

Around The State Central

Jason Garcia

A Ray of Sunshine?

A property-value boost from SunRail offers hope for the commuter line.

SunRail, metro Orlando's 4-year-old commuter train, faces an uncertain future. Ridership has failed to meet initial projections. And with only two years until the Florida Department of Transportation turns over financial responsibility for SunRail to the region's local governments, city and county leaders have no plan for paying the line's nearly \$60-million-a-year operating tab.

There are reasons for optimism. Last summer, SunRail expanded into Osceola County — growing from 12 to 16 stations and from 32 to 49 miles. Ridership jumped from fewer than 80,000 a month on average to roughly 121,000 a month.

What's more, a new FDOT study finds that while SunRail hasn't spurred many commuters to give up their cars, it has spurred something else: Property values. The study, written by faculty and students at Florida State University and published in December, found that the property values for the areas around SunRail's original 12 stations grew a combined 62.8% between 2011 and 2017, nearly three times as fast as the property values in the study's control areas.

Altogether, the areas around the stations added a combined \$2.4 billion in property value — half of which is directly attributable to SunRail.

But property values haven't climbed uniformly across the system; growth rates around individual stations ranged from 125.4% near the Church Street station in downtown Orlando to a 0.3% decline at the Altamonte Springs station in Seminole County, the only station to see a decline.

And the actual property tax revenue generated by the land around the stations grew at a much slower pace, 41.5%, than the property values. That's because a significant portion of the growth occurred around the stations serving AdventHealth Orlando and Orlando Health, where property values grew 98% and 30%, respectively. Much of the land around those stations is owned by the two non-profit hospital giants and therefore tax-exempt. Tax revenue at those stations rose 43.4% and 28.1% respectively.

Still, the report was greeted as a needed jolt of good news. "SunRail has proven to be a catalyst for positive property value growth," the FSU team concluded.

LAW

GrayRobinson acquired Washington, D.C.-based lobbying firm Eris Group, giving the prominent Orlando-based law firm its first office in the nation's capital.

REAL ESTATE

Metro Orlando home sales dropped 3.2% in 2018, while prices rose 5.7%, according to the local Realtors association. Developer One Eleven Residential will build Lake House Apartments, a \$50-million, 252-unit apartment complex in Ivanhoe Village, a trendy neighborhood just to the north of downtown Orlando.

TRANSPORTATION

The Canaveral Port Authority awarded Merritt Island-based Ivey's Construction \$109 million worth of contracts to build a 188,000-sq.-ft. cruise terminal and adjacent 1,800-car garage that when finished in May 2020 will serve as the homeport of Carnival Cruise Line's largest ship, the Mardi Gras.

Orlando International Airport topped 47 million passengers for the first time during the 12 months ending in November 2018. Frontier Airlines added six routes at Orlando International Airport, making it the airport's busiest airline by destination, with non-stop service to 59 cities.

GOVERNMENT

Elections for Orange County's constitutional offices — sheriff, property appraiser, tax collector, supervisor of elections and clerk of the court — will become non-partisan following a Florida Supreme Court ruling upholding a local ordinance. The effort to switch from partisan to non-partisan elections is expected to aid Republican candidates in the county, where there are now more registered Democratic voters. Lake County began construction of a 31,000-sq.-ft. no-kill animal shelter.

HEALTH CARE

Medtronic acquired Mazor Robotics, an Israeli company that makes robotics and guidance systems for spinal procedures. The deal for Mazor, whose U.S. headquarters is in Orlando, is valued at \$1.64 billion. The state gave Orlando Health the go-ahead to build a 100-bed hospital in Seminole County and a 50-bed hospital in Orange County, while HCA won approval for a 40-bed hospital in Seminole. Orlando Health also purchased 51 acres for just over \$2.3 million in Apopka in northwest Orange County.

TOURISM

Walt Disney World bought more than 2,500 acres of ranchland in Osceola County in two transactions totaling about \$34 million. The company says it plans to use the land to meet conservation and water-management needs. SeaWorld Entertainment said the U.S. Department of Justice has concluded an investigation into whether the company and some of its former executives misled investors about the impact of the anti-captivity documentary Blackfish. The company said DOJ decided not to take any action. SeaWorld and former CEO Jim

Atchison had previously agreed to pay more than \$5 million to settle fraud charges with the SEC.

SeaWorld broke ground on a 41,000-sq.-ft. headquarters. The company has been leasing space. Meanwhile, SeaWorld Orlando's Aquatica water park became the first water park in the world designated a Certified Autism Center by the International Board of Credentialing and Continuing Education Standards.

INNOVATION

A Harris First

In December, defense contractor Harris successfully launched HSAT, the first complete satellite system the Melbourne-based company has built.

The briefcase-sized satellite, launched from India's Polar Satellite Launch Vehicle, is at the leading edge of the company's strategy to become a major player in the fast-growing world of small satellites, which are more affordable to build and operate than traditional satellites and are designed to be reconfigurable in space to meet a variety of needs for defense and commercial customers.

Harris is operating HSAT from Palm Bay and says initial testing indicates the satellite is performing as expected.

