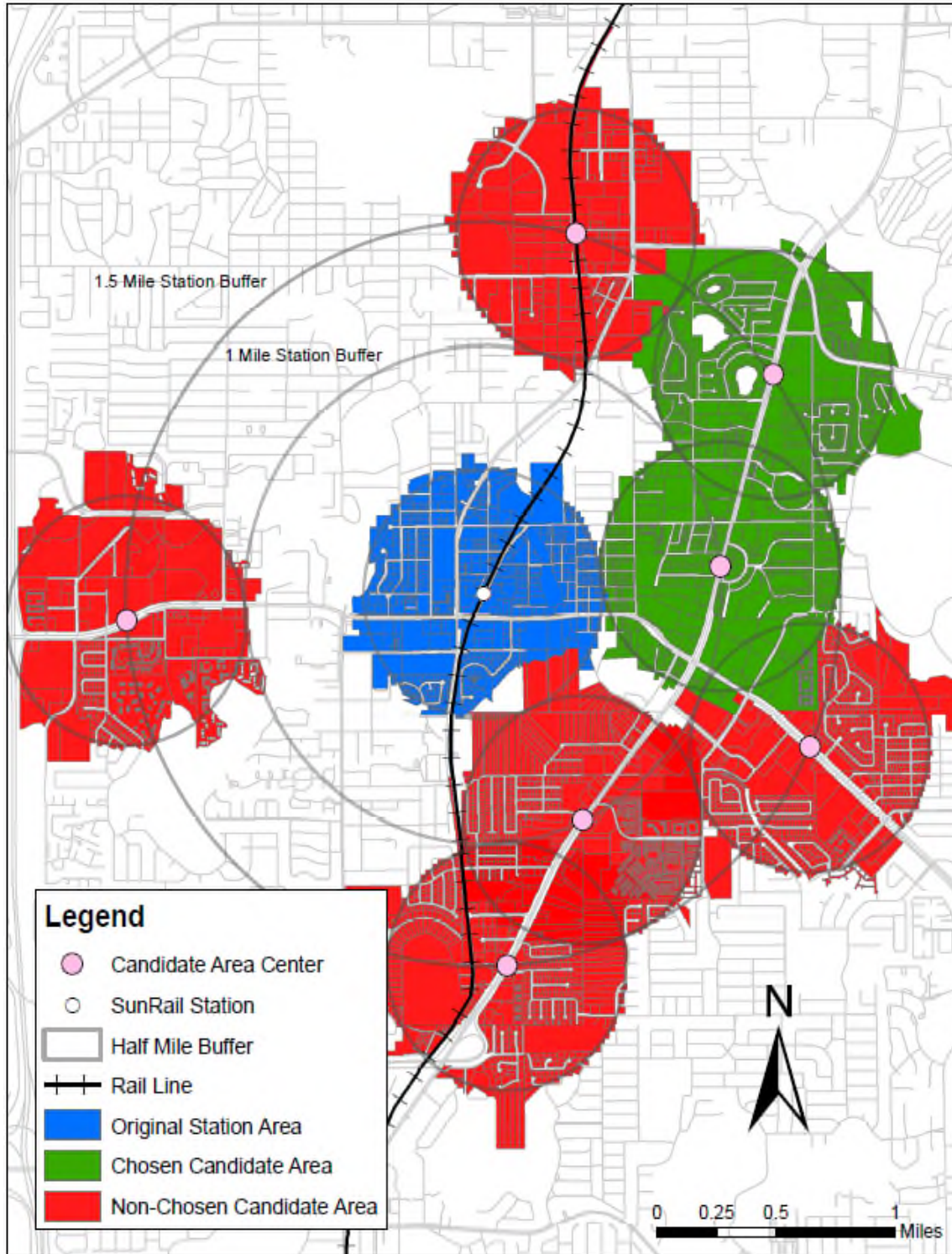


Figure 2: Control Area Candidate Selection Methodology Schematic

Like the station areas, half-mile buffer areas were created around the control area centroids, which were then considered to be the station areas' corresponding control area. However, since there is no area in Orange County that has a similar urban form to

Downtown Orlando proper, the control areas for the LYNX and Church Street stations were created using a different methodology. For these stations, quarter-mile buffers around each station were used to create the station areas, and all of the parcels within Downtown Orlando that lay outside of these station areas were taken for use as comparison against these two station areas, forming the control area.¹

2.2 Property Value and Tax Revenue Analysis

Using the parcel-level property tax roll data obtained from each of the four counties in the study area, the FSU Research Team aggregated the assessed property values by each station and control area. As described in the 2015 study,¹ the FSU research team used the parcel's assessed value as the primary unit of measure instead of the taxable value for the property value analysis in order to capture SunRail's full impact on the property values. Since the taxable value deducts exemptions from the assessed value based on characteristics of the property's owner or land use, using the taxable value could understate SunRail's total impact on property values in station areas where exemptions are more prevalent. More importantly, the assessed value provided a truer comparison between the station area and the control area, by accounting for tax exemptions. Using the assessed value ensured the comparison between the station area and the control area was based on the desirability of the land and the value of improvements instead of being based on changes to a property's exemption status.¹

To calculate the estimated tax revenue for each station and control area, the taxable value of each parcel was multiplied by their respective millage rate. The estimated tax revenues for each parcel were then aggregated to the station/control area level. The research team used the taxable value to estimate SunRail's impact on tax revenues because the taxable value accounts for tax exemptions and consequently provides a more accurate estimation of the tax revenue collected by local governments.

Unfortunately, taxable value data was not available for stations within Seminole and Volusia Counties (Debary, Sanford, Lake Mary, Longwood, and Altamonte Springs). For these stations the assessed value was used to calculate the tax revenue instead of the taxable value. Since the assessed value does not subtract out the exemptions, using the assessed value consistently overestimated the tax revenue generated by approximately 10-15%. However, these overestimations are largely cancelled out when comparing the station area to the control because each control area was located in the same county as its respective station area and therefore utilized the same type of property values.¹

To calculate how much the SunRail station areas outperformed their control areas, the research team estimated how the assessed property values in each station area would have performed assuming it grew at the same rate as its control area between 2011 and 2017. To do this, the control area's annual growth rates for the estimated property value

per acre were applied to the station area's estimated property values per acre in 2011. Multiplying this by the station area's acreage provided an estimate of the station area's property values for each year in the study period assuming it grew at the same rate as the control area. The difference between the station area's actual property values and the estimated property values without SunRail was then calculated to find the incremental property value changes relative to the control areas.¹

Chapter 3: Results of the Phase 1 Property Value Analysis

This section highlights the property value changes of SunRail stations and control areas, along with the estimated tax revenue variations over the study period. To better understand the property value and tax revenue variations, the changes in per acre property values and tax revenues of different stations as well as the control areas are assessed for three time periods: 2011-2014, 2014-2017 and 2011-2017. The time span of 2011-2017 represents the aggregate changes in property value and tax revenue during the entire period of SunRail's grant agreement, development and operation; the period of 2011-2014 captures the changes in property value and tax revenue from the approval of grant agreement for Phase 1 until the commencement of its operation; and 2014-2017 marks the starting of SunRail Phase 1 operation and its subsequent effect on the property value and tax revenue outcomes.

Overall, SunRail has proven to be a catalyst for positive property value growth. As new TODs have been constructed in close proximity to rail stations, it is estimated that SunRail has contributed to as much as \$1.19 billion in property value growth across the 12 station areas. Yet SunRail's impact varied significantly from one station area to another, with property value outcomes of individual station areas ranging from 125.4% to -0.3% change. More urbanized station areas in Orange County, experienced substantial growth in property values, with the highest growth occurring in the second half of the study. Since these impacts have increased as the system has matured, SunRail may continue to improve local property values in the coming years. This property value growth contributed to significant property tax revenue impacts as the cumulative tax revenue of all twelve stations increased by \$18 million. However, tax revenues increased at a slower rate than the property values, because much of the property value growth, especially in the hospital stations, was tax exempt.

3.1 Changes in Cumulative Property Values

Key Findings:

- SunRail has been a catalyst for positive property value growth
- Station areas experienced a \$2.4 billion of cumulative property value growth (62.8%) outpacing their control areas by 22.9%
- SunRail’s impact has increased over time, escalating rapidly after service began in 2014

Table 1 summarizes the changes in property value across all twelve station areas and their control areas over the study period, 2011-2017. During this period, the SunRail station areas experienced a 62.8% increase in their cumulative property value per acre, outpacing the control areas’ property value increase by 22.9%. Table 1 shows that the greatest surge in the station areas’ cumulative property value occurred in 2012 when the assessed value grew by 15.9%. This noteworthy property value increase reflects the recovery of the national economy, the return of a robust real estate market in Florida, and the impact of the SunRail grant agreement that was ratified in 2011.

Table 1: SunRail Phase 1 Station Area’s and Control Area’s Cumulative Property Value by Year, 2011-2017

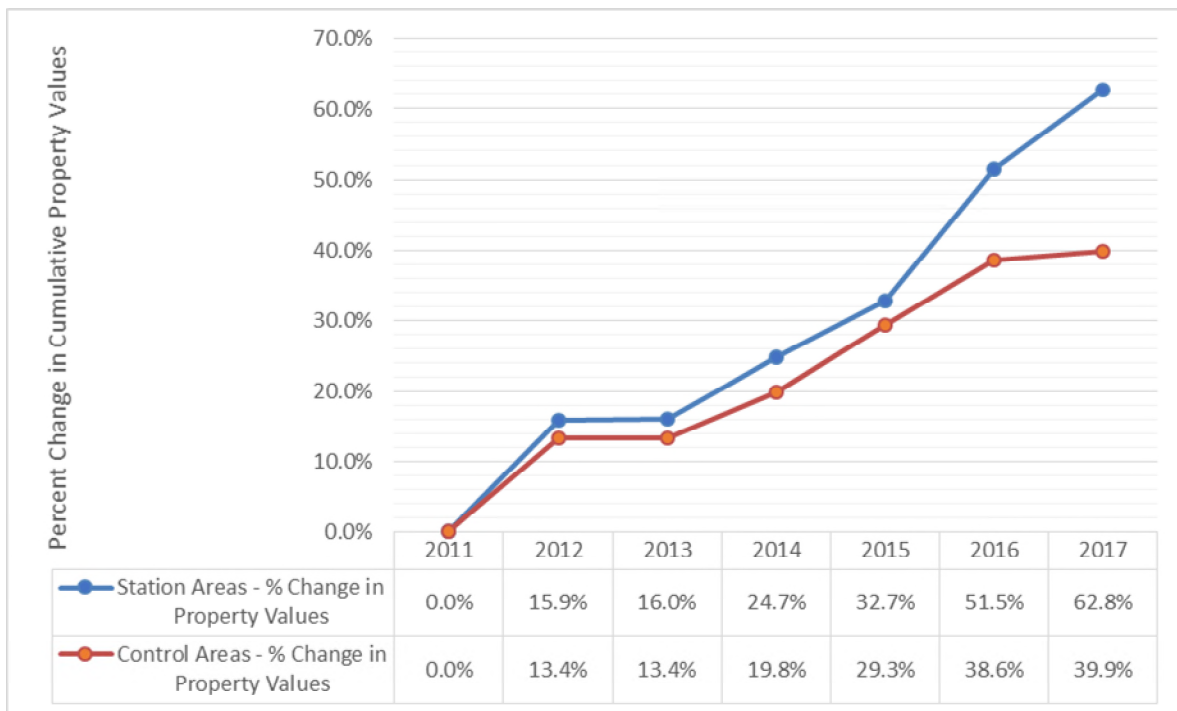
Year	Station Areas			Control Areas		
	Assessed Value	Assessed Value per Acre	% Change	Assessed Value	Assessed Value per Acre	% Change
2011	\$3,861,380,659	\$539,256		\$5,207,183,802	\$619,754	
2012	\$4,476,967,572	\$625,225	15.9%	\$5,905,114,774	\$702,821	13.4%
2013	\$4,477,308,841	\$625,273	0.0%	\$5,905,846,405	\$702,908	0.0%
2014	\$4,816,086,780	\$672,584	7.6%	\$6,236,834,256	\$742,302	5.6%
2015	\$5,123,596,723	\$715,529	6.4%	\$6,734,715,950	\$801,559	8.0%
2016	\$5,848,845,335	\$816,813	14.2%	\$7,214,746,515	\$858,692	7.1%
2017	\$6,287,423,647	\$878,062	7.5%	\$7,286,539,265	\$867,237	1.0%
Total Change	\$2,426,042,988	\$338,806	62.8%	\$2,079,355,463	\$247,483	39.9%

When comparing the station areas’ cumulative property value increase against the control areas’ cumulative increase, Table 1 illustrates that the station areas’ property values grew at a faster rate every year except for 2015. In the past two years, the station areas outperformed the control areas by a greater amount (14.5%) than any other consecutive two-year period. In 2016, the station areas exhibited their second highest property value growth rate (14.2%), doubling the property value growth of the control

areas (7.1%). In 2017, property values in the station areas increased by 7.5% compared to only 1.0% in the control areas.

Figure 3 provides a picture of how the station areas have grown faster than the control areas over time. This indicates that SunRail’s impact on property values are increasing as the system matures and could signal continued property value growth in the future. From 2011 to 2017, property values grew 23% faster in the station areas than in the control areas, providing a strong indication that SunRail has contributed to the rapid property value growth in the station areas.

Figure 3: Percent Change in Cumulative Property Values for Station and Control Areas



3.2 Changes in Station Area Property Values

Key Findings:

- Property value outcomes varied significantly between station areas, ranging from 125.4% to -0.3% change
 - Church Street, Florida Hospital, and Winter Park, witnessed extremely high property value growth (over 70%)
 - All but three of the station areas outperformed their control areas (Debary, Lake Mary, and Altamonte Springs)
 - Five station areas (Maitland, Longwood, Maitland, Florida Hospital, and Church Street) grew more than twice as fast as their respective control areas
-

The previous section showed how SunRail has had a significant impact on the cumulative property values of the rail line as a whole. However, SunRail's impact on individual station areas varied significantly. This section provides a detailed breakdown of property value per acre variations for individual station and control areas. Tables 2 through 4 illustrate the changes in assessed value per acre of the station and control areas for three time periods of interest (2011-2014, 2014-2017 and 2011-2017). Along with the numerical changes in property values per acre, these tables also compare the station and control areas regarding the overall performance of their property values. In these tables, the station areas labeled in green outperformed their control areas with higher property value per acre growth or less property value per acre decline.

Table 2 represents the influence that the funding and construction of SunRail may have had on the property values of the station and control areas. Even before SunRail service began in 2014, the majority of station areas had already exhibited a positive property value changes. From 2011 to 2014, only three station areas experienced a decline in assessed property value per acre, compared to five control areas. More importantly, seven station areas outpaced their corresponding control areas (labeled in green). The per acre property value of three station areas, namely Church Street, Florida Hospital and Winter Park, outpaced their respective control areas by a large margin. Each of these station areas outperformed their control areas by at least 23%.

Table 2: Total Property Value per Acre Change for All Station and Control Areas, 2011-2014

Assessed Value per Acre Change, 2011 - 2014				
Station	Station Area		Control Area	
	Dollar Change	% Change	Dollar Change	% Change
Debary	-\$445	-5.1%	\$187	1.9%
Sanford	\$19,269	11.2%	-\$27,883	-8.0%
Lake Mary	\$11,516	5.2%	\$41,546	13.8%
Longwood	-\$19,236	-5.0%	-\$6,342	-2.9%
Altamonte	-\$11,259	-3.3%	-\$19,052	-5.5%
Maitland	\$48,091	12.3%	-\$3,146	-0.7%
Winter Park	\$562,655	40.4%	\$93,424	13.7%
FL Hospital	\$486,072	41.1%	\$51,292	5.9%
LYNX	\$425,801	9.9%	\$808,895	30.2%
Church	\$3,523,116	53.4%	\$808,895	30.2%
Orlando Health	\$133,806	8.6%	-\$931	-0.3%
Sand Lake	\$2,360	1.0%	\$18,689	5.7%

*Stations in **Green** cells outperformed their control areas during the period of analysis.

Once SunRail opened, the rail line's property value impacts became more pronounced. All but four of the station areas outperformed their control areas in the second half of the study, including four station areas whose property values grew twice as fast as their respective control area's (Table 3). Property values in all 12 station areas grew between 2014 and 2017, but four station areas (Sanford, Lake Mary, Altamonte Springs, and Orlando Health) were outperformed by their respective control areas during this phase. Yet, four of the five station areas that underperformed in the first half of the study (Table 2), recovered in the second phase (2014-2017). Lake Mary was the only station area that was outperformed by its control area in both time periods. However, this was not due to a lack of property value growth in Lake Mary, as the station area exhibited 35.7% property value growth per acre over the entire study period.

Assessing the individual performance of station areas in Table 3 reveals that the Church Street station area had the highest growth of any station (46.9%) between 2014-2017, followed by Florida Hospital (40%) and LYNX (39.8%). While the Downtown stations are exhibiting the highest property value growth, SunRail's impact is not limited to the downtown stations. Several suburban stations, including Lake Mary, Longwood, and Winter Park, grew by over 20% since SunRail service began. Similarly, the Debary station area exhibited better property value outcomes in the second half of the study period, outperforming its control area by 3.1%.

Table 3: Total Property Value per Acre Change for All Station and Control Areas, 2014-2017

Assessed Value per Acre Change, 2014 - 2017				
Station	Station Area		Control Area	
	Dollar Change	% Change	Dollar Change	% Change
Debary	\$870	10.6%	\$741	7.5%
Sanford	\$13,679	7.2%	\$55,649	17.2%
Lake Mary	\$67,615	29.0%	\$116,426	33.9%
Longwood	\$104,061	28.4%	\$29,833	14.2%
Altamonte	\$10,109	3.1%	\$25,369	7.8%
Maitland	\$50,477	11.5%	\$48,879	10.9%
Winter Park	\$460,861	23.6%	\$162,372	20.9%
FL Hospital	\$670,752	40.2%	\$178,229	19.2%
LYNX	\$1,881,153	39.8%	\$563,708	16.2%
Church	\$4,750,450	46.9%	\$563,708	16.2%
Orlando Health	\$327,232	19.3%	\$74,306	22.8%
Sand Lake	\$33,635	14.2%	\$19,087	5.5%

*Stations in **Green** cells outperformed their control areas during the period of analysis.

Table 4 depicts the cumulative changes in property value by station area across the entire study period (2011-2017), along with their performance with respect to their control areas. Property value outcomes of individual station areas ranged from a 125.4% growth to a 0.3% decline. Over the whole study period, nine station areas outperformed their control areas, including all seven station areas from Orange County. Four station areas (Maitland, Winter Park, Florida Hospital, and Church Street) outperformed their respective control areas in all three study periods (Tables 2-4). Furthermore, the Church Street and Florida Hospital station displayed outstanding growth in assessed property value per acre (125.4% and 97.7% respectively) over the entire study period, 2011-2017 (Table 4). The only three station areas that lagged behind their control areas were Debary, Lake Mary, and Altamonte Springs. Despite positive growth during the second half of the study (Table 3), the Altamonte Springs station area was the only station area that experienced a cumulative decline in property values.

Table 4: Total Property Value per Acre Change for All Station and Control Areas, 2011-2017

Assessed Value per Acre Change, 2011 - 2017				
Station	Station Area		Control Area	
	Dollar Change	% Change	Dollar Change	% Change
Debary	\$425	4.9%	\$928	9.6%
Sanford	\$32,948	19.2%	\$27,766	7.9%
Lake Mary	\$79,131	35.7%	\$157,972	52.3%
Longwood	\$84,825	22.0%	\$23,490	10.9%
Altamonte	-\$1,151	-0.3%	\$6,317	1.8%
Maitland	\$98,568	25.1%	\$45,733	10.1%
Winter Park	\$1,023,516	73.5%	\$255,796	37.5%
FL Hospital	\$1,156,824	97.7%	\$229,521	26.2%
LYNX	\$2,306,954	53.7%	\$1,372,603	51.3%
Church	\$8,273,566	125.4%	\$1,372,603	51.3%
Orlando Health	\$461,038	29.5%	\$73,375	22.4%
Sand Lake	\$35,996	15.3%	\$37,776	11.5%

*Stations in **Green** cells outperformed their control areas during the period of analysis.

3.3 County Variations in Station Area Performance

Key Findings:

- Orange County experienced significantly higher growth than Seminole or Volusia County
- Urban areas that were prime for TOD saw higher property value growth
- Suburban stations experienced more modest but notable value improvements
- SunRail is transforming development patterns in suburban areas ranging from single-family homes to multifamily and mixed-use apartments

Displaying multiple metrics, Table 5 presents changes in property values for all twelve station areas and control areas for the period 2011-2017. This table also identifies station areas by their home county, which proved to be an important factor in understanding their relative growth and/or decline in property values over this time period. These differences are likely due in part to the level of urbanization in each county. Orange County is the most urban county, while stations in Seminole and Volusia counties become progressively more suburban and exurban as they move farther north. Stations in more urbanized areas tended to have faster property value growth as they were prime areas for TOD. However, several suburban station areas saw notable shifts in

development patterns from single-family homes to multifamily and mixed-use apartments. But these areas are less likely to attract 100+ million dollar developments, like the Amway Center, that drove the property value growth in many of the urban station areas. Consequently, suburban areas generally experienced more modest property value growth.

According to Table 5, all 12 station areas accumulated a combined \$2.4 billion of property value growth over the study period, of which more than 95% was contributed by the Orange County station areas. As seen from Table 2, the Orange County station areas achieved greater property value growth than the other counties' stations by outperforming their control areas between 2011 and 2014, a time when the majority of station areas from Volusia and Seminole Counties were struggling. This higher growth rate among Orange County's station areas during the first phase of the study allowed them to quickly recover from the property value loss that occurred during the recession (2007-2011), and later accumulated a \$2.3 billion property value increase by the end of 2017 (Table 5).

During this seven-year study period, the five station areas located the Seminole and Volusia counties gathered a combined \$102.1 million in property values, with a decline of \$543 thousand in the Altamonte Springs station area. More promising than the modest property value growth experienced in these two counties is how the property value outcomes have improved significantly over the last decade. Between, 2007 and 2011, the five station areas located within these two counties lost \$139.6 million in the property values, owing to the national economic recession and the real estate market crash. Since 2011, these station areas have experienced a remarkable recovery fueled in part by SunRail-oriented developments. Particularly in the last three years property values in many of these areas have steadily increased over and above their control areas.

Table 5: Summary of Property Value Changes for all 12 SunRail Station Areas Between 2011 and 2017

Station	Station Area			Control Area		
	Total Change in Property Value	Total Change in Value per Acre	% Change in Value per Acre	Total Change in Property Value	Total Change in Value per Acre	% Change in Value per Acre
Debary	\$1,045,057	\$425	4.9%	\$2,204,311	\$928	9.6%
Sanford	\$22,171,166	\$32,948	19.2%	\$14,821,749	\$27,766	7.9%
Lake Mary	\$39,543,125	\$79,131	35.7%	\$99,674,115	\$157,972	52.3%
Longwood	\$39,399,662	\$84,825	22.0%	\$13,185,064	\$23,490	10.9%
Altamonte Springs	-\$543,417	-\$1,151	-0.3%	\$3,151,117	\$6,317	1.8%
Maitland	\$57,422,697	\$98,568	25.1%	\$24,661,865	\$45,733	10.1%
Winter Park	\$438,832,504	\$1,023,516	73.5%	\$160,611,443	\$255,796	37.5%
FL Hospital	\$496,925,359	\$1,156,824	97.7%	\$101,434,310	\$229,521	26.2%
LYNX	\$256,256,410	\$2,306,954	53.7%	\$800,296,458	\$1,372,603	51.3%
Church street	\$867,317,960	\$8,273,566	125.4%	\$800,296,458	\$1,372,603	51.3%
Orlando Health	\$190,611,724	\$461,038	29.5%	\$41,667,634	\$73,375	22.4%
Sand Lake	\$18,728,468	\$35,996	15.3%	\$17,350,939	\$37,776	11.5%

*Dotted lines indicate County borders

3.4 SunRail's Property Value Increment

Key Findings:

- SunRail contributed up to \$1.19 billion in property value growth
 - 59% of this growth occurred after SunRail service began in 2014
 - Church Street, Winter Park, and Florida Hospital station areas accounted for 91% of the increment
-

In addition to measuring how the property value per acre changed in each station area, this study also evaluated the property value increment of the station areas with respect to their control areas. This analysis differs from the preceding section by assessing the property value increment of the station areas assuming they had developed at the same growth rate as their corresponding control areas. In other words, the property value increment measures *how much* the station areas outperformed their control areas, providing an indication of how much SunRail affected property value outcomes.

Table 6 shows that the station areas outperformed their control areas by \$1.19 billion of property value increment over the cumulative study period. More than 58% of that growth (approximately \$701.2 million) occurred after SunRail Phase 1 became operational in 2014. In particular, the station areas experienced a \$694.7 million property value increment relative to their control areas in 2016 and 2017 alone, almost \$200 million more than in the previous five years.

The majority of this collective spike in property value outcomes is attributable to the Church Street, Florida Hospital, and Winter Park station areas as they accounted for \$1.01 billion (91.3%) of the property value increment over the seven-year time span. This finding aligns with the performance of these three station areas seen in Table 5 as they significantly outpaced their respective control areas.

While several station areas experienced a decline in property value outcomes at different phases of the study, all but three of the station areas outperformed their control areas (Table 6). Debary, Lake Mary, and Altamonte Springs faced weaker development relative to their control areas, with a subsequent loss of \$24.5 million across the entire study period.

Table 6: Total Assessed Property Value Increment Relative to Control Areas, 2011-2017

Station	Property Value Changes Around SunRail Stations		
	2011-2014	2014-2017	2011-2017
Debary	-\$1,510,372	\$501,405	-\$1,008,966
Sanford	\$22,147,588	-\$9,119,240	\$13,028,348
Lake Mary	-\$8,846,492	-\$8,748,406	-\$17,594,898
Longwood	-\$3,665,543	\$23,550,823	\$19,885,280
Altamonte Springs	\$3,533,950	-\$9,438,477	-\$5,904,527
Maitland	\$29,612,661	\$4,602,605	\$34,215,267
Winter Park	\$159,382,479	\$55,327,878	\$214,710,357
FL Hospital	\$178,984,880	\$184,537,159	\$363,522,039
LYNX	-\$96,990,469	\$108,405,827	\$11,415,358
Church Street	\$160,150,307	\$352,216,419	\$512,366,725
Orlando Health	\$57,159,149	-\$11,451,658	\$45,707,491
Sand Lake	-\$6,090,211	\$10,836,176	\$4,745,965
Total	\$493,867,927	\$701,220,511	\$1,195,088,438

*Dotted lines indicate County borders

Table 7 aggregates the stations into one of three classes: Downtown Stations (Church Street, LYNX), Hospital Stations (Florida Hospital, Orlando-Health), and Suburban Stations (all remaining eight stations). These groupings were produced to evaluate trends in property value increment between similar types of station areas relative to their control areas.

Table 7: Comparing Property Value Changes in Downtown, Hospital Station, and Suburban Stations, 2011-2017

Stations	Property Value Changes Around SunRail Stations		
	2011-2014	2014-2017	2011-2017
Downtown Stations	\$63,159,838	\$460,622,246	\$523,782,084
Hospital Stations	\$236,144,029	\$173,085,501	\$409,229,530
Suburban Stations	\$194,564,060	\$67,512,764	\$262,076,824
All Stations	\$493,867,927	\$701,220,511	\$1,195,088,438

Table 7 demonstrates that all three station classes experienced positive changes in property values over the cumulative study period, 2011-2017. Of the three classes, the two Downtown station areas accounted for the highest contribution (approximately 44%; \$523.7 million) to the total property value increment (\$1.19 billion) relative to their control areas during 2011-2017. After the Downtown stations, the two Hospital stations shared 34% of the total increase, followed by a contribution of 22% by the eight Suburban station areas. It is also evident from the table that the property values in the Hospital station areas and the Suburban station areas grew significantly slower during the second half of the study period (2014-2017). The property value changes in the Downtown stations were six times higher in the second half of the study than they were in the first half.

In 2011-2015, the Hospital and Suburban station areas accounted for 59% and 35% respectively of the total property value change. The Florida Hospital station maintained a notable share of the total property value growth over the entire study period, but the Hospital station's underperformance in 2017 dropped its total contribution by 25%. Similar underperformance by a few individual Suburban station areas led to lower gains in total property value outcomes by this station type.

Overall, Table 7 indicates that majority the \$1.19 billion of property value increment was due to large amounts of investment and development in the Downtown and Hospital station areas, which occurred mostly after SunRail began operating. The presence of SunRail certainly contributed to the desirability of these areas, but it is difficult to parse out how much of this increment was directly attributable to SunRail, as there also were broader economic forces and redevelopment initiatives at play in these areas. Yet, it is clear that SunRail has contributed to property value and development impacts along the

entire line. From this perspective, the Suburban station areas may provide a truer indication of SunRail's impact upon the stations areas' property value changes. While property value growth in the suburban stations has not been as dramatic, they have experienced consistent gains that have outpaced their control areas, indicating that SunRail has been a catalyst for TOD and property value growth. In addition, the rapid growth in the station area's property value increment in the past two years provides a promising indication that SunRail will continue to generate increasing property value benefits for local communities in the coming years.

3.5 Results of SunRail Station Area Tax Revenue Changes

Key Findings:

- The cumulative tax revenue of all 12 station areas increased by \$18 million
 - Tax revenues increased at a slower rate than the property values, because much of the property value growth, especially in the hospital stations, was tax exempt
 - The station area's cumulative property values increased by 62.8%, while the cumulative tax revenues increased by 41.5%
 - Suburban stations accounted for 45% of the cumulative tax revenue in 2017
 - Tax revenue growth rates are increasing, indicating a strong potential for continued growth in the coming years
-

It is evident that SunRail has contributed to significant property value growth within the station areas. This should translate to increased tax revenue for local governments. Table 8 shows the estimated tax revenue of each station area for three years of interest (2011, 2014 & 2017). This table indicates that the cumulative tax revenues of all twelve stations have increased from \$43 million in 2011 to \$61 million in 2017. However, tax revenues have increased at a slower rate than the property values. The station area's cumulative property values increased by 62.8%, while the cumulative tax revenues increased by 41.5%. This is primarily because a significant amount of the property value growth, particularly in the Downtown and Hospital stations, occurred on tax exempt properties. Similarly, tax revenues actually grew at a faster rate in the first half of the study, whereas the majority (58%) of the property value growth occurred in the second half of the study (Table 6). This indicates that a higher proportion of the more recent property value growth was located in tax exempt properties such as around the Florida Hospital and Church Street stations.

Table 8: Station Area Property Tax Revenues, 2011-2017

	Station Area	2011 Estimated Tax	2014 Estimated Tax	2017 Estimated Tax
Seminole and Volusia County *	Debary	\$413,768	\$392,520	\$428,941
	Sanford	\$2,230,143	\$2,499,527	\$1,634,764
	Lake Mary	\$1,906,806	\$1,997,005	\$2,190,348
	Longwood	\$3,243,376	\$3,158,449	\$2,770,829
	Altamonte Springs	\$2,865,156	\$2,752,652	\$1,477,429
	Total	\$10,659,249	\$10,800,153	\$8,502,311
Orange County **	Maitland	\$3,399,203	\$3,897,070	\$4,111,567
	Winter Park	\$6,642,924	\$10,479,923	\$12,681,501
	FL Hospital	\$3,567,250	\$3,734,849	\$5,115,797
	LYNX	\$3,590,610	\$4,826,798	\$7,659,381
	Church Street	\$9,338,003	\$11,801,334	\$15,878,724
	Orlando Health	\$4,071,322	\$4,571,700	\$5,213,876
	Sand Lake	\$2,001,294	\$1,853,472	\$2,056,682
	Total	\$32,610,606	\$41,165,146	\$52,717,528
Combined Total		\$43,269,855	\$51,965,299	\$61,219,839
*Estimates calculated using assessed property values				
**Estimates calculated using taxable property values				

When comparing the cumulative station area tax revenue on a county basis, Table 8 illustrates that Orange County stations consistently experienced significant tax revenue growth over the entire study period. The estimated tax revenues from the seven Orange County station areas increased by \$20.1 million from 2011 to 2017, and 57% of this was found after SunRail Phase 1 became operational in 2014. The generated tax revenues from Seminole and Volusia Counties' station areas increased from 2011 to 2014 but dropped again by 2017. This decline is due to a reduction in Seminole and Volusia Counties' property tax rates (millage rates). If the tax rates had remained the same, property taxes would have increased due to the property value increases seen in Table 5. As the SunRail system matures and new developments continue to come online and become reflected in the tax rolls, property tax revenues are anticipated to continue to increase.

Table 9 reports the station area tax revenues in the same three categories of Downtown, Hospital, and Suburban stations, depicting a gradual increase in tax revenue over the study period. The Downtown station areas also experienced a large increase in generated tax revenue as property taxes grew by \$10.6 million in the Downtown station areas across the entire study period. 65% of this growth occurred after SunRail opened in 2014. This finding corresponds with the higher property value growth in Downtown Orlando (Table 7), owing to increased investment and economic vitality in the Downtown area. Table 9 demonstrates that the two Downtown station areas contributed 38% of the total estimated tax revenue in 2017.

Table 9: Comparing Tax Revenue Changes in Downtown and Hospital Stations to Other Stations, 2011-2017

Stations	Tax Revenue Changes Around SunRail Stations		
	2011 Estimated Taxes	2014 Estimated Taxes	2017 Estimated Taxes
Downtown Stations	\$12,928,613	\$16,628,132	\$23,538,105
Hospital Stations	\$7,638,572	\$8,306,549	\$10,329,673
Suburban Stations	\$22,702,670	\$27,030,618	\$27,352,061
All Stations	\$43,269,855	\$51,965,299	\$61,219,839

Despite their more modest property value growth (Table 7), the Suburban station class held the biggest share (45%) of the cumulative property tax revenue in 2017 (Table 8). More importantly, the estimated property taxes from the eight suburban station areas grew by \$4.6 million over the study period. The tax revenue growth in Suburban stations primarily occurred in the first half of the study (2011-2014), as it only grew by 1.2% after SunRail service began. This may be due in part to a rapid recovery from the recession, but the presence of SunRail likely also played a key role as several suburban station areas, such as the Lake Mary and Maitland station areas, were already seeing transit-oriented developments being constructed prior to SunRail's opening.

Tax revenues in the Hospital station areas grew by \$2.7 million over the entire study period, with 75% of the growth occurring since 2014. While this growth is significant, the Hospital station areas only accounted for 15% of the cumulative, system-wide property tax increase from 2011 to 2017, even though it contributed 34% of the property value growth. This can be attributed to the fact that much of the new development around the Hospital station areas occurred on tax exempt properties.

Chapter 4: Phase 1 Station by Station Property Value Analysis

The previous chapter clearly demonstrated that SunRail has had a significant impact on the cumulative property values and tax revenues of all twelve station areas. However, SunRail travels through numerous municipalities and a wide variety of environments from urban core to exurban. Consequently, SunRail's impact varied significantly from one station area to another. Closely examining how SunRail's impact varied from station to station, how those impacts changed over time, and what factors shaped how SunRail affected each station area will provide a deeper understanding of how and why SunRail influenced development patterns and tax revenues along the entire rail line. Evidence points to a mix of factors that have contributed to the relative success of redevelopment efforts around SunRail stations. As expected, the location of the station within the larger system plays a role. Specifically, stations at the ends of the system have seen very little new development to date, whereas more centrally located and more urbanized station areas have experienced significant amounts of development, leading to better property value outcomes. Much of the variation between stations appears to be due to a station area's predisposition and commitment to TOD. Stations that already had a neighborhood setting, land use mix, and infrastructure that were supportive of TOD have seen new development that is generating higher local tax revenues. Lastly, the evidence points to the important role of focused, strategic land use planning around stations as well as complementary infrastructure investments in promoting successful (re)development initiatives around SunRail stations.

Key Findings:

- Tax revenue growth was often driven by new multifamily and mixed-use TODs being constructed near stations
- The largest of these developments are occurring in more urbanized areas closer to Downtown Orlando
- Similar developments are transforming previously suburban areas into transit-oriented nodes
- Variation between stations appears to be due to a station area's predisposition and commitment to TOD.
- Stations with a built environment conducive for TOD and a local government that supported TOD generated higher tax revenues

4.1 Debary Station Area

The Debary station is the northern terminus of SunRail's first phase. As the terminus, it functions primarily as a park-and-ride station providing access to the areas farther north. Thus, even though the Debary Station has more ridership than almost any other station, the area has yet to generate significant development activity leading to property value increases.¹ In fact, the Debary station area was one of the most underperforming station areas. The initial decline in the station area's property values, associated with the national recession did not subside until 2013 and by then the Debary station area's value per acre had already declined by 8.8%. Since 2012, the Debary station area has fared better with small to moderate property value increases. 2015 was particularly promising since the station area significantly outperformed its control area growing by 7.1%. The Debary station area was not able to maintain such substantial property value increases since 2015 as property values only increased by 1.5% and 1.7% in 2016 and 2017 respectively.

Despite experiencing gradual increases in property values since 2013, the Debary station area was outperformed by its control area over the study period as property values in the control area increased by 9.6%, compared to the station area's 4.9% appreciation. Property values have been increasing in the Debary station area since the last update of this analysis, but they have not yet return to pre-recession levels. The station area has outperformed the control area every year since 2015. In that time period, property values in the control area rose by 10.6% compared to only 7.5% in the control area.

Due to the suburban location of the Debary Station, development in the area is expected to increase relatively slowly, as opposed to more central stations in the study area. Figure 4 (below) shows the station area and control area half-mile buffers used for the Debary property value analysis. The area surrounding both the station and control areas are primarily zoned for institutional/infrastructure, or industrial uses with limited parcels zoned for residential or commercial uses. In the short term these uses may restrict property values and development but as the City of Debary implements strategies to incentivize development and rezones parcels for more intensive uses, more intensive development is expected in the station area. As mentioned previously, the Debary Station has high ridership, and represents an opportunity for expanded park-and-ride service as well as for more transit-oriented design and place-making strategies.⁵ The City of Debary has taken a proactive approach by designating approximately 319 acres around the station as a TOD Overlay District, supporting mixed use and economic development (Figure 5).⁵

Plans for major new developments near the station also provide positive indications that the recent property value increases will continue as the presence of SunRail and local policies encourage new development around the station. The Debarry Town Center and Fort Florida Commons will provide 258,000 square feet of commercial space, restaurants, a grocery store, 700 single family units, 289 multi-family units, and a 3-5 acre farm to the station area. The Fort Florida Commons developer anticipates building a trail from Fort Florida Commons to the station which provides another indication that SunRail may have contributed to the planning of this new development.⁶

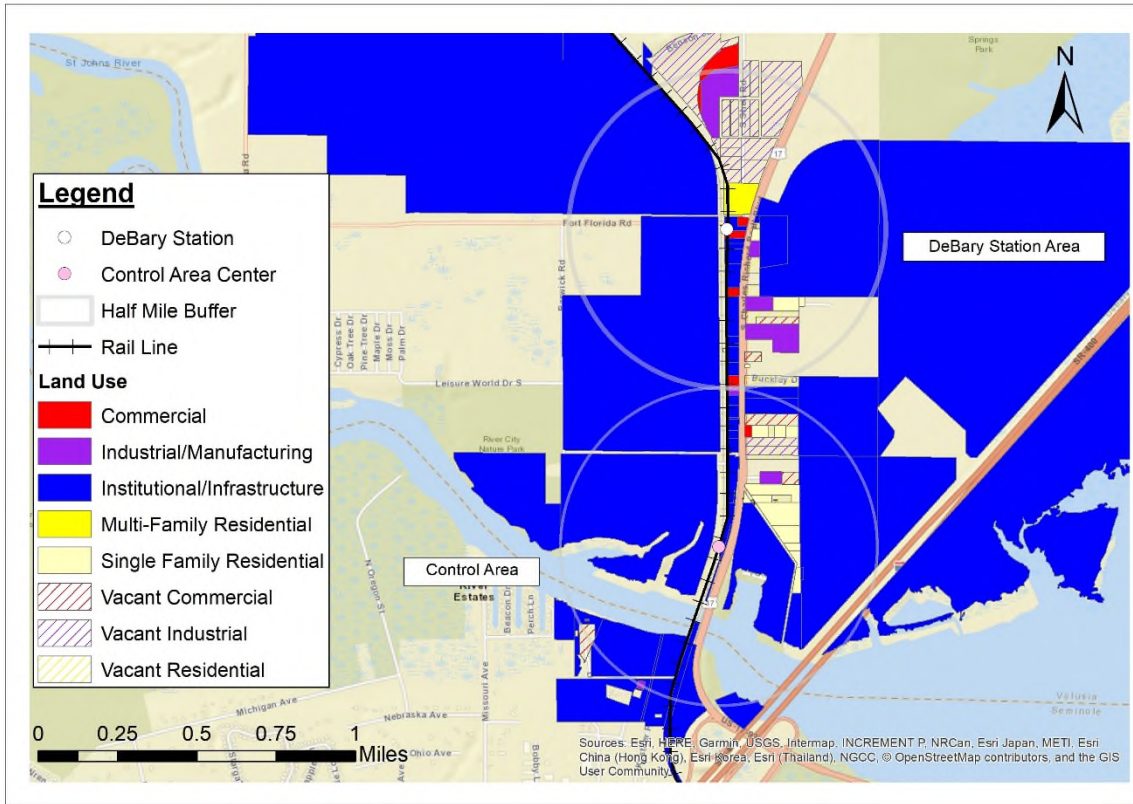
Table 10A: Property Value Changes in Debarry's Station and Control Areas, 2011-2017

Year	Station Area			Control Area		
	Total Assessed Property Value	Assessed Value per Acre	% Change in Value per Acre	Total Assessed Property Value	Assessed Value per Acre	% Change in Value per Acre
2011	\$21,333,957	\$8,670		\$22,894,907	\$9,641	
2012	\$19,465,993	\$7,911	-8.8%	\$21,865,546	\$9,207	-4.5%
2013	\$19,807,262	\$8,050	1.8%	\$22,597,177	\$9,515	3.3%
2014	\$20,238,408	\$8,225	2.2%	\$23,340,081	\$9,828	3.3%
2015	\$21,599,613	\$8,811	6.7%	\$22,911,577	\$9,648	-1.8%
2016	\$22,003,375	\$8,942	1.9%	\$23,500,992	\$9,896	2.6%
2017	\$22,379,014	\$9,095	1.7%	\$25,099,218	\$10,569	6.8%
Total Change	\$1,045,057	\$425	4.9%	\$2,204,311	\$928	9.6%

Table 10B: Debarry Station Area's Tax Revenue Estimates, 2011-2017

Year	Estimated Tax Revenue	Tax Revenue Growth Rate
2011	\$413,768	
2012	\$377,539	-8.8%
2013	\$384,158	1.8%
2014	\$392,520	2.2%
2015	\$418,920	6.7%
2016	\$412,238	-1.6%
2017	\$428,941	4.1%

Figure 4: DeBary SunRail Station Area with Selected Control Area



4.2 Sanford Station Area

The Sanford station area has seen some increase in development activity since the 2015 study. Property values in the Sanford station area have increased by 19.2% between 2011 and 2017, compared to the control area's 7.9% increase (Table 11A). Most notably, in 2014 the station area's property value per acre grew by 12.6% while the control area declined by 0.8%. This is reflective of the fact that SunRail Phase 1 became operational in this year and consequently, as we see with most stations, a steep increase in property values as SunRail's benefits became readily apparent. Consequently, SunRail appears to have aided the Sanford station area's recovery from the recession by preventing the station area's property values from declining as much as they otherwise would have, and potentially by sparking a faster recovery. However, since 2015, the control area has begun to catch up to the station area. With consistent property value increases of between four and seven percent, the control area has outperformed the station area in each of the last three years. These findings suggest that SunRail may have helped the Sanford station area recover from the recession more quickly but may not be leading to substantial property value gains as we see more with centrally located stations.

The Sanford station area and selected control area are shown below (Figure 6). The station area and control areas have similar land uses (primarily manufacturing/ industrial zones) which is reflective of the location and demographics of the City of Sanford. While the current land uses are not wholly conducive to TOD, in the past three years, the Sanford station area has experienced some new development. Two projects in particular stand out. The first project featured is on a 60-acre property, between Kennel and Rand Yard roads, currently owned by the Catholic Diocese of Orlando. The plans call for the development of an elementary school, and a portion of the property which would then be sold to developers. Based on the site plans, the development will feature three mixed-use apartments, 840 residential units (120 of which are age-restricted, 55+), ground floor commercial space, and office space. The land has an assessed value of \$10 million, however, due to religious tax exemptions, tax revenue for the property is unreported.⁷ The second project is a 12.37-acre site, across State Road 46, from the SunRail station. The City of Sanford in 2015 rezoned this parcel from industrial to multi-family residential. The owner of the property, Transit Properties LLC was seeking the development to be designed as a Transit Oriented Development (TOD).⁸

Both of these developments provide some support for the idea that the station areas' property values will continue to increase in the coming years. In addition, both developments represent a break from the area's current development patterns which

indicates that the presence of SunRail is promoting TOD around the Sanford station. It should not be long before these developments bring higher tax revenues to the local community. This shift in the type of development Sanford is attracting may be an indication that the City of Sanford's efforts to promote SunRail are paying off. Sanford has implemented incentives to boost SunRail ridership including a free shuttle service that transports passengers from both SunRail and Amtrak stations to the Historic Sanford Downtown.

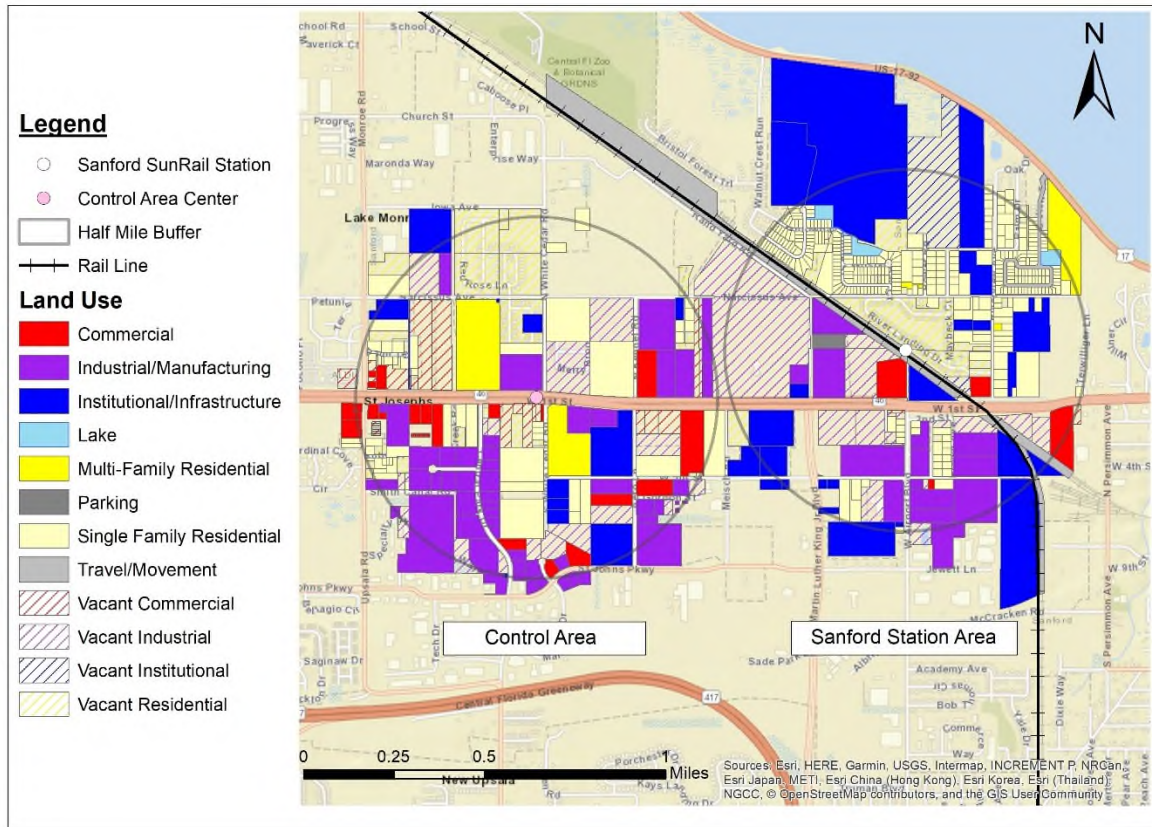
Table 11A: Property Value Changes in Sanford's Station and Control Areas, 2011-2017

Year	Station Area			Control Area		
	Total Assessed Property Value	Assessed Value per Acre	% Change in Value per Acre	Total Assessed Property Value	Assessed Value per Acre	% Change in Value per Acre
2011	\$115,485,690	\$171,621		\$187,217,980	\$350,720	
2012	\$114,084,487	\$169,539	-1.2%	\$173,642,664	\$325,289	-7.3%
2013	\$114,084,487	\$169,539	0.0%	\$173,642,664	\$325,289	0.0%
2014	\$128,451,897	\$190,890	12.6%	\$172,333,715	\$322,837	-0.8%
2015	\$131,689,309	\$195,701	2.5%	\$181,274,754	\$339,587	5.2%
2016	\$132,665,921	\$197,153	0.7%	\$193,866,715	\$363,176	7.0%
2017	\$137,656,856	\$204,569	3.8%	\$202,039,729	\$378,486	4.2%
Total Change	\$22,171,166	\$32,948	19.2%	\$14,821,749	\$27,766	7.9%

Table 11B: Sanford Station Area's Tax Revenue Estimates, 2011-2017

Year	Estimated Tax Revenue	Tax Revenue Growth Rate
2011	\$2,230,143	
2012	\$2,191,259	-1.7%
2013	\$2,263,702	3.3%
2014	\$2,499,527	10.4%
2015	\$2,603,612	4.2%
2016	\$2,057,657	-21.0%
2017	\$1,634,764	-20.6%

Figure 6: Sanford SunRail Station Area with Selected Control Area



4.3 Lake Mary Station Area

Property values in the Lake Mary station area grew faster (35.7%) than any other station in Volusia or Seminole County. Yet, the Lake Mary station area was one of the lowest performing stations in the system in terms of property value growth relative to its control area. This was because the Lake Mary control area grew at an even faster rate than the station area (52.4%). Until 2014, the station area had kept pace with its control area (Table 12A). In 2014, the control area significantly outperformed the station area (despite property values in the station area growing by 8.6%). In 2014, the year SunRail Phase 1 became operational, larger property value increases were observed in the control area. This may be partially attributable to the control area’s easy accessibility to both the Lake Mary Station and Interstate 4, leading to more development in the control area relative to the station area. Since 2014, the station and control areas have alternated higher performance years. A map showing the station and control areas can be found below in Figure 7. Overall the control area has outperformed the station area in terms of cumulative property value growth over the study period.

Recent spikes in the station area’s property values, including an 18.2% increase in 2016, may provide an indication of future growth patterns. The recent growth in property values is expected to continue in the coming years as significant new housing and mixed-used developments have been built or proposed adjacent to the station in the last couple years. The first of these developments is the Station House Apartments. Built in 2014, the Station House Apartments are located directly across from Lake Mary’s SunRail station. The Station House Apartments reflect a per-unit value of \$176,750. An adjacent property will also be upgraded to a single-story, office/retail space.⁹

Second, Field and Form, a sustainable real estate firm, has begun development on E. Wilbur Ave., one block from the Lake Mary SunRail Station. The development features a live/work townhome experience. These town homes are optional mixed-use, meaning the ground floor can be used for flexible purposes such as retail, office, or residential uses. Opening this summer, the preconstruction sale of the first four townhomes started at \$474,000.¹⁰ Since, the Lake Mary Station is primarily surrounded by single-family homes, both developments represent a transition to more TOD in the station area.

Finally, Lake Mary has taken steps to ensure the success of SunRail by undertaking vision planning for creating a Town Center and park at their station.¹¹ With the plan complete, they are attempting to realize a new pattern of development consistent with a transit-oriented vision.

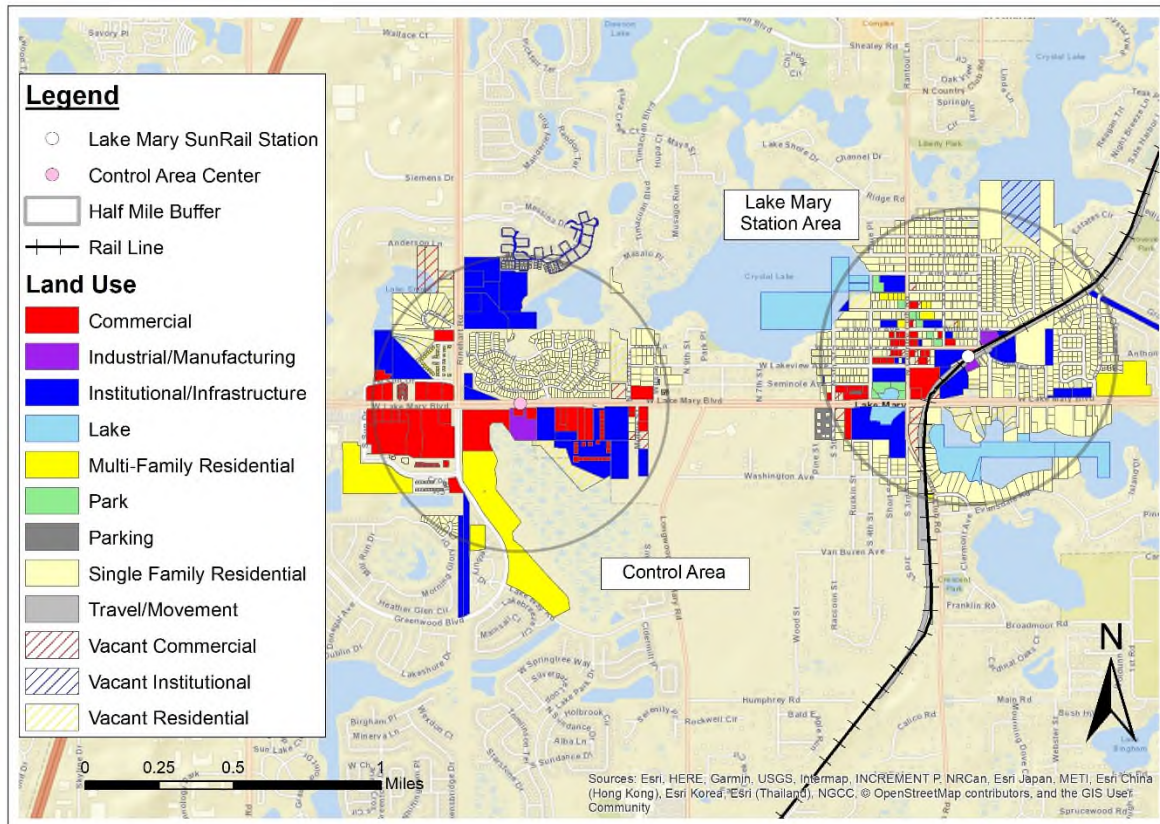
Table 12A: Property Value Changes in Lake Mary’s Station and Control Areas, 2011-2017

Year	Station Area			Control Area		
	Total Assessed Property Value	Assessed Value per Acre	% Change in Value per Acre	Total Assessed Property Value	Assessed Value per Acre	% Change in Value per Acre
2011	\$110,828,656	\$221,782		\$190,400,964	\$301,764	
2012	\$107,334,849	\$214,790	-3.2%	\$193,436,839	\$306,575	1.6%
2013	\$107,334,849	\$214,790	0.0%	\$193,436,839	\$306,575	0.0%
2014	\$116,583,353	\$233,297	8.6%	\$216,614,822	\$343,310	12.0%
2015	\$123,933,089	\$248,005	6.3%	\$220,860,148	\$350,038	2.0%
2016	\$146,441,070	\$293,046	18.2%	\$253,259,942	\$401,388	14.7%
2017	\$150,371,781	\$300,912	2.7%	\$290,075,079	\$459,736	14.5%
Total Change	\$39,543,125	\$79,131	35.7%	\$99,674,115	\$157,972	52.4%

Table 12B: Lake Mary Station Area's Tax Revenue Estimates, 2011-2017

Year	Estimated Tax Revenue	Tax Revenue Growth Rate
2011	\$1,906,806	
2012	\$1,823,959	-4.3%
2013	\$1,887,842	3.5%
2014	\$1,997,005	5.8%
2015	\$2,103,086	5.3%
2016	\$2,301,857	9.5%
2017	\$2,190,348	-4.8%

Figure 7: Lake Mary SunRail Station Area with Selected Control Area



4.4 Longwood Station Area

The Longwood station area's property values have changed dramatically since the completion of the previous study. Until 2015, the Longwood station area had been slightly outperformed by its control area. However, since 2015, property values in the Longwood station area have increased substantially, relative to the control area. This station area observed substantial appreciation with 8.0% and 17.3% increases in 2016 and 2017 respectively (Table 13A). Due to these rapid increases in the past two years, the Longwood station area's property value per acre significantly outperformed its control area over the study period as the station area grew by 22.0% compared to a 10.9% increase in the control area (Table 13A). As SunRail service has grown, the property value impacts in station area have increased. If 2017 is an indication of future growth patterns, the Longwood station area should continue to outperform the control area.

The land use patterns of the Longwood station area and the selected control area is shown in Figure 8 below. Development around this station area indicates that continued property value appreciation in the coming years is likely. Weston Park is an apartment complex development located in close proximity to the Longwood SunRail Boarding Station. Opened in December 2016, this is a residential multi-family complex with 280 units. With an assessed value of approximately \$26 million, this development provided almost \$500,000 in property taxes in 2017.¹²

The City of Longwood itself has implemented strategies to assist in the development and economic opportunities associated with the advent of SunRail. The City of Longwood envisions the station area as a key part of community revitalization efforts, job creation and investment opportunities, and the strengthening of connections between neighborhoods east and west of Ronald Reagan Blvd.¹³ The City aims to keep much of the civil and institutional structures in the historic downtown district, as well as, much of the single-family residential units. However, through strategic infill development for multi-family housing and retail uses, the City envisions a connected village center which maintains the historic character while simultaneously promoting growth.¹⁴

Like the City of Lake Mary, the City of Longwood has had a more difficult time attracting development compared to more centrally located stations. The City of Longwood began providing incentives for developers such as, waiving planning application fees, and as much as a 20% reduction in building permit fees to attract more development. With these incentives, Longwood is attempting to remain competitive against more central

locations, and as SunRail matures more growth is expected in the Longwood station area.

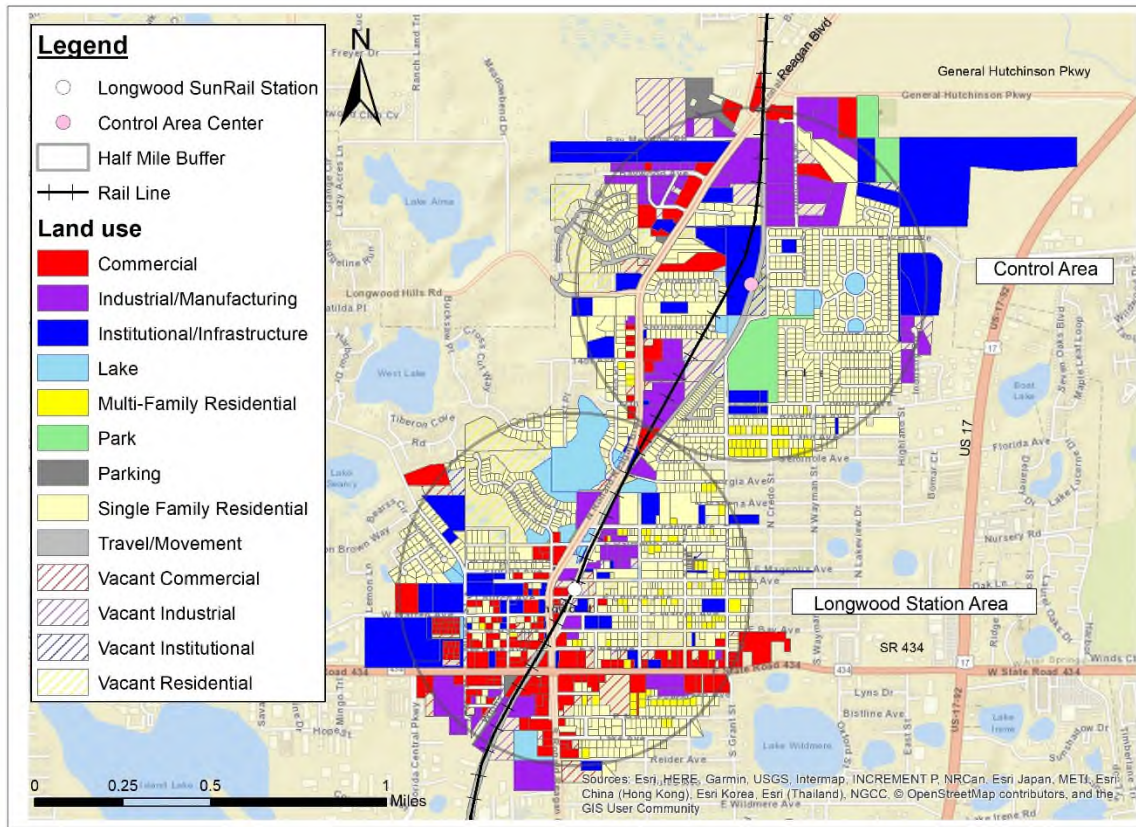
Table 13A: Property Value Changes in Longwood’s Station and Control Areas, 2011-2017

Year	Station Area			Control Area		
	Total Assessed Property Value	Assessed Value per Acre	% Change in Value per Acre	Total Assessed Property Value	Assessed Value per Acre	% Change in Value per Acre
2011	\$179,306,969	\$386,039		\$121,150,331	\$215,839	
2012	\$170,535,302	\$367,154	-4.9%	\$111,697,449	\$198,998	-7.8%
2013	\$170,535,302	\$367,154	0.0%	\$111,697,449	\$198,998	0.0%
2014	\$170,372,429	\$366,804	-0.1%	\$117,590,287	\$209,496	5.3%
2015	\$172,698,714	\$371,811	1.4%	\$121,413,478	\$216,308	3.3%
2016	\$186,495,959	\$401,516	8.0%	\$126,042,468	\$224,555	3.8%
2017	\$218,706,631	\$470,863	17.3%	\$134,335,395	\$239,329	6.6%
Total Change	\$39,399,662	\$84,825	22.0%	\$13,185,064	\$23,490	10.9%

Table 13B: Longwood Station Area’s Tax Revenue Estimates, 2011-2017

Year	Estimated Tax Revenue	Tax Revenue Growth Rate
2011	\$3,243,376	
2012	\$3,142,863	-3.1%
2013	\$3,251,153	3.4%
2014	\$3,158,449	-2.9%
2015	\$3,190,134	1.0%
2016	\$2,783,798	-12.7%
2017	\$2,770,829	-0.5%

Figure 8: Longwood SunRail Station Area with Selected Control Area



4.5 Altamonte Springs Station Area

The Altamonte Springs station area was among the most underperforming stations areas during the study period. The Altamonte Springs station area was the only one to experience a cumulative decline (0.3%) in property values over the study period (Table 14A). The majority of the decrease in property values occurred in 2012 and 2015 as property values in the station area declined by a combined 6.5% over those two years. Since 2015, property values have gradually increased, but this station has yet to experience the post-recession recovery observed in most other station areas and control areas.

More importantly, this station area was outperformed by its control area. The control area has finally recovered from the recession with a 1.8% increase in assessed value per acre across the study period. Both the station area and the control area declined in 2012, but the control area has shown slow but continual growth for the remaining years. This was similar to the station area, except for in 2015 when the station area declined by 3.5%. At the time of the previous report, the station area's late decline in

property value in 2015 was particularly remarkable because that was a time when its control area and the majority of other station areas saw property value increases. While these concerns have been partially alleviated by mild increases in property values in 2016 and 2017, the station area has continued to be outperformed by its control area over the two-year period. A map depicting the Altamonte Springs station areas and its corresponding control area is provided in Figure 9.

Adopted in March 2014 to incentivize development, Altamonte Springs set forth a 30-year plan for Economic Development Opportunities brought upon by the presence of SunRail (Figure 10). This Plan sets forth guidelines for TOD, such as: place-making strategies; better traffic calming measures and accessibility developments; mixed-use development; multi-family housing; possibilities for parks and recreation; and improved social services in and around the station area.¹⁵ Even with this effort, Altamonte Springs remains the most underperforming station area in the system.

Table 14A: Property Value Changes in Altamonte Springs' Station and Control Areas, 2011-2015

Year	Station Area			Control Area		
	Total Assessed Property Value	Assessed Value per Acre	% Change in Value per Acre	Total Assessed Property Value	Assessed Value per Acre	% Change in Value per Acre
2011	\$159,854,115	\$338,437		\$171,521,448	\$343,847	
2012	\$155,025,437	\$328,214	-3.0%	\$159,770,699	\$320,290	-6.9%
2013	\$155,025,437	\$328,214	0.0%	\$159,770,699	\$320,290	0.0%
2014	\$156,779,520	\$331,928	1.1%	\$162,017,736	\$324,795	1.4%
2015	\$151,265,867	\$320,255	-3.5%	\$162,975,993	\$326,717	0.6%
2016	\$153,677,902	\$325,361	1.6%	\$168,725,302	\$338,242	3.5%
2017	\$159,310,698	\$337,287	3.7%	\$174,672,565	\$350,165	3.5%
Total Change	-\$543,417	-\$1,151	-0.3%	\$3,151,117	\$6,317	1.8%

Table 14B: Altamonte Springs Station Area's Tax Revenue Estimates, 2011-2017

Year	Estimated Tax Revenue	Tax Revenue Growth Rate
2011	\$2,865,156	
2012	\$2,748,019	-4.1%
2013	\$2,846,460	3.6%
2014	\$2,752,652	-3.3%
2015	\$2,729,644	-0.8%
2016	\$1,813,136	-33.6%
2017	\$1,477,429	-18.5%

Figure 9: Altamonte Springs SunRail Station Area with Selected Control Area

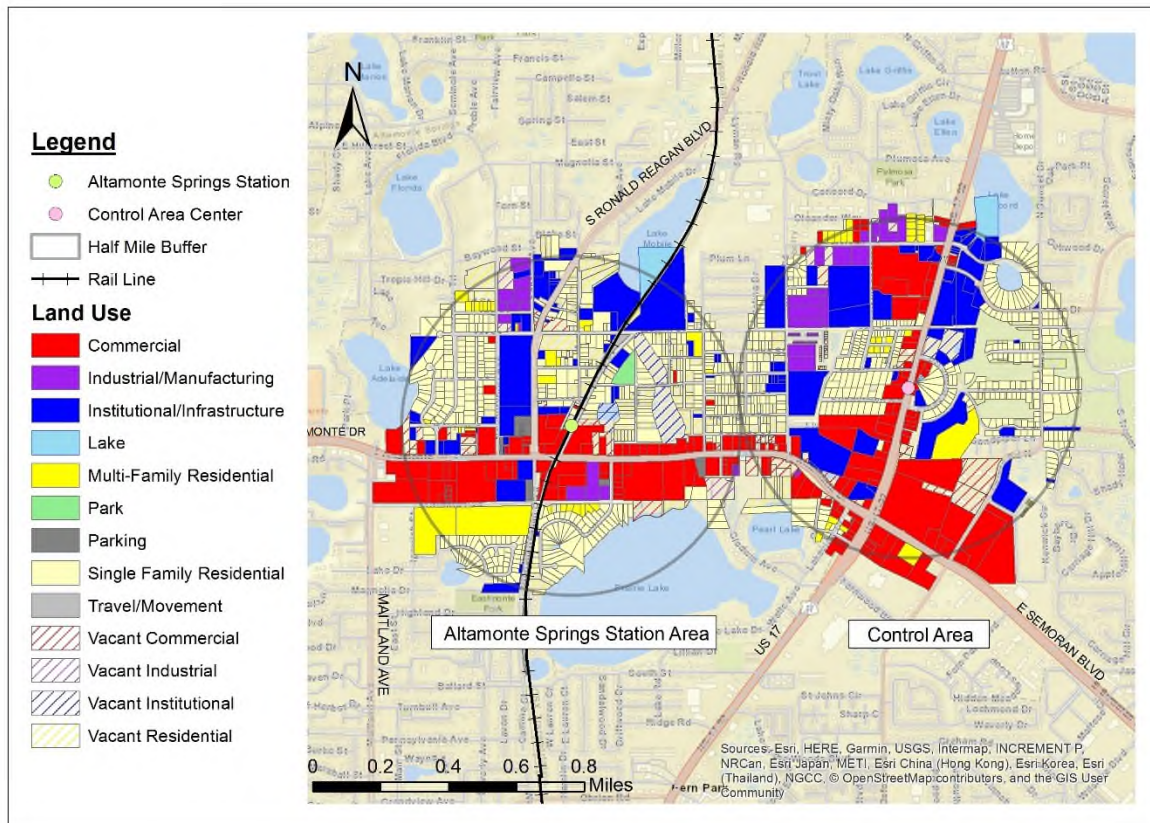
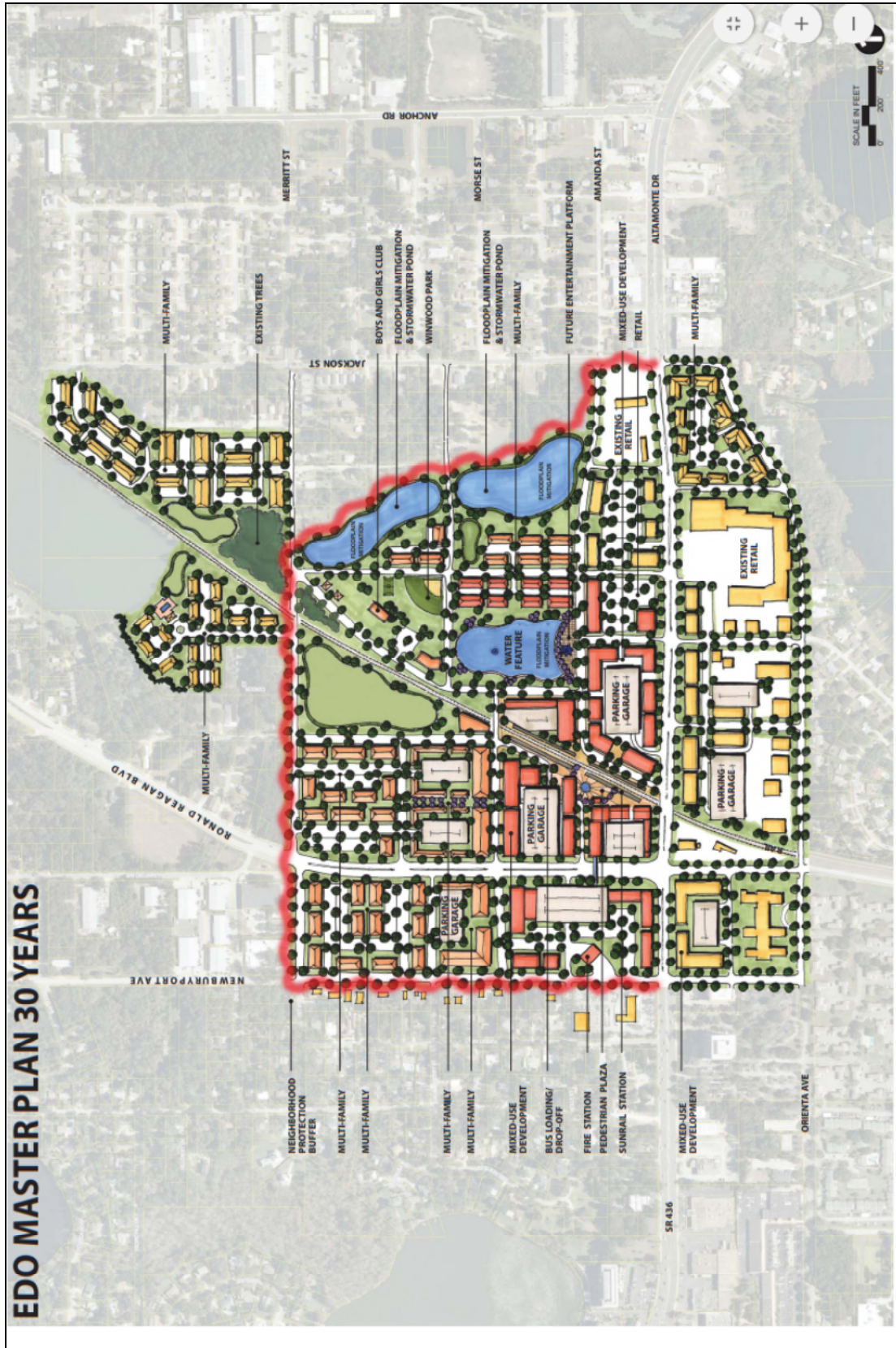


Figure 10: City of Altamonte Springs 30-Year Economic Development Master Plan



4.6 Maitland Station

The Maitland station area and its control area both followed the general pattern of gradual property value growth during the updated study period (Figure 11). The Maitland Station is the northernmost station in Orange County. Since 2011, the Maitland station area has experienced alternating stagnation, and gradual property value increases, but has had no property value decline. The control area, meanwhile, did experience patterns of decline in both 2012 and 2016 (Table 15A). Overall, this station area outperformed its control area, with an increase in assessed value per acre of 25.1% compared to the control area's 10.1% increase (Table 15A). The largest change in assessed value per acre in the station area occurred in 2014 with an 8.2% growth from the previous year. This is reflected in the station area's tax revenue estimates for 2014 where the estimated tax revenue increased by 10.9% comparative to the previous year (Table 15B). This could have been influenced by the presence of SunRail, as 2014 is the year that SunRail began operation. Since there have been no property value decreases in the past seven years, it is likely that this growth will continue barring any local, regional, or national economic difficulties. This continued property growth indicates that the Maitland station area has created an economic advantage for developers in the city comparative to the control area or other areas of the city. The significant improvement in the property value of the station area indicates the positive effect of SunRail on the surrounding land.

The City of Maitland, aware of the economic opportunity brought by the SunRail system, has attempted in the last decade to transform the primarily suburban, low-density, bedroom city into a competitive urban core. The Maitland Station features one of the lowest ridership rates of any SunRail station, primarily due to the auto-centric nature of the area. Approved in 2003, the Downtown Maitland Master Plan lays out a vision to convert the automobile dominated Orlando Avenue into a walkable corridor which supports high densities, mixed-uses, and pedestrian-friendly infrastructure.¹⁶

Several development projects in and around the station area have aided in the property growth observed in Table 15A. First, Uptown Maitland Apartments, an age-restricted mixed-use development, in the Maitland station area was completed in 2013. The second development is Metro Square, located on Orlando Avenue between Sybelia Parkway and George Avenue, a multi-family apartment complex will feature 271 units and 45,000 square feet of retail, commercial and office space when completed. And finally, Winter Park-based Epoch Residential is in the process of transforming the former Parker Lumber Yard into Maitland Station Apartments, a new 293-unit, five-story apartment complex. Maitland Station Apartments is located adjacent to Maitland's SunRail commuter rail station. Some of these developments are

already represented on the tax rolls and account for some of the recent property tax growth seen in 2016 and 2017. However, other developments, like the Maitland Station Apartments have yet to reach the tax rolls and should contribute to additional tax revenue in the upcoming years.¹⁷

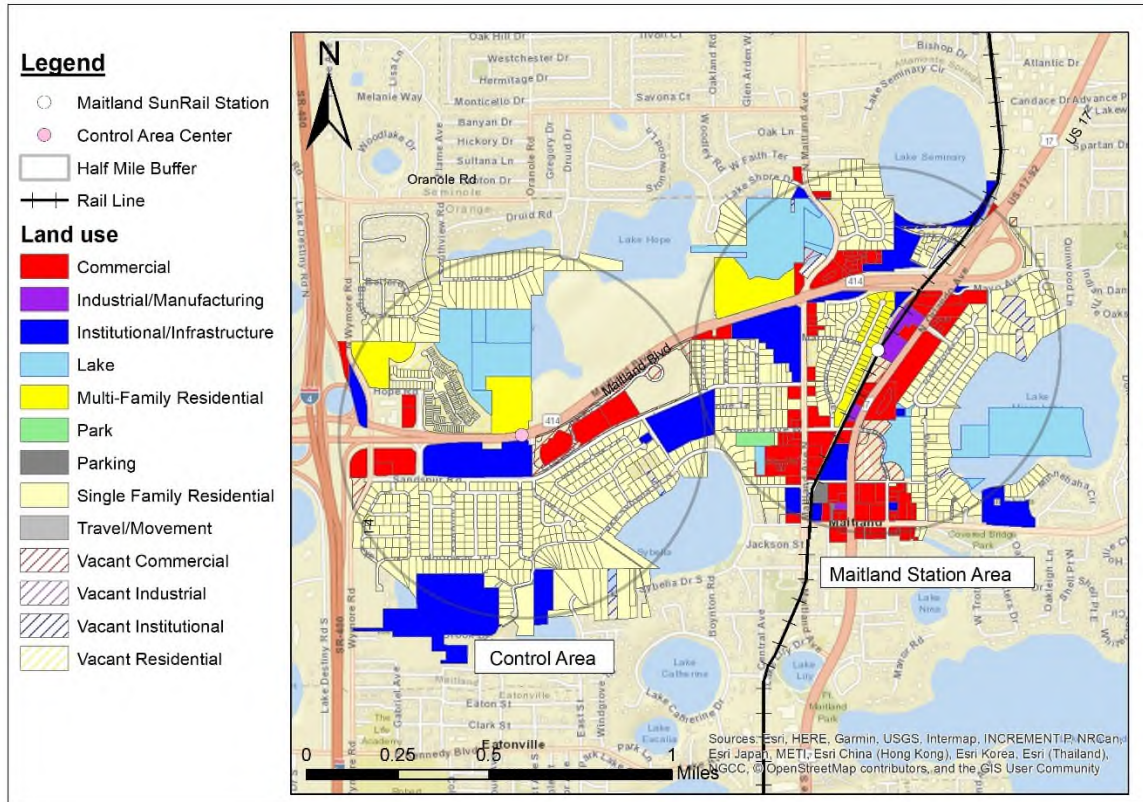
Table 15A: Property Value Changes in Maitland’s Station and Control Areas, 2011-2017

Year	Station Area			Control Area		
	Total Assessed Property Value	Assessed Value per Acre	% Change in Value per Acre	Total Assessed Property Value	Assessed Value per Acre	% Change in Value per Acre
2011	\$228,668,996	\$392,518		\$242,999,928	\$450,617	
2012	\$237,137,652	\$407,054	3.7%	\$236,964,024	\$439,424	-2.5%
2013	\$237,137,652	\$407,054	0.0%	\$236,964,024	\$439,424	0.0%
2014	\$256,685,218	\$440,608	8.2%	\$241,303,438	\$447,471	1.8%
2015	\$257,111,281	\$441,340	0.2%	\$256,713,347	\$476,047	6.4%
2016	\$268,495,172	\$460,881	4.4%	\$255,105,212	\$473,065	-0.6%
2017	\$286,091,693	\$491,086	6.6%	\$267,661,793	\$496,350	4.9%
Total Change	\$57,422,697	\$98,568	25.1%	\$24,661,865	\$45,733	10.1%

Table 15B: Maitland Station Area’s Tax Revenue Estimates, 2011-2017

Year	Estimated Tax Revenue	Tax Revenue Growth Rate
2011	\$3,399,203	
2012	\$3,524,288	3.7%
2013	\$3,512,789	-0.3%
2014	\$3,897,070	10.9%
2015	\$3,704,039	-5.0%
2016	\$3,885,440	4.9%
2017	\$4,111,567	5.8%

Figure 11: Maitland SunRail Station Area with Selected Control Area



4.7 Winter Park Station Area

Given Winter Park’s urban nature and propensity towards TOD, this station area experienced growth similar to those in the downtown areas, with a property value growth rate of 73.5%. The property value analysis (Figure 12) found that property values in the Winter Park station area exploded in 2012, jumping up by 32.4%, 23.4% more than the control area’s growth rate in the same year (Table 16A). In one year, the station area’s property values increased well above their pre-recession levels and generated an additional three million USD of tax revenue (45.4%) for the City of Winter Park (Table 16B). The Winter Park station area continued to grow gradually until the property values spiked again in 2016, with an 8.3% increase. Due to its rapid growth, the station area outperformed the control area every year except for 2015. Consequently, the station area outperformed the control area by 37.5% over the entire study period, even though property values in the control area also grew rapidly, increasing by 36.5%.

While the largest property value gains were seen in 2012, the station area has experienced significant property value increases since 2013 and has increased by 16.3% in the last two years. Winter Park’s prior commitment to TOD as an established

activity and neighborhood center helped to create a successful SunRail station that further increased the area’s accessibility and appeal. Concurrently, development in the station area has impacted the nature of the station and surrounding area. Even before SunRail began service, the City of Winter Park embraced place-making opportunities, pedestrian-scale architecture, and mixed-use transit-oriented development practices to enhance quality of life and spur economic development.¹⁸ The station area features medium-to-high densities, mixed uses, and open recreational space. This open space serves as a buffer between the SunRail station and the central business district creating appropriate and safe accessibility. As a neighborhood center Winter Park is attempting to maintain its historic character and walkability while simultaneously promoting higher-end infill residential development.¹⁹ The City updated its zoning code, land use designations, and Future Land Use Map for much of the area to promote the principles of TOD. Meanwhile, through the City’s Community Redevelopment Plan the city will use funding mechanisms such as tax-increment financing to stimulate and market Winter Park for private investment.²⁰ Much of the infill development is concentrated in the station area buffer, mainly along or near Park Avenue, historically a premier commercial destination. This development has aided in the property value appreciation seen in the station area as compared to the control area, and as SunRail matures, it is expected that Winter Park will continue to attract both residents and businesses alike.

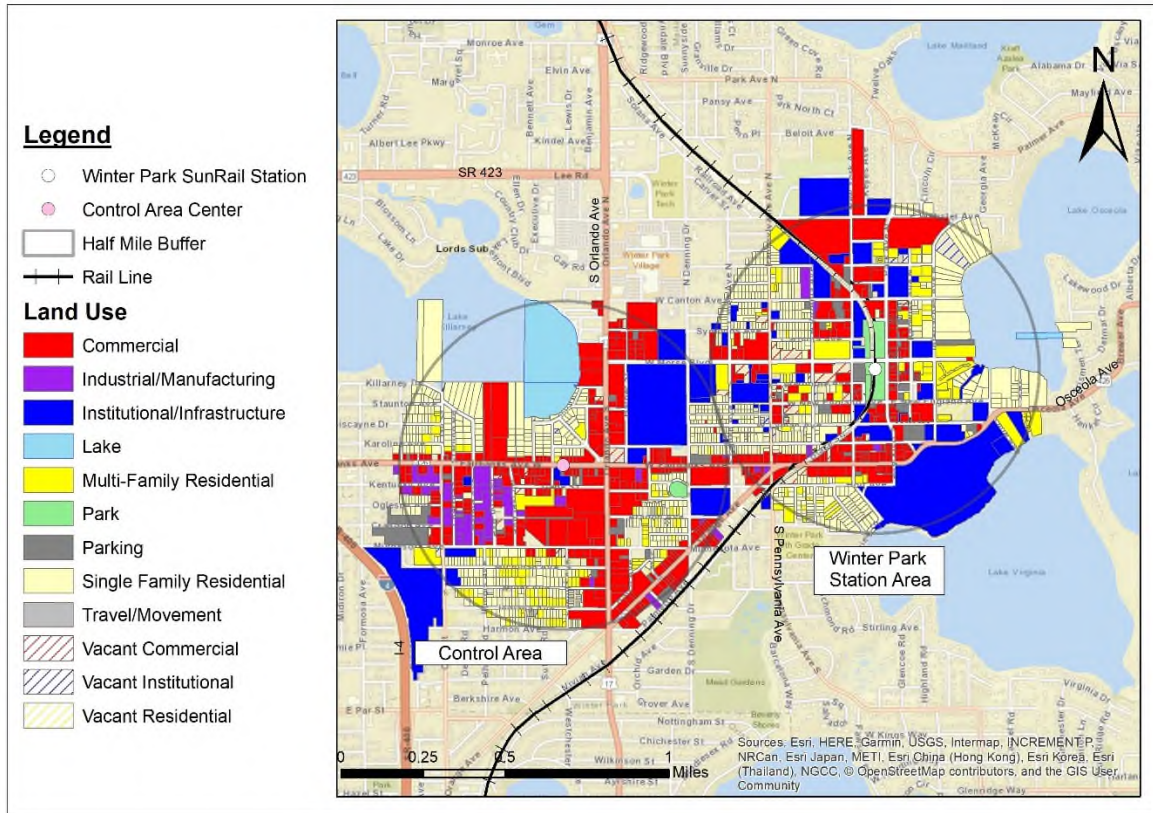
Table 16A: Property Value Changes in Winter Park’s Station and Control Areas, 2011-2017

Year	Station Area			Control Area		
	Total Assessed Property Value	Assessed Value per Acre	% Change in Value per Acre	Total Assessed Property Value	Assessed Value per Acre	% Change in Value per Acre
2011	\$597,384,610	\$1,393,317		\$428,100,505	\$681,808	
2012	\$790,638,865	\$1,844,056	32.4%	\$466,521,881	\$742,999	9.0%
2013	\$790,638,865	\$1,844,056	0.0%	\$466,521,881	\$742,999	0.0%
2014	\$838,622,792	\$1,955,972	6.1%	\$486,760,315	\$775,232	4.3%
2015	\$885,390,730	\$2,065,051	5.6%	\$517,418,700	\$824,059	6.3%
2016	\$959,157,571	\$2,237,102	8.3%	\$552,819,464	\$880,440	6.8%
2017	\$1,036,217,114	\$2,416,833	8.0%	\$588,711,948	\$937,604	6.5%
Total Change	\$438,832,504	\$1,023,516	73.5%	\$160,611,443	\$255,796	37.5%

Table 16B: Winter Park Station Area's Tax Revenue Estimates, 2011-2017

Year	Estimated Tax Revenue	Tax Revenue Growth Rate
2011	\$6,642,924	
2012	\$9,658,181	45.4%
2013	\$9,594,872	-0.7%
2014	\$10,479,923	9.2%
2015	\$10,993,799	4.9%
2016	\$11,699,104	6.4%
2017	\$12,681,501	8.4%

Figure 12: Winter Park SunRail Station Area with Selected Control Area



4.8 Florida Hospital Station Area

The Florida Hospital station area exhibited the second highest property value growth rate of any SunRail station, and was only outperformed by the Church Street station area. The Florida Hospital station area significantly outperformed its control area with a 97.7% increase in assessed property value per acre over the entire study period, compared to the 26.2% increase of the control area. Most of the station area's rapid growth occurred between 2014 and 2016 when property values grew by 60.1% in the three-year span (Table 17A). As with most stations, the Florida Hospital station area observed a steep increase in property values in 2014, the year SunRail became operational.

The Florida Hospital is one of the largest private employers in Central Florida. With the advent of SunRail, the Hospital partnered with the community to increase accessibility by building the SunRail station in a central location of the hospital's main campus. Because this station is primarily an employment and service center, there is very little space zoned for residential uses within the immediate quarter-mile buffer surrounding the station. However, these limitations did not prevent the 248-unit Ivy Residences from being constructed in 2014.²¹

Figure 13 depicts the current land uses within the Florida Hospital station area and its control area. From this figure it is seen that within the half-mile station area there is more residential development to the west, just past I-4, and south. While primarily single-family housing, there are indications of future multi-family developments with easy access to the Hospital. The Florida Hospital has invested more than \$230 million in a mixed-use urban community known as the Florida Hospital Health Village. This development is intended to give health-based, and life science entrepreneurs and businesses, access to a world-class healthcare facility to market and test innovations. With it comes walkable access to civic developments such as Orlando Children's Theatre, the Orlando Science Center, the Bush Theatre, the Orlando Museum of Art, and Orwin Manor Park.²² With easy access to SunRail, growing retail locations, ample recreational and green space, it is a lucrative opportunity, not only for the Hospital, but for the City itself because of the potential tax revenue. This is critically important to the success of this station area compared to the control area, because, many of major investments in the hospital and surrounding medical facilities, are tax exempt. Consequently, the massive increases in property values have so far only produced moderate tax revenue gains. However, this could change if the Health Village and other efforts inspire private investment in the station area (Table 17B).

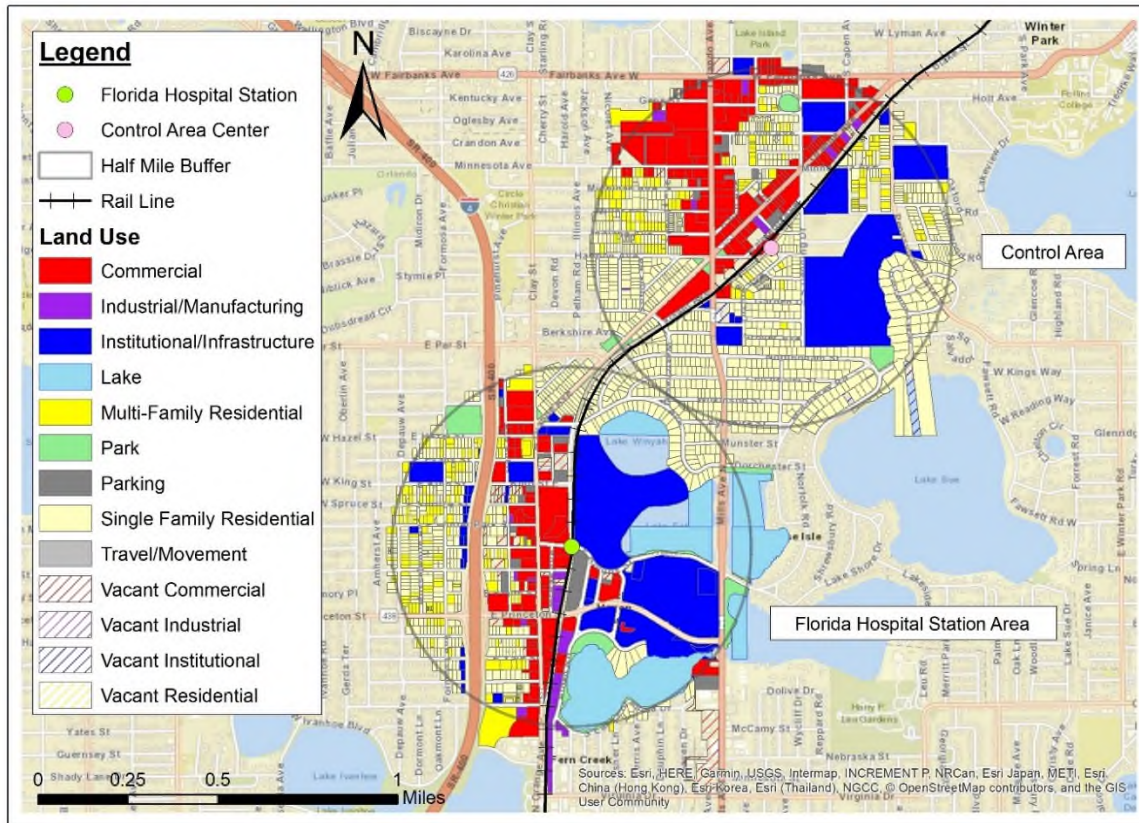
Table 17A: Property Value Changes in Florida Hospital's Station and Control Areas, 2011-2017

Year	Station Area			Control Areas		
	Total Assessed Property Value	Assessed Value per Acre	% Change in Value per Acre	Total Assessed Property Value	Assessed Value per Acre	% Change in Value per Acre
2011	\$508,452,818	\$1,183,660		\$386,606,277	\$874,794	
2012	\$557,348,538	\$1,297,487	9.6%	\$387,888,089	\$877,694	0.3%
2013	\$557,348,538	\$1,297,487	0.0%	\$387,888,089	\$877,694	0.0%
2014	\$717,249,802	\$1,669,731	28.7%	\$409,274,155	\$926,085	5.5%
2015	\$835,660,277	\$1,945,387	16.5%	\$444,045,049	\$1,004,763	8.5%
2016	\$960,172,050	\$2,235,245	14.9%	\$481,263,350	\$1,088,979	8.4%
2017	\$1,005,378,177	\$2,340,484	4.7%	\$488,040,587	\$1,104,314	1.4%
Total Change	\$496,925,359	\$1,156,824	97.7%	\$101,434,310	\$229,521	26.2%

Table 17B: Florida Hospital Station Area's Tax Revenue Estimates, 2011-2017

Year	Estimated Tax Revenue	Tax Revenue Growth Rate
2011	\$3,567,250	
2012	\$3,717,819	4.2%
2013	\$3,694,859	-0.6%
2014	\$3,734,849	1.1%
2015	\$4,574,260	22.5%
2016	\$4,901,332	7.2%
2017	\$5,115,797	4.4%

Figure 13: FL Hospital SunRail Station Area with Selected Control Area



4.9 LYNX Station Area

The LYNX station area experienced substantial property value growth over the study period. However, LYNX’s property value growth was very slow compared to the rest of Downtown Orlando. Due to the proximity of both the LYNX station and Church Street station, it is important to note that the control area selected for both stations is the Orlando Downtown boundary (Figure 14).

The LYNX station area was one of the hardest hit by the recession and one of the slowest to recover. This is reflected in the property value change data seen in Table 18A. The station area experienced gradual growth between 2011 and 2015 with an average growth rate of only 3.9% compared to 9.5% in the control area. In the past two years, the station area has made substantial gains in assessed value per acre with 18.0% and 12.2% respectively in 2016 and 2017. Consequently, LYNX’s tax revenues grew by almost three-million dollars (or 53%) over the past two years (Table 18B). The station area’s recent growth also helped the station area to outperform its control area over the entire study period. The station area’s growth rate over the study period (2011-2017) was 53.7%, with the control area exhibiting 51.3% growth in assessed

value per acre. If the last two years are an indication of future growth patterns, the station area may continue to surpass its control area.

Recent development and redevelopment in this station area may be another indication of future growth. Several parcels around the station area have been sold to developers who are now beginning construction on multi-faceted projects. These projects include high-rise luxury apartment buildings, mixed-use commercial/residential projects, and civil and institutional developments, with limited development of office space. Experiencing a surge in residential demand, the Downtown Orlando development projects featured are primarily residential as opposed to the more common office development projects we observe in other downtown districts. In total there are currently 14 apartment projects proposed or under construction in Downtown Orlando totaling more than 4,300 additional units.²³

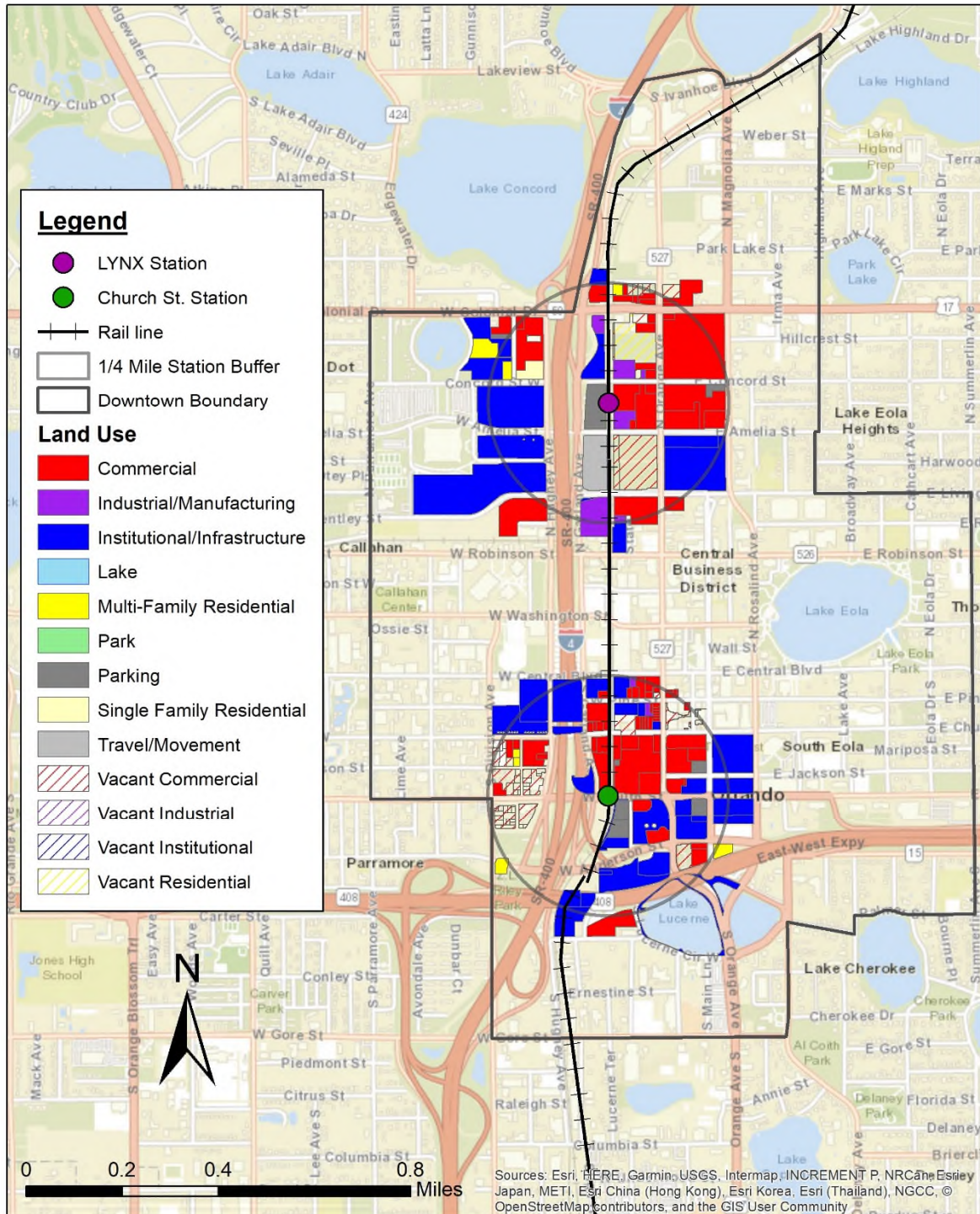
Table 18A: Property Value Changes in LYNX's Station and Control Areas, 2011-2017

Year	Station Area			Control Area		
	Total Assessed Property Value	Assessed Value per Acre	% Change in Value per Acre	Total Assessed Property Value	Assessed Value per Acre	% Change in Value per Acre
2011	\$477,267,711	\$4,296,612		\$1,560,014,778	\$2,675,611	
2012	\$482,750,179	\$4,345,968	1.1%	\$1,910,842,917	\$3,277,323	22.5%
2013	\$482,750,179	\$4,345,968	0.0%	\$1,910,842,917	\$3,277,323	0.0%
2014	\$524,565,657	\$4,722,413	8.7%	\$2,031,641,193	\$3,484,506	6.3%
2015	\$554,167,644	\$4,988,906	5.6%	\$2,219,000,539	\$3,805,849	9.2%
2016	\$653,830,600	\$5,886,124	18.0%	\$2,385,396,931	\$4,091,239	7.5%
2017	\$733,524,121	\$6,603,566	12.2%	\$2,360,311,236	\$4,048,214	-1.1%
Total Change	\$256,256,410	\$2,306,954	53.7%	\$800,296,458	\$1,372,603	51.3%

Table 18B: LYNX Station Area's Tax Revenue Estimates, 2011-2017

Year	Estimated Tax Revenue	Tax Revenue Growth Rate
2011	\$3,590,610	
2012	\$3,614,537	0.7%
2013	\$3,593,312	-0.6%
2014	\$4,826,798	34.3%
2015	\$4,795,063	-0.7%
2016	\$6,354,932	32.5%
2017	\$7,659,381	20.5%

Figure 14: Downtown Control Area for LYNX and Church Street SunRail Station Areas



4.10 Church Street Station Area

The Church Street station area was the most successful station area in terms of property value growth. As previously mentioned, the Church Street and LYNX station areas were compared against the same control area of Downtown Orlando (shown in Figure 14). Property values in Downtown Orlando, as a whole, grew rapidly during the study period, with the value per acre growing by 51.3% between 2011 and 2017 (Table 19A). Yet, the Church Street station area far exceeded the rest of Downtown by growing by 125.4% in the same time-period. The station area's exceptional growth included a 48.2% increase in 2012, the fastest one-year growth rate of any station or control area. A large portion of this rapid growth is attributable to the construction of the Amway Center, which accounted for about \$275 million of the station area's \$333 million property value growth in 2012. This helped to generate 20.9% growth in estimated tax revenue in the same year (Table 19B). In 2016, the Church Street's station area's property values spiked again as the value per acre grew by 28.4%, compared to only 7.5% in the control area. While 2017 only saw modest growth in the station area this did not affect the Church Street's station area's overall performance because of a slight value decline in the control area.

The Church Street station area had achieved success in the 1970's and 80's as a popular entertainment district. The Amway Center is attempting to catalyze revitalization of the area to regain its former identity as an effective business and nightlife district. As a function of the additional foot-traffic and tourism caused by the Amway Center, in recent years the Church Street station area has been a hotbed of renewal through the sale of several historic buildings and parcels to new owners. Since 2008, the new owners of these sites began to reopen retail and shopping centers, including restaurants, boutiques, and nightlife entertainment venues to accommodate the new growing demand of the area.²⁴ Alongside this, renewal of several properties has allowed businesses to move into the station area. In the historic Church Street Exchange building, the new owners reopened the building for burgeoning technology startups which was filled in 2014.²⁵ Developers have plans for at least four new high-rise buildings this year. Finally, one of the owners, has plans for the construction of a new 28-story tower, which will be the downtown's first high-rise office building in over ten years.²⁶

The Downtown stations, while competing for development, function symbiotically. Most of the new development in the LYNX station area has primarily been residential, while most of the new development in the Church Street station area has been commercial (Figure 14). SunRail improves accessibility between these activity nodes and to the rest of downtown as well as to shopping destinations for both tourists and residents alike. It

is expected that the Church Street station area will continue to see development while maintaining its identity as a business-friendly commercial district.

Table 19A: Property Value Changes in Church Street’s Station and Control Areas, 2011-2017

Year	Station Area			Control Area		
	Total Assessed Property Value	Assessed Value per Acre	% Change in Value per Acre	Total Assessed Property Value	Assessed Value per Acre	% Change in Value per Acre
2011	\$691,905,064	\$6,600,258		\$1,560,014,778	\$2,675,611	
2012	\$1,025,177,160	\$9,779,425	48.2%	\$1,910,842,917	\$3,277,323	22.5%
2013	\$1,025,177,160	\$9,779,425	0.0%	\$1,910,842,917	\$3,277,323	0.0%
2014	\$1,061,233,328	\$10,123,374	3.5%	\$2,031,641,193	\$3,484,506	6.3%
2015	\$1,139,096,191	\$10,866,128	1.3%	\$2,219,000,539	\$3,805,849	9.2%
2016	\$1,462,452,070	\$13,950,702	28.4%	\$2,385,396,931	\$4,091,239	7.5%
2017	\$1,559,223,024	\$14,873,825	6.6%	\$2,360,311,236	\$4,048,214	-1.1%
Total Change	\$867,317,960	\$8,273,566	125.4%	\$800,296,458	\$1,372,603	51.3%

Table 19B: Church Street Station Area’s Tax Revenue Estimates, 2011-2017

Year	Estimated Tax Revenue	Tax Revenue Growth Rate
2011	\$9,338,003	
2012	\$11,287,169	20.9%
2013	\$11,220,900	-0.6%
2014	\$11,801,334	5.2%
2015	\$13,723,827	16.3%
2016	\$14,732,080	7.3%
2017	\$15,878,724	7.8%

4.11 Orlando Health Station Area

The Orlando Health station area slightly outperformed its control area over the study period. Following the recession, the Orlando Health station area did not experience the drastic spikes in property values observed in the Downtown stations or Winter Park. Through the study period, the Orlando Health station saw gradual growth in both the station and control areas. The station area increased in assessed value per acre by 29.5% with the control area increasing by 22.4% (Table 20A). Substantial growth in the assessed value per acre of the station area occurred in 2012 and 2017 both with 8.8% increases. This created a 9.9% growth in tax revenue in 2017 (Table 20B). The control area, however, since 2013, has seen consistently upward growth, up to 9.6% in 2017, the highest growth rate in either the station or control area for any year.

The Orlando Health station area, much like the Florida Hospital station area, is comprised primarily of a medical center, with a large amount of industrial uses on the west side of the rail line (Figure 15). This limits the availability of land for more potentially lucrative investments such as multi-family residential development. Redevelopment has begun to occur in very limited parcels, but much of the recent development has been medical facilities. Orlando Health has been expanding its healthcare system in the area and have redeveloped existing facilities to accommodate greater intensity of use based off the demand of the area. Also, within the station area there has been development of hotels, most notably a Hampton Inn within the ¼-mile area. However, much of the land to the east of the rail line and west of Orange Avenue, has seen limited development due to the zoning, and existing conditions of the area. This creates a small area that could be developed under TOD principles and limits the intensity of development that can occur in this area. In addition, Orlando Health has four parking garages within the station area to accommodate large numbers of patients and staff. These parking garages further limit the capacity of developers to construct in the area. Consequently, the Orlando Health station area's property values may continue to grow gradually but it may be difficult to move towards TOD within the Orlando Health station area.

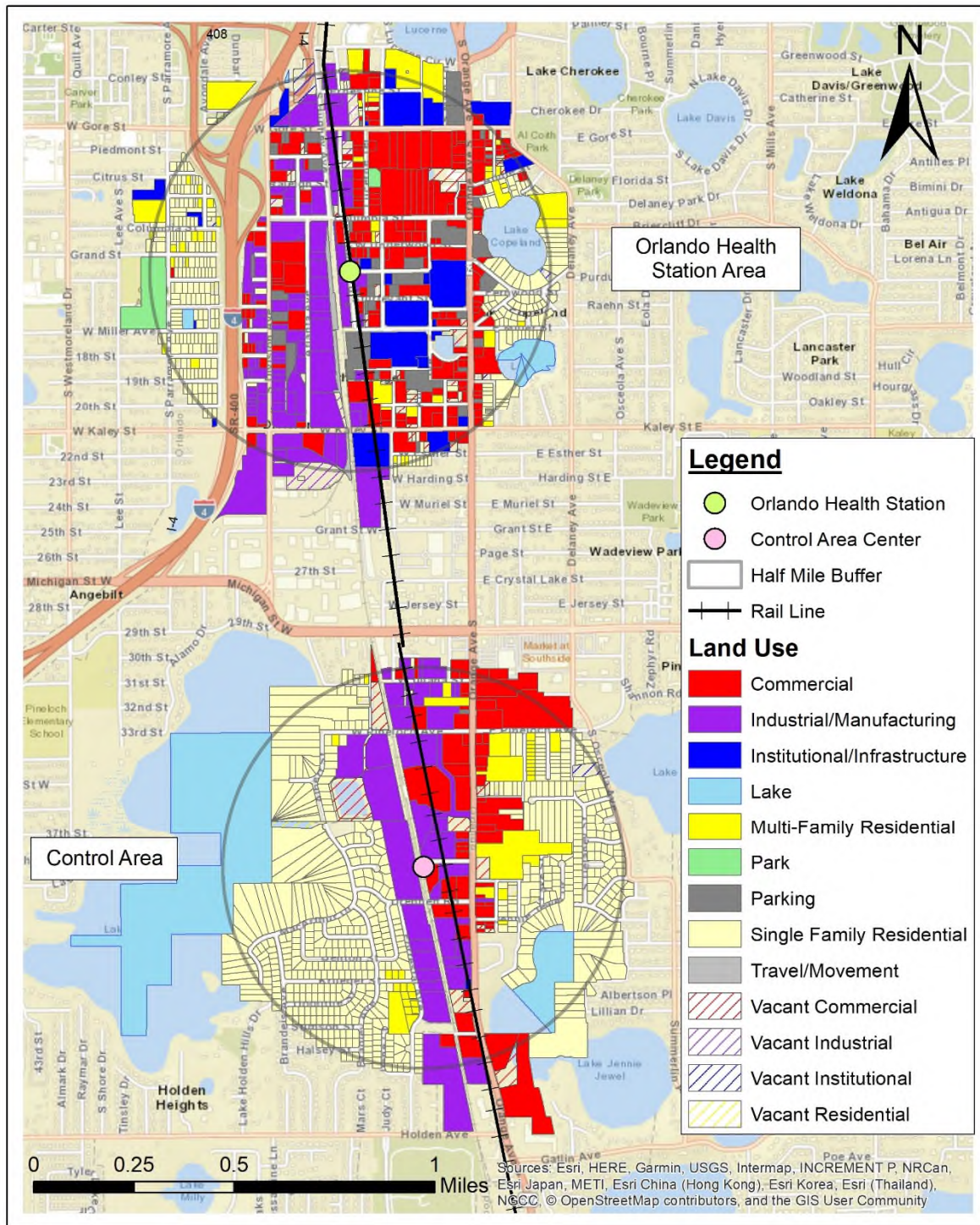
Table 20A: Property Value Changes in Orlando Health's Station and Control Areas, 2011-2017

Year	Station Area			Control Area		
	Total Assessed Property Value	Assessed Value per Acre	% Change in Value per Acre	Total Assessed Property Value	Assessed Value per Acre	% Change in Value per Acre
2011	\$646,826,443	\$1,564,499		\$185,996,826	\$327,534	
2012	\$703,724,824	\$1,702,121	8.8%	\$178,954,625	\$315,133	-3.8%
2013	\$703,724,824	\$1,702,121	0.0%	\$178,954,625	\$315,133	0.0%
2014	\$702,147,384	\$1,698,305	-0.2%	\$185,468,244	\$326,603	3.6%
2015	\$723,161,120	\$1,749,132	3.0%	\$196,127,059	\$345,373	5.7%
2016	\$769,838,026	\$1,862,031	6.5%	\$207,748,016	\$365,837	5.9%
2017	\$837,438,167	\$2,025,537	8.8%	\$227,664,460	\$400,909	9.6%
Total Change	\$190,611,724	\$461,038	29.5%	\$41,667,634	\$73,375	22.4%

Table 20B: Orlando Health Station Area's Tax Revenue Estimates, 2011-2017

Year	Estimated Tax Revenue	Tax Revenue Growth Rate
2011	\$4,071,322	
2012	\$3,937,398	-3.3%
2013	\$3,913,230	-0.6%
2014	\$4,571,700	16.8%
2015	\$4,510,855	-1.3%
2016	\$4,742,623	5.1%
2017	\$5,213,876	9.9%

Figure 15: Orlando Health SunRail Station Area with Selected Control Area



4.12 Sand Lake Road Station Area

The Sand Lake Road station area was among the poorest performing stations, better only than Debary and Altamonte Springs in terms of assessed value per acre growth. The Sand Lake Road station was one of the hardest hit during the recession and is still recovering. Figure 16 portrays the location of the Sand Lake station area and its corresponding control area. Over the study period (2011-2017) moderate growth was observed in both the station and control areas. The station area assessed value per acre increased by 15.3% compared to an 11.5% increase in the control area (Table 21A). This indicates that SunRail has just begun to overcome the decline sparked by the recession, but the slow progress could also be due to the decentralized nature of the station as it is the southernmost terminus station for SunRail's first Phase. These reasons explain why the Sand Lake Road station area has not met its economic potential yet.

In 2012, the station area experienced a steep decline of the station area's property value per acre, while values in the control area grew by 1.6%. Since 2012, the station area and control area have been alternating years of growth. This is reflected in the tax revenue estimates, as well as observed the tax revenue estimates growing since 2014 but alternating between low and moderate growth (Table 21B). This indicates that SunRail has had a limited impact, thus far, on stimulating development in the station area. However, as the southern expansion of Phase 2 begins construction this year, developers even now are beginning to set forth plans for the redevelopment of the Sand Lake Road station area into a more transit-oriented community.

Planners and Orange County officials have taken steps to reach out to residents and business owners alike to update the county's comprehensive plan and future land-use map to accommodate the forms of development desired in the station area. They are also updating the land development code and creating an infrastructure plan to address phasing and financing for priority projects, such as those that would occur in the station area. Developers have plans currently for three, four-story residential multi-family apartments and one office commercial building near the station on Orange Avenue.²⁷

Transit-oriented development has not caught on in the Sand Lake Road station area as quickly as other stations, and thus these TOD projects are a welcome addition to the Sand Lake Road station area and may soon generate tax revenue and incentivize more development. Due to the auto-centric nature of the greater Orlando area, and the Sand Lake Road station area specifically, it is expected that property values will continue to grow, albeit gradually at first, but as the Phase 2 extension develops and TOD projects

become more common, it is expected that the Sand Lake Road station area will see more development in the future.

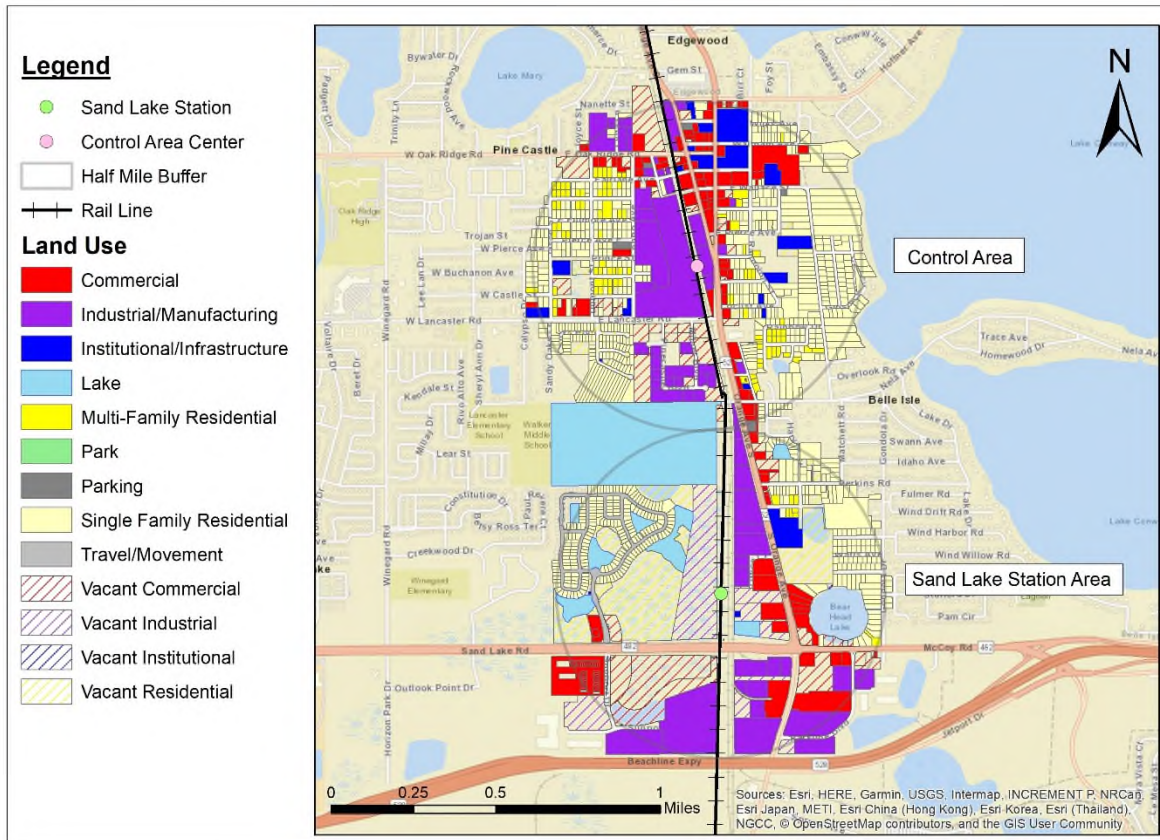
Table 21A: Property Value Changes in Sand Lake Road's Station and Control Areas, 2011-2017

Year	Station Area			Control Area		
	Total Assessed Property Value	Assessed Value per Acre	% Change in Value per Acre	Total Assessed Property Value	Assessed Value per Acre	% Change in Value per Acre
2011	\$122,262,853	\$234,985		\$150,265,080	\$327,154	
2012	\$113,744,286	\$218,613	-7.1%	\$152,687,124	\$332,427	1.6%
2013	\$113,744,286	\$218,613	0.0%	\$152,687,124	\$332,427	0.0%
2014	\$123,156,992	\$236,704	8.3%	\$158,849,077	\$345,843	4.0%
2015	\$127,822,888	\$245,672	3.8%	\$166,722,552	\$362,985	5.0%
2016	\$133,615,619	\$256,805	4.5%	\$172,974,767	\$376,597	3.8%
2017	\$141,126,371	\$271,240	5.6%	\$167,616,019	\$364,930	-3.1%
Total Change	\$18,863,518	\$36,255	15.3%	\$17,350,939	\$37,776	11.5%

Table 21B: Sand Lake Road Station Area's Tax Revenue Estimates, 2011-2017

Year	Estimated Tax Revenue	Tax Revenue Growth Rate
2011	\$2,001,294	
2012	\$1,849,069	-7.6%
2013	\$1,841,747	-0.4%
2014	\$1,853,472	0.6%
2015	\$1,930,466	4.2%
2016	\$1,980,771	2.6%
2017	\$2,056,682	3.8%

Figure 16: Sand Lake SunRail Station Area with Selected Control Area



Chapter 5: Results of the Phase 2 Property Value Analysis

This chapter explains the property value changes of SunRail Phase 2 station areas and corresponding control areas, along with estimated tax revenue variations over the entire study period (2011-2017). This 17.2 mile extension to the existing 32 mile SunRail commuter rail transit line started operating on July 30, 2018. While it is very early in Phase 2's operational life, this report analyzes its property value changes and tax revenue variations to uncover Phase 2's early effects and to provide a baseline for tracking SunRail's impacts over time. This analysis, was conducted from 2011 to 2017 to capture SunRail's full impact from when the locations of the station areas were announced through today. However, since SunRail's impacts are expected to be significantly higher closer to implementation and operation, the analysis will focus on the years leading up to when Phase 2 became operational (2014-2017). Hence this report describes the influence of SunRail's Phase 2 stations on the surrounding areas during every developmental phase leading up to when Phase 2 service began.

The Phase 2 stations have yet to experience the substantial property value impacts seen in the Phase 1 stations. Although all stations experienced positive growth in property values, not all stations fared better than their respective control area. However, there are indications that even in the years leading up to opening Phase 2, SunRail began to have positive property value impacts that are expected to grow as the system matures and more of the planned TOD is represented in the tax rolls. In particular, it is estimated that SunRail has contributed to as much as \$386,000 in property value growth across the four station areas during the second half of the study period. This property value growth contributed to notable property tax revenue impacts as the cumulative tax revenue of all four stations increased by \$563,784 between 2014 and 2017. However, as was seen in Phase 1, SunRail's impact varied from one station area to another, with property value outcomes of individual station areas ranging from 23.6% to 4.9% change.

5.1 Changes in Cumulative Property Values

Key Findings:

- SunRail Phase 2 station areas accumulated \$53.8 million (13%) in combined property value growth from 2011 to 2017
- SunRail's influence on property values increased more rapidly after Phase 1 opened in 2014
- Cumulatively, Phase 2 stations have yet to outpace their control areas

Since small contextual variations, such as a single new development, can significantly alter the property values patterns in individual station areas, evaluating cumulative property value fluctuations often provides the clearest picture of SunRail's impacts. Table 22 summarizes the variations in property value across the four Phase 2 station and control areas from 2011 to 2017. The results indicate that, while property values are steadily increasing, SunRail has yet to provide substantial property value benefits in the Phase 2 station areas. Over the entire study period, the cumulative property value per acre of the station areas grew by 13.1%, but the control areas outperformed this growth with a 15.4% increase in cumulative property value.

Table 22: SunRail Phase 2 Station and Control Areas' Cumulative Property Value by Year, 2011-2017

Year	Station Areas			Control Areas		
	Assessed Value	Assessed Value per Acre	% Change	Assessed Value	Assessed Value per Acre	% Change
2011	\$411,448,502	\$154,672		\$501,488,303	\$183,204	
2012	\$401,753,575	\$151,027	-2.36%	\$497,257,241	\$181,658	-0.84%
2013	\$407,462,776	\$153,173	1.42%	\$506,780,721	\$185,137	1.92%
2014	\$418,763,648	\$157,422	2.77%	\$519,755,295	\$189,877	2.56%
2015	\$436,226,646	\$163,986	4.17%	\$534,301,419	\$195,191	2.80%
2016	\$437,924,153	\$164,624	0.39%	\$544,235,605	\$198,820	1.86%
2017	\$465,340,046	\$174,931	6.26%	\$578,890,203	\$211,480	6.37%
Total Change	\$53,891,544	\$20,259	13.10%	\$77,401,900	\$28,276	15.43%

In 2012, both the station and control areas experienced a decrease in aggregate property value, but between 2013 and 2015 the combined property value of the station areas grew steadily. In 2016, station areas' cumulative property value grew slightly, but at a lower rate than the previous years. However, the station areas then demonstrated substantial property value growth in 2017 (6.3%), marking the highest surge in cumulative property value over the study period. However, it is unclear whether SunRail was a significant contributor to this property value growth as the control areas also increased by over 6%.

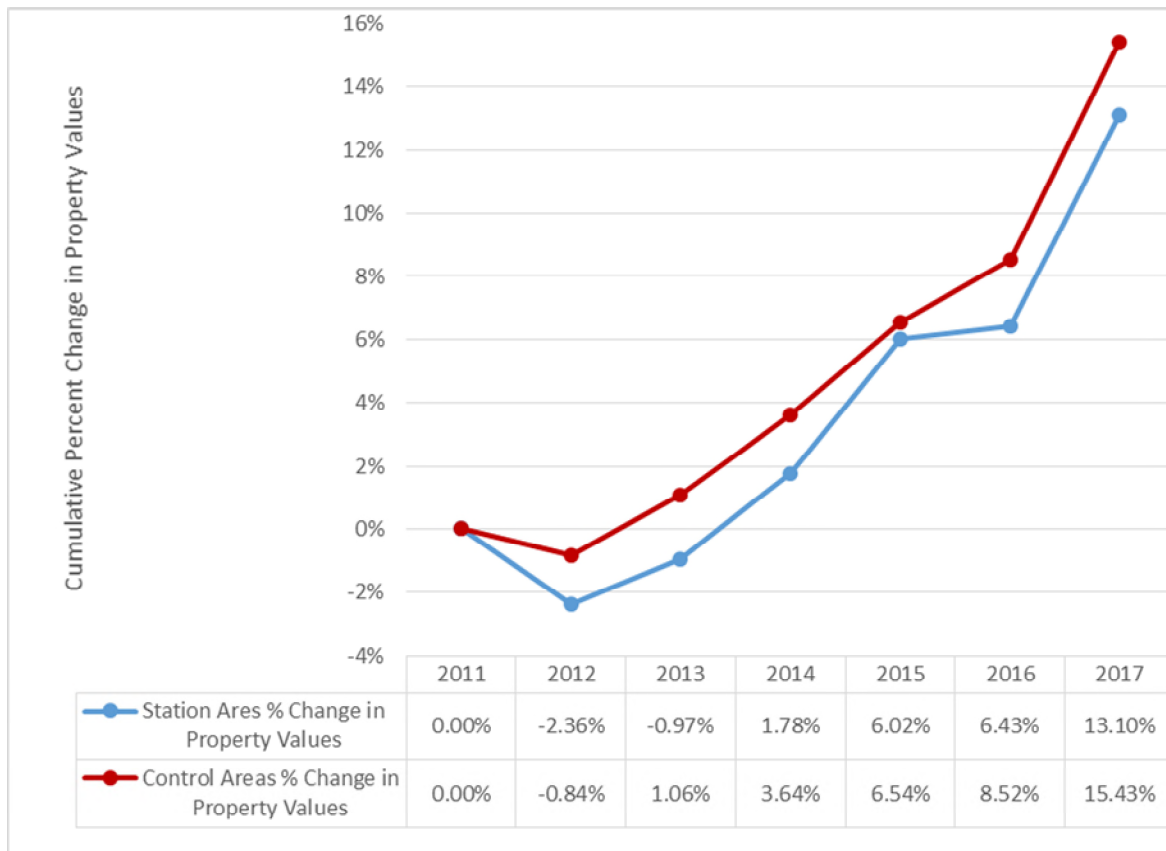


Figure 17: Cumulative Percent Change in Property Values of Station and Control Areas

The cumulative property value growth trends over the study period for the station and control areas are illustrated in Figure 17. As indicated by Figure 17, the cumulative change in property value of both the station and control areas followed an upward trajectory over the seven-year study span, except for 2012. Though the control areas fared better than the station areas in each year of the study period, the gap between the cumulative property value increments decreased markedly in the second half of the study period. This may be partially attributable to the opening of SunRail Phase 1 in 2014, as station areas' property values grew close to 1.5 times faster than the control areas' in 2015. However, in 2016 and 2017, the control areas outperformed the station

areas by a small margin. Major new developments in a few of the control areas resulted in higher property value growth in the control area's in 2016 and 2017, which will be explained in more detail later in the report. The station areas' ability to keep pace with the control areas despite these unrelated new developments, may indicate that the successful operation of SunRail Phase 1 and the preparation for Phase 2's opening had positive property value impacts on the station areas.

5.2 Changes in Station Area Property Values

Key Findings:

- All four station areas experienced notable property value growth over the entire study period, ranging from 23.6% to 4.9%
 - The Meadow Woods station area exhibited the highest growth in per acre property value (23.6%)
 - The Tupperware and Kissimmee station areas outperformed their control areas in the second half of the study period
 - Poinciana experienced notable property value growth, but was outpaced by new strip developments in its control area
-

This section elaborates on the property value variations of individual station and control areas for three time periods of interest (2011-2014, 2014-2017 and 2011-2017), which are illustrated in Tables 23-25. As per the previous section, SunRail had a substantial influence on the aggregate property value of the Phase 2 station areas, yet the discrete performance of different station areas has contributed variedly to this cumulative property value outcome. Similar to Tables 2-4, Tables 23-25 indicate the station areas that outperformed their respective control areas (highlighted in green) with higher property value rise or less property value decline.

Table 23 depicts the variations in Phase 2 station and control areas' property value per acre from 2011 to 2014. This time period prior to Phase 1's opening provides an indication of the property value impacts of the finalization and announcement of the SunRail Phase 1 grant agreement in 2011. The table reveals that during the first half of the study span (2011-2014), two of the four Phase 2 station and control areas (Tupperware and Kissimmee) experienced a decline in per acre property value, while the other two experienced property value growth. Of the four station areas, only the Meadow Woods station area fared slightly better than its control area in terms of property value

growth. Since the first half of this study period was four years before Phase 2 started operating, it is not surprising that SunRail station areas only saw modest property value growth during this period as much of the development interests would have been focused on the Phase 1 stations.

Table 23: Total Property Value per Acre Change for All Station and Control Areas, 2011-2014

Assessed Value per Acre Change, 2011-2014				
Station	Station Area		Control Area	
	Dollar Change	% Change	Dollar Change	% Change
Meadow Woods	\$13,858	8.62%	\$12,277	8.11%
Tupperware	-\$7,239	-4.31%	-\$5,255	-2.87%
Kissimmee	-\$5,306	-1.08%	-\$2,709	-0.54%
Poinciana	\$3,811	6.76%	\$12,592	31.11%
Total	\$5,124	9.99%	\$16,905	35.80%

*Stations in Green cells outperformed their control areas during the period of analysis

The station areas experienced significantly higher property value growth per acre in the second half of the study period. Table 24 demonstrates the impact of the SunRail system on property values once SunRail Phase 1 started functioning in 2014. The per acre property values of all the station and control areas grew steadily in the second half of the study period (2014-2017). Unlike in the first half of the study period, the cumulative property value growth in the station areas, matched the continued growth within the control area. The Tupperware and Kissimmee station areas even outperformed their control areas (Table 24). In fact, the Kissimmee station area’s property values grew 1.5 times faster than the control area’s.

Table 24: Total Property Value per Acre Change for All Station and Control Areas, 2014-2017

Assessed Value per Acre Change, 2014-2017				
Station	Station Area		Control Area	
	Dollar Change	% Change	Dollar Change	% Change
Meadow Woods	\$24,088	13.80%	\$27,969	17.09%
Tupperware	\$15,527	9.66%	\$15,416	8.68%
Kissimmee	\$67,738	14.00%	\$47,404	9.54%
Poinciana	\$1,520	2.53%	\$2,950	5.56%
Total	\$108,873	39.98%	\$93,739	40.88%

* Stations in Green cells outperformed their control areas during the period of analysis

According to Table 24, the Kissimmee station area experienced the highest growth of any station (14.0%) during this period, followed by Meadow Woods (13.8%) and Tupperware (9.7%). Though the Meadow Woods station area accrued noteworthy gain (13.8%) in property values between 2014 and 2017, it fell short of its control area’s 17.1% property value growth (Table 24). Despite growing by 2.5%, the Poinciana station area was the only station that grew slightly slower during the second half of the study period.

Table 25 displays the property value changes of all four station and control areas over the entire study period (2011-2017). As indicated by Table 25, all four station areas experienced notable cumulative growth in per acre property value, although the majority of this growth occurred since SunRail Phase 1 started functioning in 2014. However, property value outcomes varied significantly between stations as growth rates ranged from 23.6% (Meadow Woods) to 4.9% (Tupperware). The Meadow Woods station area exhibited the highest growth in per acre property value change; however, its outstanding growth was overshadowed by its control area’s 26.6% rate of growth in cumulative property values. Of the four station areas, only the Kissimmee station area outpaced its respective control area, displaying a promising rise of 12.8% in per acre property value. However, the Meadow Woods and Tupperware stations matched their control area’s property value growth, only lagging behind by 3% and 0.6% respectively.

Table 25: Total Property Value per Acre Change for All Station and Control Areas, 2011-2017

Assessed Value per Acre Change, 2011-2017				
Station Areas	Station Area		Control Area	
	Dollar Change	% Change	Dollar Change	% Change
Meadow Woods	\$37,946	23.62%	\$40,246	26.59%
Tupperware	\$8,288	4.93%	\$10,160	5.56%
Kissimmee	\$62,433	12.76%	\$44,696	8.95%
Poinciana	\$5,331	9.46%	\$15,542	38.39%
Total	\$113,997	50.77%	\$110,644	79.49%

*Stations in Green cells outperformed their control areas during the period of analysis

5.3 County Variations in Station Area Performance

Key Findings:

- Orange County stations experienced the highest property value growth
 - Property value trends in both station have control areas generally followed their respective counties' trends
-

Table 26 presents a summary of property value changes for all four station areas separated by county for the entire study period. As the table indicates, the Meadow Woods station is the only station in the study group located in Orange County. The other three study station areas are located in Osceola County. While the Kissimmee station area was the only station area that outperformed its control area, the Meadow Woods station experienced the highest change in property value per acre. Furthermore, Meadow Woods was the only station and control area that did not experience a decrease in property values during a single year of the study period.

Compared to Osceola County, Orange County is more developed and urbanized, which could help to explain the increased property values. The Meadow Woods, Tupperware, and Poinciana, stations are all located in more suburban areas compared to the Kissimmee station which is located in the urban downtown Kissimmee area, making it a prime area for transit oriented development.

According to Table 26, all four station areas accumulated a combined \$53.9 million in property value growth over the study period, of which almost half (48%) was contributed by Meadow Woods, the Orange County station area. During this seven-year study period, the one station in Orange County accumulated over \$26 million in property value growth. The three station areas in Osceola County accumulated almost \$28 million in combined property value growth. Slightly over 60 percent of the property value growth in Osceola County was contributed by the Kissimmee station, the only station that outperformed its control area.

Property value trends in both station have control areas have generally followed that of their respective counties. Osceola County experienced a dip in property values following the recession, but it has experienced property value growth since 2012. Likewise, property values in Orange County have been growing since 2013. This aligns with the findings of Tables 23-25, as property values grew significantly faster in the 2nd half of the study period.

Table 26: Summary of Property Value Changes for all Phase 2 Station Areas Between 2011-2017

Station	Station Area			Control Area		
	Total Change in Property Value	Total Change in Value per Acre	% Change in Value per Acre	Total Change in Property Value	Total Change in Value per Acre	% Change in Value per Acre
Meadow Woods	\$26,173,019	\$37,946	23.62%	\$39,083,932	\$40,246	26.59%
Tupperware	\$5,487,083	\$8,287	4.93%	\$5,009,255	\$10,160	5.56%
Kissimmee	\$16,681,571	\$62,433	12.76%	\$20,729,311	\$44,696	8.95%
Poinciana	\$5,549,871	\$5,331	9.46%	\$12,579,402	\$15,542	38.39%

*Dotted lines indicate County borders

5.4 SunRail's Property Value Increment

Key Findings:

- SunRail contributed to an estimated \$386,000 in property value growth within Phase 2 station areas between 2014 and 2017
 - The Kissimmee station area accounted for 86.3% of the property value increment
-

In addition to measuring how the property value per acre changed in each station area, this study also evaluated the property value increment of the station areas with respect to their control areas. This analysis differs from the preceding section by assessing the property value increment of the station areas assuming they had developed at the same growth rate as their corresponding control areas. In other words, the property value increment measures how much the station areas outperformed their control areas, providing an indication of how much SunRail affected property value outcomes.

Since most stations underperformed compared to their control area, they also displayed a negative property value increment relative to their control areas. However, as was discussed in Section 5.1, this is likely due in large part to the fact that Phase 2 had not yet opened when these data were collected. As a point of comparison, the majority of the property value increment among the Phase 1 station areas occurred after transit service began in 2014. However, Phase 2 stations are already showing signs that significantly higher property value increments will come as the system matures. In fact, the station areas experienced a positive property value increment in the second half of the study period (2014-2017). Between 2014 and 2017, SunRail contributed to \$386,252 in property value growth including over \$5 million in the Kissimmee station area and almost \$1 million in the Tupperware station area (Table 27). If this trend continues, Phase 2 can expect positive property value increments in the coming years.

Table 27: Total Assessed Property Value Increment Relative to Control Areas, 2011-2017

Station	Property Value Changes Around SunRail Stations		
	2011-2014	2014-2017	2011-2017
Meadow woods	\$570,894	-\$3,849,164	-\$3,278,270
Osceola Parkway	-\$1,596,218	\$903,524	-\$692,694
Kissimmee	-\$698,942	\$5,686,437	\$4,987,495
Poinciana	-\$14,632,885	-\$2,354,545	-\$16,987,430
Total	-\$16,357,151	\$386,252	-\$15,970,899
*Dotted lines indicate County borders			

5.5 SunRail's Phase 2 Tax Revenue Impacts

Key Findings:

- Cumulative tax revenue of all four station areas increased by \$563,784 (12.4%) between 2014 and 2017
- Every station area except for the Poinciana station experienced tax revenue growth in the second half of the study period
- Kissimmee has experienced the highest property tax growth rate since 2014, accounting for 52% of the cumulative tax revenue increase

The property value impacts that are beginning to be demonstrated in the Phase 2 station areas should ultimately translate to increased tax revenue for local governments. Table 28 shows the estimated tax revenue of each station area for three years of interest (2011, 2014 & 2017). This table indicates that the cumulative tax revenues of all four stations have increased by \$182,087 between 2011 and 2017. More importantly, the tax revenues have increased rapidly in the last three years. Between 2014 and 2017, the cumulative tax revenue of all four station areas increased by \$563,784 (12.4%). Over this time period, tax revenues in three of the four station areas increase by over \$100,000, while revenues in the Poinciana station area remained stable (Table 28).

While the Meadow Woods station area had the highest tax revenue increase over the entire study period (\$345,409), the Kissimmee station had the highest growth over the last three years (\$292,980), accounting for 52% of the cumulative tax revenue growth over that time period.

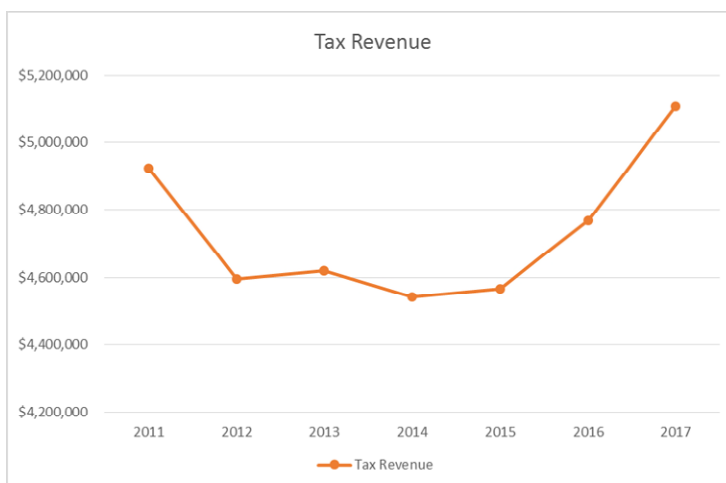
Even though, the Meadow Woods station had the highest increase in total property values, the Meadow Woods station area’s non-taxable institutional land could explain why there was a much larger increase in property values than tax revenues. Following Meadow Woods, Kissimmee had the next highest increase in property values, but like Meadow Woods, the Kissimmee station area has a sizable portion of institutional land that does not contribute to tax revenues. Consequently, the property values around the station areas increased by a little over 13% while the tax revenues only increased by 3.7%.

Table 28: Phase 2 Station Area Property Tax Revenues, 2011-2017

County	Station Area	2011 Estimated Tax	2014 Estimated Tax	2017 Estimated Tax
Orange County	Meadow Woods	\$1,018,086	\$1,174,429	\$1,363,495
Osceola County	Tupperware	\$1,914,900	\$1,684,140	\$1,784,942
	Kissimmee	\$1,046,736	\$801,558	\$1,094,538
	Poinciana	\$945,389	\$883,287	\$864,223
Combined Total		\$4,925,111	\$4,543,414	\$5,107,198

Estimates calculated using taxable property values

Figure 18: Phase 2 Cumulative Tax Revenue, 2011-2017



To show this trend more clearly, Figure 18 displays the annual cumulative tax revenues of all four station areas across the entire study period. As was seen in Table 28, the tax revenues declined between 2011 and 2012 and remained relatively steady until 2015 when they began to rise substantially, increasing by 4.4% and 7.1% respectively in 2016 and 2017.

Chapter 6: Phase 2 Station by Station Property Value Analysis

The previous chapter demonstrated that SunRail is beginning to have a measurable impact on the cumulative property values and tax revenues of the Phase 2 station areas. However, as was seen in Chapter 4, the wide variety of environments that SunRail travels through has contributed to wide variation in the level of impact from one station area to another. Some stations have seen very little new development to date, whereas others have experienced significant amounts of development, leading to improved property value outcomes. Closely examining how SunRail's impact varied from station to station, how those impacts changed over time, and what factors shaped how SunRail affected each station area will provide a deeper understanding of how and why SunRail influenced development patterns and tax revenues along the entire rail line.

In the Phase 1 stations, the station areas' location and predisposition to TOD played a major role in the relative success of redevelopment efforts around SunRail stations. Stations placed within neighborhood settings, land use mixes, and infrastructure that were supportive of TOD have seen new development that is generating higher local tax revenues. The same appears to be true of the Phase 2 stations areas. The Kissimmee Station was built in downtown Kissimmee, a walkable urban node that was very conducive for TOD. On the other hand, while not far from jobs centers, the Meadow Woods and Tupperware stations were built in areas with very traditional suburban development patterns, characterized by larger strip retail and winding low-density neighborhoods. Similarly, the Poinciana station was built in a more exurban area that, while offering great potential for TOD development long-term, was less conducive for TOD in the years leading up to SunRail's opening. Consequently it is not surprising that Kissimmee station was the first to experience significant property value impacts as a result of SunRail-related TOD.

Key Findings:

- Variation between stations appears to be due to a station area's location and predisposition to TOD
 - Stations located in areas with a built environment conducive for TOD generated higher tax revenues
 - The Kissimmee station's location in downtown Kissimmee contributed to SunRail's significant tax revenue impacts
-

6.1 Meadow Woods Station Area

The Meadow Woods station area in Orange County is the northernmost station of SunRail's Phase 2. This suburban station area, located 11 miles south of Downtown Orlando, performed well in terms of property value increment from 2011 to 2017. Over the study period, this station area experienced growth in per acre assessed value in each year, where the rate of property value growth gradually increased, accruing the highest property value increase of 5.7% in 2017 (Table 29A). This can be attributed in part to its location within Orange County which generally experienced higher property value growth. Over the cumulative study period, this station area gained 23.6% in assessed value per acre (Table 29A). This growth in property value is also reflected in the station area's tax revenue estimates, demonstrating progress in revenue changes by 6.3% in year 2017 (Table 29B). These notable statistics capture the property value and tax revenue increment near the Meadow Woods station area for a seven-year period (2011-2017), prior to the commencement of SunRail Phase 2 operation in 2018. If the trend of SunRail's influence on the development activity near the station area continues to grow, then it is presumably going to achieve a substantial progress in the coming years as the SunRail Phase 2 system evolves gradually.

As Table 29A indicates, the Meadow Woods station area accumulated significant cumulative growth (23.6%) in assessed property value over the study period. However the control area fared slightly better than the station area in terms of overall property value outcomes, as property values in the control area grew by 26.6%. However, a closer look at Table 29A reveals that the station area outperformed the control area from 2011 through 2016 until the control area's property values spiked by 10.5% in 2017. This rapid rise in property values was primarily due to the development of the "Landstar Park apartment", built near Landstar Blvd in 2016. Excluding this outlier, the station area actually outperformed the control area by over 4%. This suggests that SunRail may be stimulating more property value growth in the Meadow Woods station area than Table 29A may initially indicate.

The following figure (Figure 19) depicts the location of the Meadow Woods station and control areas along with the associated land uses within a half mile buffer of the station and control areas. From the land use map of the half mile buffer area surrounding the Meadow Woods station, it is apparent that majority of the land is zoned as institutional/ infrastructure due to Southwood Elementary School, and Cypress Creek High School, and a large parcel devoted to waste land. Besides the institutional land, there are also single-family residential zones along with some commercial land uses. While in the control area, a significant amount of land is zoned as multifamily residential housing, along with some other land use categories. Presence of multifamily housing in the control area is

acting as a catalyst to attract more multi-family housing in the neighborhood like “Landstar Park apartment” which substantially triggered the assessed property value of the control area. However, the area surrounding the Meadow Woods station still has potential spaces to be developed as transit oriented high density development, which can spur the property value as well as tax revenue generating from that land uses as the SunRail system matures.

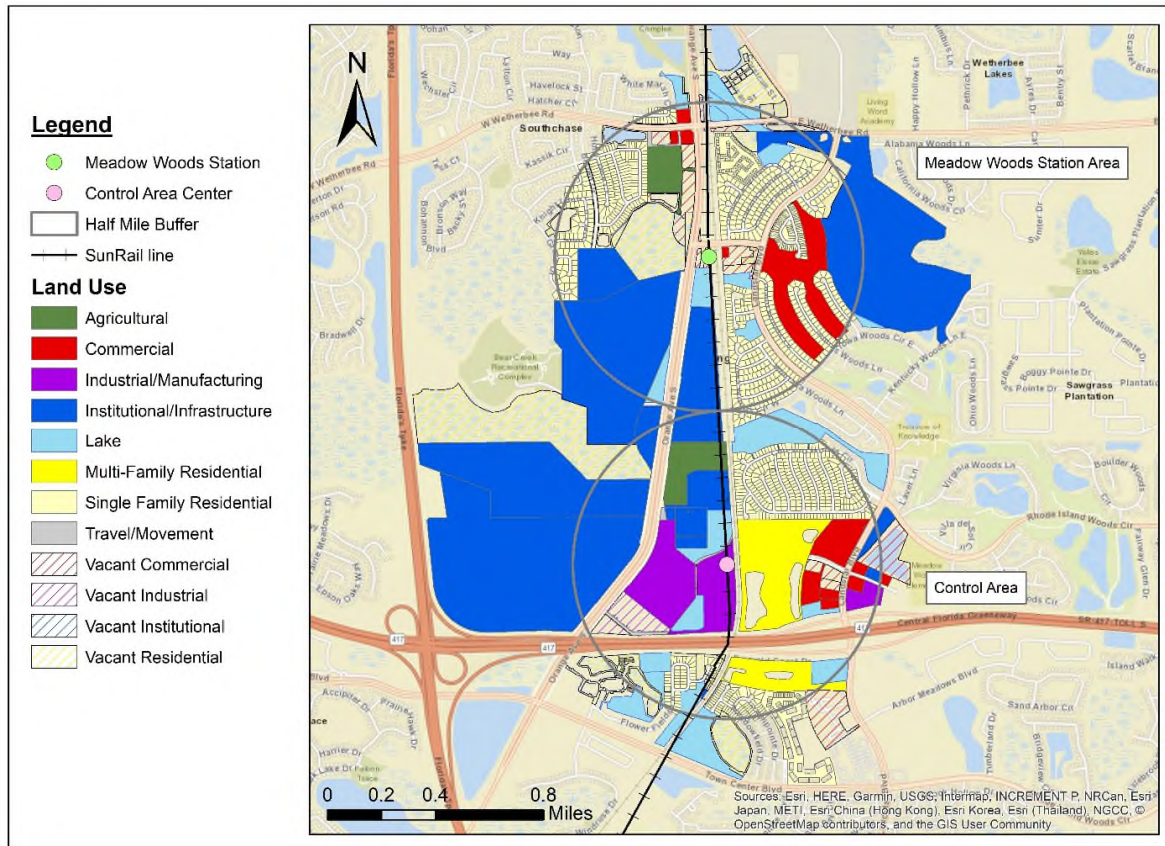
Table 29A: Property Value Changes in Meadow Woods Station and Control Area, 2011-2017

Year	Station Area			Control Area		
	Total Assessed Property Value	Assessed Value per Acre	% Change in Value per acre	Total Assessed Property Value	Assessed Value per Acre	% Change in Value per acre
2011	\$110,823,719	\$160,672		\$146,997,210	\$151,366	
2012	\$113,570,003	\$164,654	2.48%	\$148,286,555	\$152,694	0.88%
2013	\$116,204,133	\$168,473	2.32%	\$154,224,151	\$158,808	4.00%
2014	\$120,381,938	\$174,530	3.60%	\$158,919,545	\$163,643	3.04%
2015	\$124,842,514	\$180,997	3.71%	\$161,849,405	\$166,660	1.84%
2016	\$129,632,843	\$187,942	3.84%	\$168,409,886	\$173,415	4.05%
2017	\$136,996,738	\$198,618	5.68%	\$186,081,142	\$191,612	10.49%
Total Change	\$26,173,019	\$37,946	23.62%	\$39,083,932	\$40,246	26.59%

Table 29B: Meadow Woods Station Area’s Tax Revenue Estimates, 2011-2017

Year	Estimated Tax Revenue	Tax Revenue Growth
2011	\$1,018,086	
2012	\$1,104,656	8.5%
2013	\$1,096,330	-0.8%
2014	\$1,174,429	7.1%
2015	\$1,229,140	4.7%
2016	\$1,282,727	4.4%
2017	\$1,363,495	6.3%

Figure 19: Meadow Woods Station Area with Selected Control Area



6.2 Tupperware Station Area

The Tupperware SunRail Station is located in Osceola County, three miles south of the Meadow Woods station. Of the four Phase 2 station areas, the Tupperware station experienced the slowest property value growth with only a 4.9% increase in assessed property values per acre for the study period. However, the assessed property values around the Tupperware Station still increased cumulatively by almost \$5.5 million or just over \$8 thousand per acre between 2011 and 2017 (see Table 30A). Between 2011 and 2014, the property values around the station decreased by 4.1%, but they recovered during the second half of the study period (2014-2017), increasing by 9.7%. All of this growth occurred in 2017, as new developments near the SunRail station prompted the station area to experience 11.7% growth in one year. This same trend is reflected in the tax revenue estimates, and it provides a promising indication of the potential for continued growth and development in the coming years, particularly as the Tupperware Brands Corporation continues to invest in the area.

The Tupperware station's control area generally followed a very similar pattern, with a gradual property value decline until 2017 when it experienced significant positive property value growth. The assessed value per acre in the control area increased by 5.6% (\$10,160) over the study period (Table 30A). Like the station area, the control area experienced a 2.9% decrease in property values between 2011 and 2014, and an 8.7% increase between 2014 and 2017.

As can be seen in Figure 20, the land uses surrounding the station and control areas are very similar. Both mostly consist of commercial, industrial, institutional, and residential land uses. The control area had a much higher proportion of industrial land. There was also a higher proportion of single-family residential land in the control area. The station area had multi-family housing, which was missing from the control area. Both areas have the potential for future development. There is a larger proportion of vacant land in the station area which could have played a role in why it did not perform as well as the control area.

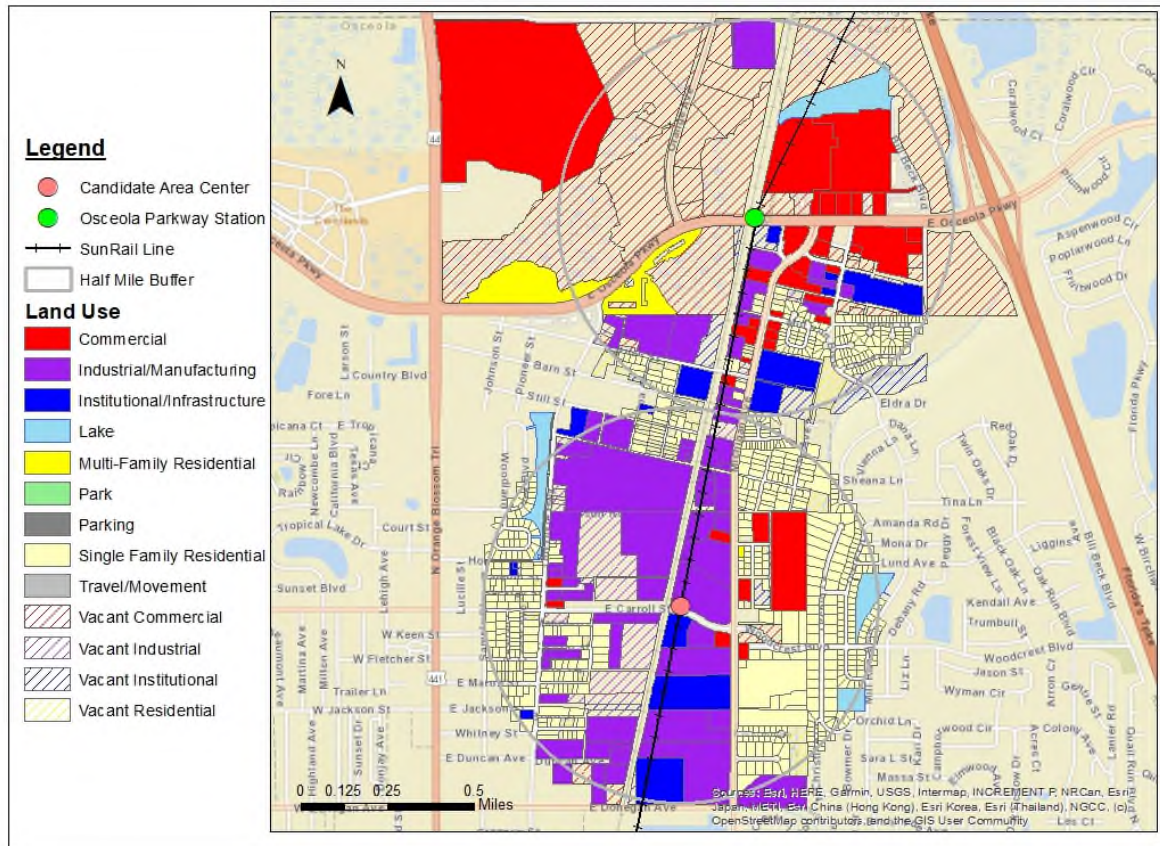
Table 30A: Property Value Changes in Tupperware Station and Control Area, 2011-2017

Year	Station Area			Control Area		
	Total Assessed Property Value	Assessed Value per Acre	% Change in Value per acre	Total Assessed Property Value	Assessed Value per Acre	% Change in Value per acre
2011	\$111,196,727	\$167,952		\$90,134,767	\$182,820	
2012	\$107,310,792	\$162,083	-3.49%	\$89,282,703	\$181,092	-0.95%
2013	\$107,460,208	\$162,309	0.14%	\$89,179,568	\$180,883	-0.12%
2014	\$106,404,026	\$160,713	-0.98%	\$87,543,735	\$177,565	-1.83%
2015	\$105,767,408	\$159,752	-0.60%	\$87,183,419	\$176,834	-0.41%
2016	\$104,447,106	\$157,758	-1.25%	\$87,291,244	\$177,053	0.12%
2017	\$116,683,810	\$176,240	11.72%	\$95,144,022	\$192,980	9.00%
Total Change	\$5,487,083	\$8,288	4.93%	\$5,009,255	\$10,160	5.56%

Table 30B: Tupperware Station Area's Tax Revenue Estimates, 2011-2017

Year	Estimated Tax Revenue	Tax Revenue Growth
2011	\$1,914,900	
2012	\$1,712,629	-10.56%
2013	\$1,728,695	0.94%
2014	\$1,684,140	-2.58%
2015	\$1,663,277	-1.24%
2016	\$1,608,790	-3.28%
2017	\$1,784,942	10.95%

Figure 20: Tupperware Station Area with Selected Control Area



6.3 Kissimmee Station Area

The Kissimmee SunRail station is located in the middle of Historic Downtown Kissimmee just north of Lake Tohopekaliga. The station is part of Kissimmee’s Intermodal station which also houses the Amtrak, LYNX, and Greyhound bus services. The station’s location in a higher density activity node helped to encourage more rapid development impacts than the other Phase 2 stations. Consequently, the Kissimmee station performed better than the other three stations relative to its control area.

Overall, the station area performed well in terms of property value growth between 2011 and 2017. Cumulatively, the value per acre increased by over \$62 thousand or 12.8% for the seven-year study period. There was a decrease in property values between 2011 and 2012, but values then increased in the following years. In particular, property values grew by 14% in the second half of the study period, the highest growth rate among all four Phase 2 stations during this time period. The high percentage of growth during this period can be attributed to SunRail-related TOD in the area.

While tax revenues were slightly slower to respond, the Kissimmee station area experienced significant positive growth in 2016 when tax revenues increased by over 33%. More modest tax revenue growth continued into 2017 with a 2.8% increase (Table 31B).

The Kissimmee station area performed better than the control area in terms of property values and tax revenue growth. However, this did not occur until the second half of the study period. From 2011 to 2014, the control area slightly fared better than the station area with only a decrease of 0.54% in property values per acre (compared to -1.1% for the station area). Yet, as Phase 2's opening approached, the station area performed better than the control area as the station area's property values grew by 14% from 2014 to 2017 (compared to 9.5% in the control area).

The control area had more variation in tax revenue growth. Both areas experienced negative tax revenue growth between 2011 and 2012 and a slight increase between 2012 and 2013 (0.85% for both areas). Adversely, the station area experienced negative tax revenue growth in 2014 and 2015 (-7.32% and -0.61% respectively), while the control area experienced positive tax revenue growth in those years (3.22% and 5.99% respectively). However, the station area's property tax revenue spiked the following year (2016), growing by over 33% compared to a 1.3% decline in the control area.

As depicted in Figure 21, the station and control areas have mostly commercial and institutional land uses with some industrial and residential. The control area has a higher proportion of residential land than the station area that is mostly single-family residential. Most of the control area's commercial parcels are larger in size than the station area's which could depict the more urban downtown setting of the station area. Additionally, the station area has a higher proportion of institutional land uses because the library, courthouse, and other City and County buildings are located in the station area. Again it should be noted that the station area is lakefront and includes the Kissimmee Lakefront Park. Both areas are relatively developed with some opportunity for infill development to facilitate more TOD and the resulting increase in property values and tax revenues.

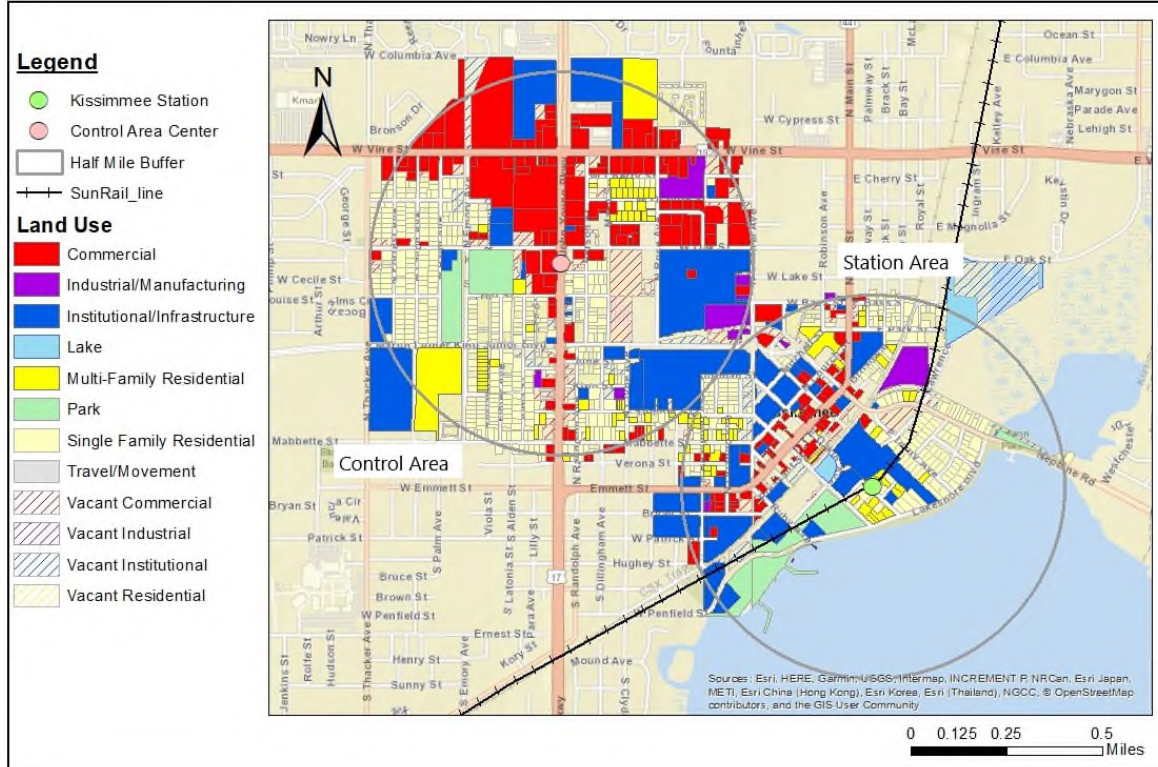
Table 31A: Property Value Changes in the Kissimmee Station and Control Areas, 2011-2017

Year	Station Area			Control Area		
	Total Assessed Property Value	Assessed Value per Acre	% Change in Value per acre	Total Assessed Property Value	Assessed Value per Acre	% Change in Value per acre
2011	\$130,733,777	\$489,285		\$231,592,541	\$499,352	
2012	\$123,312,581	\$461,511	-5.68%	\$223,705,530	\$482,346	-3.41%
2013	\$122,837,970	\$459,734	-0.38%	\$223,108,323	\$481,058	-0.27%
2014	\$129,316,157	\$483,980	5.27%	\$230,336,287	\$496,643	3.24%
2015	\$143,484,224	\$537,005	10.96%	\$242,418,710	\$522,695	5.25%
2016	\$143,735,349	\$537,945	0.18%	\$245,129,262	\$528,539	1.12%
2017	\$147,415,348	\$551,718	2.56%	\$252,321,852	\$544,047	2.93%
Total Change	\$16,681,571	\$62,433	12.76%	\$20,729,311	\$44,696	8.95%

Table 31B: Kissimmee Station Area's Tax Revenue Estimates, 2011-2017

Year	Estimated Tax Revenue	Tax Revenue Growth
2011	\$1,046,736	
2012	\$857,524	-18.08%
2013	\$864,853	0.85%
2014	\$801,558	-7.32%
2015	\$796,679	-0.61%
2016	\$1,064,780	33.65%
2017	\$1,094,538	2.79%

Figure 21: Kissimmee Station Area with Selected Control Area



6.4 Poinciana Station Area

The Poinciana station is SunRail’s southern terminus. Located in Osceola County, it serves commuters travelling north to Orange, Seminole and Volusia Counties. During the study period, this station area experienced a positive change in per acre property value of 9.5%, but it was outpaced by the rapid growth of its control area, as the control area grew by 38.4% (Table 32A). In 2012 and 2013, the control area experienced a remarkable combined growth of 21% in property value per acre (Table 32A) compared to the station area’s 4% rise in property value in those two consecutive years. The majority of the control area’s property value growth in 2012 was attributable to the development of the Brighton Landings neighborhood, a 100+ unit development of single-family homes. Built in 2012, Brighton Landings was worth approximately \$15,264,453 in 2012.

However, even excluding the impacts of the Brighton Landings development, the control area still outperformed the station area, growing by 17% compared to 9.4% growth in the station area. This indicates that SunRail has yet to create a substantial property value impact in the Poinciana station area. This may not be surprising since the Poinciana station’s exurban location had very little development prior to the announcement of the

station's location. The undeveloped land may provide notable opportunities for TOD in the long-term. However, much of the short-term development is expected to be concentrated around existing activity nodes such as the Kissimmee and Tupperware stations.

In terms of property value increment, the control area fared better than the Poinciana station area in every year of the study period (2011-2017), except for 2017, when the station area experienced 2.4% higher growth than the control area. A large portion of the station area's property value growth in 2017 is attributable to growth in big-box (i.e. Home Depot) and light manufacturing stores located in the industrial park in the southern part of the station area. These noteworthy developments were able to recover the loss occurred in previous years of the study period (Table 32A). This advancement is reflected in the station area's tax revenue estimates for 2017 as well, as the development-related tax revenue increased by 6.4% in 2017, recovering the decline in revenue collection of the previous three years (Table 32B).

With the largest property value gain and estimated tax revenue in 2017, the Poinciana station area provided an indication of its potential for future property tax revenue benefits. As seen from Figure 22, the Poinciana station area is mostly surrounded by agricultural and industrial/ light manufacturing land, with a few parcels zoned for single-family residential development. The park-and-ride facility at the Poinciana station and the bike sharing services, like Limo, provides alternative options for users to cover the last mile. The rising popularity of the Poinciana station area among riders as well as the existence of large tracts of vacant land near the station area has attracted numerous developers to consider building higher-density developments around the station. For instance, AV Homes Inc. is planning to build a transit-oriented community called Solstice, comprising of 116 townhomes and 211 single-family homes at the northeast corner of South Poinciana Boulevard and South Orange Blossom Trail.²⁸ Planners and Osceola County officials have prepared a concept plan for the Poinciana station area to intensify development near the station area and offer transportation services to more commuters.²⁸ As this higher density transit-oriented development is built, it is expected to generate a significant jump in the property value increment in the coming years.

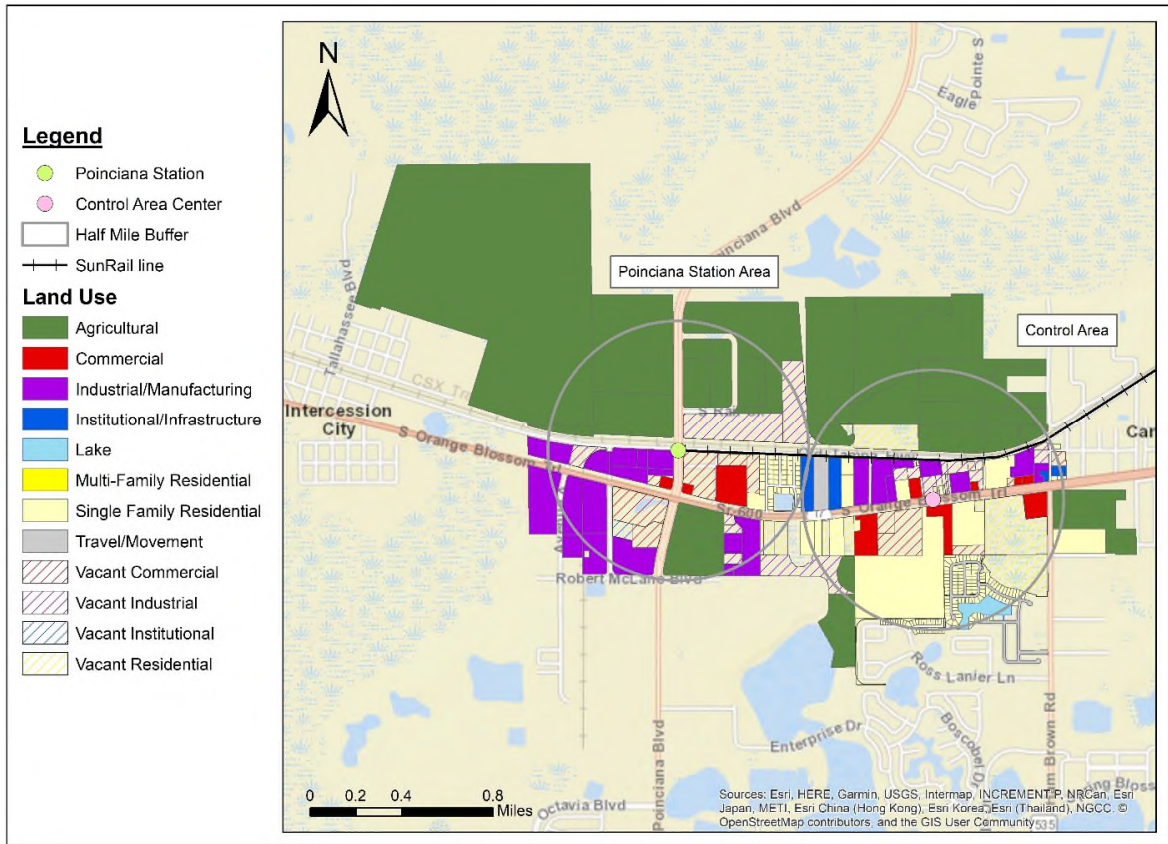
Table 32A: Property Value Changes in Poinciana Station and Control Area, 2011-2017

Year	Station Area			Control Area		
	Total Assessed Property Value	Assessed Value per Acre	% Change in Value per acre	Total Assessed Property Value	Assessed Value per Acre	% Change in Value per acre
2011	\$58,694,279	\$56,376		\$32,763,785	\$40,480	
2012	\$57,560,199	\$55,287	-1.93%	\$35,982,453	\$44,457	9.82%
2013	\$60,960,465	\$58,553	5.91%	\$40,268,679	\$49,753	11.91%
2014	\$62,661,527	\$60,186	2.79%	\$42,955,728	\$53,073	6.67%
2015	\$62,132,500	\$59,678	-0.84%	\$42,849,885	\$52,942	-0.25%
2016	\$60,108,855	\$57,735	-3.26%	\$43,405,213	\$53,628	1.30%
2017	\$64,244,150	\$61,707	6.88%	\$45,343,187	\$56,022	4.46%
Total Change	\$5,549,871	\$5,331	9.46%	\$12,579,402	\$15,542	38.39%

Table 32B: Poinciana Station Area's Tax Revenue Estimates, 2011-2017

Year	Estimated Tax Revenue	Tax Revenue Growth
2011	\$945,389	
2012	\$921,188	-2.6%
2013	\$930,810	1.0%
2014	\$883,287	-5.1%
2015	877,307	-0.7%
2016	\$812,227	-7.4%
2017	\$864,223	6.4%

Figure 22: Poinciana Station Area with Selected Control Area



Chapter 7: Conclusion

This report presented the results of an assessment of the property value changes that have occurred around SunRail stations since the system's opening, with a particular focus on the years since the previous evaluation was completed in 2015. The previous study showed that the property value and tax revenue impacts around SunRail stations have been highly variable across the system, with some stations experiencing substantial tax revenue growth, while others remained stagnant. However, in the years since 2015, SunRail's impact have notably increased. As of 2017, SunRail had contributed to \$1.2 billion in property value growth over and above their control areas. The rapid increase in property values within SunRail station areas has led to notable increases in tax revenues. The estimated tax revenues across all twelve station areas have increased by almost \$18 million (41%) in the last seven years.

SunRail's impact appears to be growing over time as station areas' property value increment relative to their control areas was notably higher in the second half of the study period (2014-2017). Since SunRail opened in 2014, the property value increment has increased by \$701 million and property taxes have increased by almost \$10 million. The increasing property value and tax revenue impacts provide a promising indication that these impacts will continue to increase as the SunRail system matures.

A station by station evaluation discovered that the property value and tax revenue growth appears to be driven in part by new multifamily and mixed-use TODs being constructed nearby to the stations. While the largest of these developments are occurring in more urbanized areas closer to Downtown Orlando, the fact that many of these developments are located in suburban areas that had previously been dominated by low-density, single-family housing indicates that SunRail is having a transformational effect on local communities.

As seen in the previous study, significant variation among station areas remains. Some stations experienced property value growth as high as 125.4% over the seven-year study period, while a few stations continue to struggle to outpace their control areas. The downtown and the hospital stations have experienced the highest levels of property value growth. The four downtown and hospital stations accounted for 78.1% of cumulative property value increment. However, since major developments in both of these areas were tax exempt, tax revenues, while still growing, have not matched the rapid property value growth rates. Much of the revenue growth in the downtown and hospital stations may be also attributable to broader economic forces, downtown redevelopment initiatives, and major investments in and around medical centers, but investment in these station areas are providing significant opportunities for greater impacts along the entire line.

Much of this variation between stations (particularly suburban stations) appears to be due to a station area's predisposition and commitment to TOD. Stations that already had a built environment conducive to TOD and that had a local government that supported higher density, pedestrian-oriented development through policy and infrastructure investment, are experiencing notable new TODs that are generating higher local tax revenues. However, stations areas within jurisdictions that have been less supportive of SunRail and TOD have yet to see notable impacts.

Evaluating the preliminary impacts of Phase 2's property value impacts revealed that the four southern stations have yet to experience the substantial property value impacts seen in the Phase 1 stations. Growing property values was not enough to outperform the control areas in three of the four station areas. However, there are strong indications that SunRail has already begun to have positive property value impacts that are expected to grow as the system matures and more of the planned TOD is developed and represented in the tax rolls. In particular, SunRail has contributed to \$386,000 in property value growth across Phase 2 station areas since 2014.

As was seen in Phase 1, SunRail's impact varied from one station area to another, with stations located in areas predisposed to TOD experiencing property value growth as high as 23.6%, while stations in less conducive areas only grew by 4.9%. However, this property value growth supported notable property tax revenue increases as the cumulative tax revenue of all four stations increased by \$563,784 between 2014 and 2017. With these early impacts occurring before Phase 2 was operational and significant investments from private companies such as the Tupperware Brands Corporation, the property tax revenue impacts within the Phase 2 station areas are expected to increase dramatically in the coming years.

The findings indicate that SunRail stations have generally outperformed their control areas. SunRail has yielded substantial positive property value impacts and has contributed to increasing property taxes for local jurisdictions. As the SunRail system matures, the property value increments and tax revenues are only expected to increase. It will be important to continue to monitor the continued property value impact over the coming years to better understand how rail systems can impact local Florida communities.

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