



City of Sunrise Freebee Sunrise, Florida

Economic Analysis

Final Report / June 16, 2026



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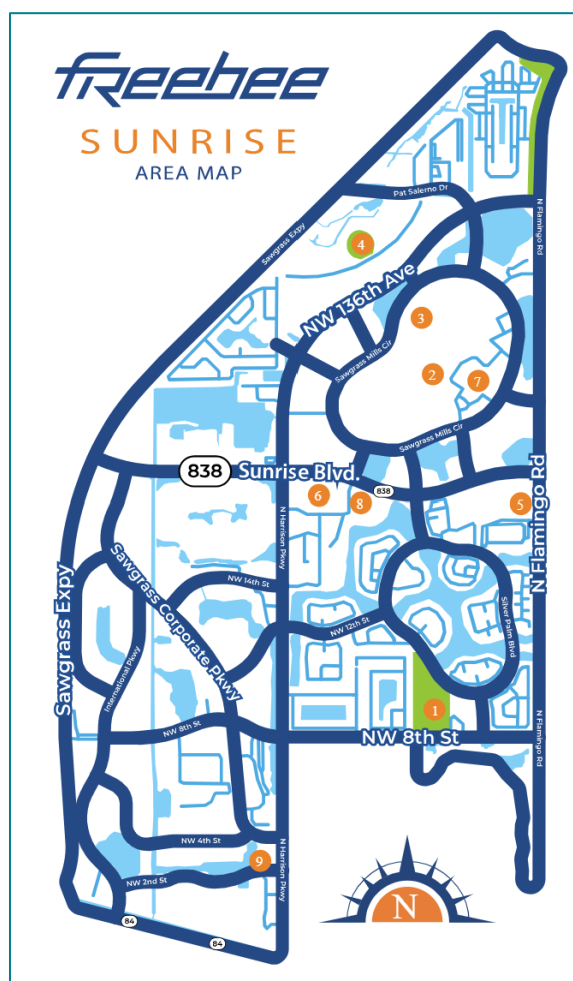
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1. Introduction

1.1. Sunrise Freebee

The City of Sunrise (“City”) offers an on-demand transportation service (“Freebee”) that features a fleet of 100% electric vehicles. Freebee, partially funded by the Florida Department of Transportation (“FDOT”), provides City residents, employees, and visitors the opportunity to utilize a ride-sharing service to enhance their transit experience with a complimentary transportation solution that picks up and drops off¹ riders anywhere within the Sunrise Business and Entertainment District (see Figure 1-1).

Figure 1-1: Sunrise Business and Entertainment District



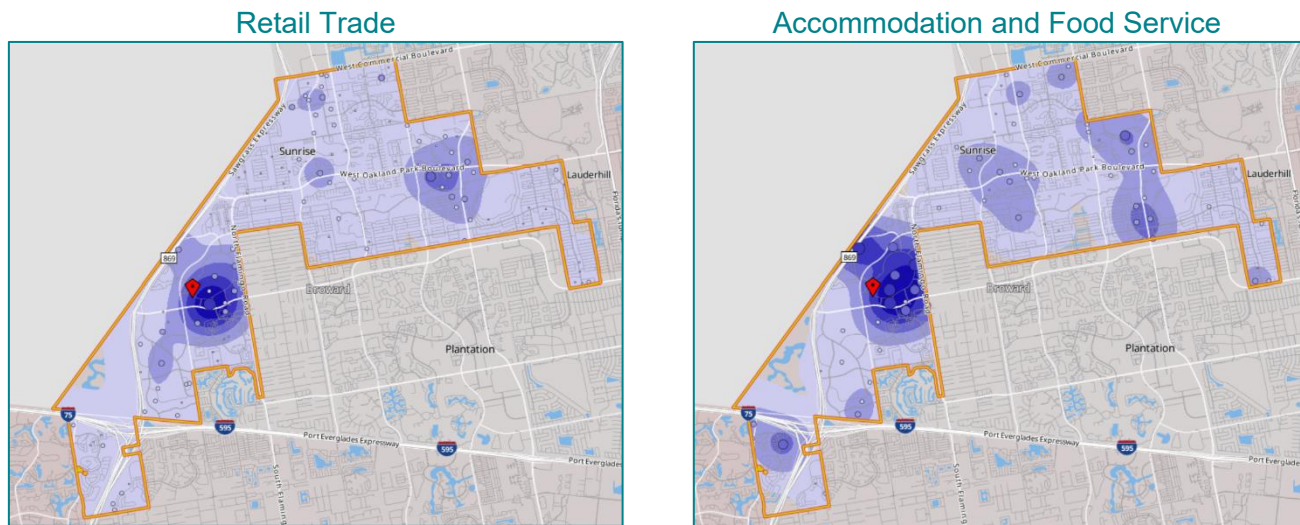
Source: City of Sunrise

The Sunrise Business and Entertainment District (“District”) is located in the western portion of the City’s corporate limits, generally including areas west of Flamingo Road, east of the Sawgrass Expressway, south of

¹ Freebee is made available through a mobile application for travel (i.e., origin and destination) within the District.

Oakland Park Boulevard, and north of Interstate 595. The District has a high concentration of commercial establishments representing the majority of the City's employment base in retail trade, accommodation, and food service (see Figure 1-2).

Figure 1-2: Concentration of Establishment Employment



The District extends nearly 4 miles from north to south and nearly 2 miles (at its widest point) from east to west. In total, the District encompasses approximately 4.5 square miles, representing slightly less than 30% of the City's total area.

1.2. Benefits of Transit Accessibility

Freebee is an integral part of the City's Economic Development efforts. "Economic Development" as a concept is generally measured in jobs and income but most importantly reflects a community's overall quality of life that is only maintained with sufficient public resources to meet existing and future needs, *predominately supported by resident and transient incomes and consumer spending*. The impacts of these types of programs on the concepts of an overall "quality of life" – include, but is not limited to, increased property values, employment growth, the nature and type of jobs, community income and wealth, and the provision of public infrastructure and services. In general, Economic Development can be summarized as "progress toward a community's economic goals, including increases in economic productivity, employment, *and business activity and investment* [emphasis added]²."

Despite the rapid growth of on-line retail shopping, travel for in-person (i.e., brick-and-mortar) shopping still makes up more than 40% of personal vehicle trips³. An emerging urban planning concept is the "15-minute city" which suggests that by increasing walkability and providing proximity to travel destinations such as

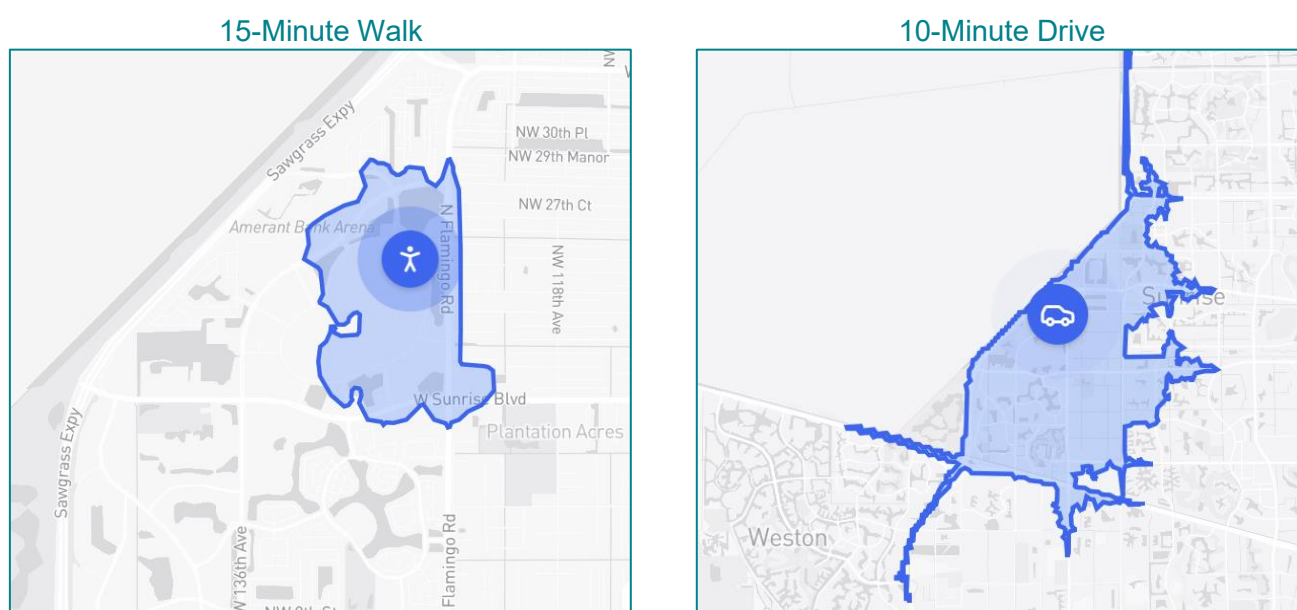
² Todd Litman (2011), Evaluating Transportation Economic Development Impacts, Victoria Transport Policy Institute (www.vtpi.org); at www.vtpi.org/econ_dev.pdf.

³ Hu, P. Summary of Travel Trends 2001 National Household Travel Survey. Publication ORNL/TM-2004/297, 885762. 2005

employment establishments, retail stores, food service, and entertainment, the need for vehicular travel is reduced, increasing the quality of life and reducing the negative externalities generated by car travel⁴. Using this concept, an optimal situation is achieved by providing access to goods and services within a “15-minute” journey. However, the challenge this concept creates is that most shoppers are willing to walk only a short distance to reach retail locations, generally less than 0.6 miles. General retail behavior also supports the idea of short walking distances. A national study found that 80% of total U.S. disposable income is spent within 20 miles of home, and for everyday purchases, proximity is often more important than price, quality, or brand reputation⁵. *This means that for many shoppers, being able to walk a few blocks or minutes to a nearby store is a key factor in choosing where to shop.*

The City’s average Walk Score is 50 out of 100⁶, indicating that the city as a whole is less walkable than many urban or suburban areas. This is partly due to its suburban layout, with many cul-de-sacs and lower density compared to city centers. In addition, the City’s Transit Score is 26 out of 100, reflecting just above minimum availability of transit compared with other urban and suburban areas. The availability of Freebee has a significant impact on the overall accessibility within the District between walking and driving (see Figure 1-3).

Figure 1-3: Accessibility Radius



A 15-minute walk radius only covers approximately 1.5 square miles or 33% of the area of the District. In contrast, a 10-minute drive easily covers the entire District, providing significantly greater accessibility⁷.

⁴ C. Moreno et al., Introducing the “15-Minute City”: Sustainability, Resilience and Place Identity in Future Post-Pandemic Cities Smart Cities, 2021

⁵ https://263750.fs1.hubspotusercontent-na2.net/hubfs/263750/Access_Consumer_Spend_Study_2016.pdf

⁶ A Walk Score of 50 indicates some errands can be accomplished by walking. Anything less than 50 indicates that a vehicle is necessary for all types of shopping. <https://www.walkscore.com/score/sunrise-economic-development-sunrise>

⁷ <https://radiusmapper.com/walking>

1.3. Research Summary

A significant amount of literature and research has documented the benefits of improving specific aspects of public transit, walkability in urban areas, and increasing the flow of shoppers and retail business activity. Specifically, research studies have concluded some of the following [emphasis added]:

- Streetscape enhancements that improve walking and cycling conditions tend to *increase property values and rents, attract new businesses, and increase local economic activity*. A large proportion of *retail expenditure comes from local residents and workers, many of whom walk or bicycle, in contrast to car-borne customers* who are more likely to be “drive-through” shoppers, stopping to pick up one item on the way to another destination.⁸
- New York City evaluated street designs that add *walking*, cycling and *public transit* facilities and found that⁹:
 - Establishing bike paths increased local business retail sales up to 49%
 - Expanding walking facilities reduced commercial vacancies 49%
 - Converting an underused parking lot into a public park increased nearby retail sales volumes by 172%
 - Converting a curb lane into a public seating area increased sales volumes at adjacent businesses by 14%
 - Establishing a bus lane and other bus transit improvements increased nearby retail sales 71%
 - Developing bus- and bike-lanes reduced commercial vacancy rates 47%
- Pedestrian-friendly commercial districts (“Mainstreets”) can be important for urban revitalization¹⁰. Research by indicates that walkable shopping areas are often economically successful, improved *walkability tends to increase commercial and residential land values*, many want to live within walking distances of commercial services, and that current market trends are likely to increase demand for walkable shopping districts¹¹.
- The importance of shoppers’ motor vehicle access and vehicle parking is often overestimated and therefore the value of access by walking, cycling and public transport is underestimated. Research in shopping areas in New York found that a minority drive, and that shifting street space from vehicle parking to pedestrians would likely *increase total business activity in the area*.¹²

⁸ Rodney Tolley (2011), Good For Business - The Benefits Of Making Streets More Walking And Cycling Friendly, Heart Foundation South Australia; www.heartfoundation.org.au/SiteCollectionDocuments/GoodforBusinessFINAL_Nov.pdf

⁹ NYCDOT (2012), Measuring the Street: New Metrics for 21st Century Streets, New York City Department of Transportation (www.nyc.gov/html/dot/); at www.nyc.gov/html/dot/downloads/pdf/2012-10-measuring-the-street.pdf

¹⁰ C.C. Bohl (2002), Place Making: Developing Town Centers, Main Streets and Urban Villages, Urban Land Institute (www.uli.org)

¹¹ Gary Hack (2013), Business Performance in Walkable Shopping Areas, Active Living Research (www.activelivingresearch.org); at <https://bit.ly/3FLER0g>

¹² Schaller Consulting (2006), Curbing Cars: Shopping, Parking and Pedestrian Space in SoHo, Transportation Alternatives (www.transalt.org); available at www.transalt.org/campaigns/reclaiming/soho_curbing_cars.pdf

- A research study used retail sales data to quantify that development of bike lanes, and the resulting loss of some on-street parking spaces, indicated *substantial (up to 400%) increases in sales volumes*¹³.
- Research quantified that walkability tends to support local economic development, even if it reduces on-street parking and found that¹⁴:
 - *90% of customers walk, bike or travel by public transit to shops*
 - Even during peak periods, about 80% of metered parking spaces on the street remained occupied
 - Customers who arrive on foot and bicycle *visit the most often and spend most per month* on average

There is clear evidence that improving specific aspects of public transit and walkability in urban areas increases the flow of shoppers and retail business activity. The Freebee program also clearly increases the overall accessibility within the District between walking and driving. Given the relatively low Walk Score and Transit Score of the City, properties in the District receive a direct benefit that does not otherwise exist for other commercial property in the City, which is expected to increase property values within the District.

1.4. Property Valuation in Florida

In arriving at just valuation as required under s. 4, Art. VII of the State Constitution, the Broward County Property Appraiser shall take into consideration the following factors¹⁵ (emphasis added):

- 1) The present cash value of the property, which is the amount a willing purchaser would pay a willing seller, exclusive of reasonable fees and costs of purchase, in cash or the immediate equivalent thereof in a transaction at arm's length;
- 2) The highest and best use to which the property can be expected to be put in the immediate future and the present use of the property, taking into consideration the legally permissible use of the property, including any applicable judicial limitation, local or state land use regulation, or historic preservation ordinance, and any zoning changes, concurrency requirements, and permits necessary to achieve the highest and best use, and considering any moratorium imposed by executive order, law, ordinance, regulation, resolution, or proclamation adopted by any governmental body or agency or the Governor when the moratorium or judicial limitation prohibits or restricts the development or improvement of property as otherwise authorized by applicable law. The applicable governmental body or agency or Governor shall notify the property appraiser in writing of any executive order, ordinance, regulation, resolution, or proclamation it adopts imposing any such limitation, regulation, or moratorium;
- 3) *The location of said property;*
- 4) The quantity or size of said property;

¹³ Kyle Rowe (2013), Bikenomics: Measuring the Economic Impact of Bicycle Facilities on Neighborhood Business Districts, University of Washington; at http://cep.be.washington.edu/wpcontent/uploads/2013/07/bikenomics_v2.pdf

¹⁴ Fred Sztabinski (2009), Bike Lanes, On-Street Parking and Business A Study of Bloor Street in Toronto's Annex Neighbourhood, The Clean Air Partnership; www.cleanairpartnership.org/pdf/bike-lanes-parking.pdf

¹⁵ Section 193.011, Florida Statutes (2025)

- 5) The cost of said property and the present replacement value of any improvements thereon;
- 6) The condition of said property;
- 7) *The income from said property*; and
- 8) The net proceeds of the sale of the property, as received by the seller, after deduction of all of the usual and reasonable fees and costs of the sale, including the costs and expenses of financing, and allowance for unconventional or atypical terms of financing arrangements. When the net proceeds of the sale of any property are utilized, directly or indirectly, in the determination of just valuation of realty of the sold parcel or any other parcel under the provisions of this section, the property appraiser, for the purposes of such determination, shall exclude any portion of such net proceeds attributable to payments for household furnishings or other items of personal property.

The method for indicating a Just Value for all property within a county generally involves a process of valuing a universe of properties as of a given date using standard methodology, employing common data, and allowing for statistical testing (“Mass Appraisal”)¹⁶. It would not be realistic for a Property Appraiser to develop individual appraisals for each parcel of improved or vacant land. Thus, Mass Appraisal is a process required to more manageably appraise a very large set of properties. Mass Appraisal can also have the effect of creating consistency among property classes and reducing minute individual variances that may be observed in some market transactions. Using Mass Appraisal, it is expected that the value of commercial property located in the District benefits directly from Freebee by virtue of *location* within the District and the *increased income* generated by consumer spending that would otherwise not occur without Freebee.

¹⁶ Uniform Standards of Professional Appraisal Practice, 2024.

2. Economic Analysis

2.1. Summary of Freebee Use

In Fiscal Year (“FY”) 2025¹⁷, Freebee provided nearly 62,500 passengers with nearly 42,400 trips (origin and destination) within the District. The makeup of trips in 2025 included the following (see Appendix A):

- 92% of trips originating from a residence had a commercial (retail, office, hotel) destination
- 89% of trips originating from a hotel had a commercial (retail, office, hotel) destination
- 82% of trips originating from a commercial location included another commercial destination (excluding residential and hotel return trips)
- Riders are utilizing Freebee for round-trip transportation with corresponding to/from trips between residential, commercial, hotel, and office properties
- In total, the average number of passengers in total was 1.5 per trip
- Hotel trips had an average passenger count of 2.0 per trip
- The average length of trip was slightly less than 1.0 miles, reflecting a coverage of the District of roughly 70%

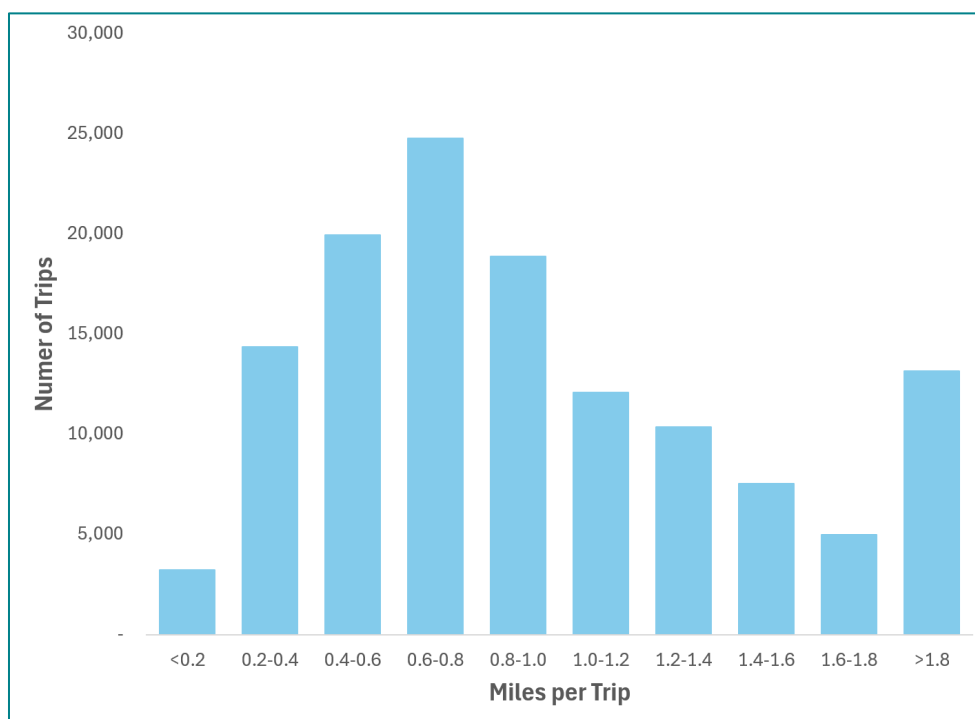
Freebee also appears to be changing long-term shopping behavior by providing a reliable consistent transit option. Based on a rider survey over two (2) weeks in June 2026¹⁸, observations included the following:

- 84% of riders are repeat users of Freebee (16% are first-time riders)
- Nearly 60% of riders use Freebee more than 4 times per month
- The average number of trips per year for Freebee riders is 5.1

More importantly, riders are clearly using Freebee to extend their accessibility within the District beyond the general “walkable” district for retail and shopping locations (see Figure 2-1).

¹⁷ October 2025 to September 2025

¹⁸ Sample of 2,953 trips

Figure 2-1: Frequency of Freebee Trip Length

More than 70% of trips over the lifetime of the Freebee program exceed the recognized constraint of approximately 0.6 miles for a “walkable” destination. In fact, it is highly likely that the City’s relatively low Walk Score would suggest that nearly 90% of Freebee trips (>0.4 miles) result in improved accessibility within the District compared with walking.

2.2. Consumer Spending

As noted earlier, increases in economic productivity, employment and business activity and investment are predominately supported by resident and transient incomes and consumer spending. The direct benefit of increased property value is a result of the consumer spending that occurs in the District if not for the Freebee program. Therefore, the levels of consumer spending resulting from individuals utilizing the Freebee program reflect the main contribution to increased business activity and investment that increases the property values in the District (see Table 2-1).

Table 2-1: Freebee Consumer Spending Impact

Metric	FY 2025
Total Trips	42,400
Passengers per Trip (Average)	1.5
Total Passengers	62,500
Trips per year (Average)	5.1
Unique Annual Passengers (Shoppers)	6,480
Per Capita Income (City Average)	\$37,943
Total Annual Consumer Spending of Freebee Shoppers ¹	\$305,730,000
Food, Retail, and Entertainment Spending	\$81,850,000

Source: City, BLS, Raftelis; Notes: (1) Based on BLS 2024 Consumer Expenditures Survey by Income

Total annual ridership in FY 2025 represents nearly 6,500 unique (individual) consumers with slightly less than \$306,000,000 in annual consumer expenditures. Spending among these consumers for more discretionary items including food away from home, retail, and entertainment totals nearly \$82,000,000. The portion captured within the District as a result of the Freebee program directly contributes to increased business activity and investment, increasing property values.

2.3. District Property Values

The Broward County Property Appraiser generally utilizes an income approach for commercial property, including property within the District. As a result, it is expected that the value of commercial property located in the District benefits directly from Freebee by virtue of location within the District and the increased income generated by consumer spending that would otherwise not occur without Freebee. In FY 2025, commercial property in the District had a total market value¹⁹ of approximately \$3.0 billion. Applying a standard income capitalization²⁰ approach, this level of market value would imply a commercial property net operating income within the District of nearly \$260,000,000 (see Table 2-2).

¹⁹ Also referred to as Just Value.

²⁰ Income capitalization is a standard approach for real estate valuation of income producing property. The appropriate rate would include a market capitalization rate and effective property tax rate, also referred to as “loaded” cap rate.

Table 2-2: District Property Values

Metric	FY 2025
Total Commercial Market Value (rounded)	\$3,000,000,000
Market Capitalization Rate	6.50%
Effective Property Tax Rate	2.05%
Total Cap Rate	8.55%
Annual Net Operating Income (NOI) ¹	\$256,500,000

Source: Raftelis; Notes: (1) Cap rate = NOI ÷ Market Value (Purchase Price).

A capitalization rate (“Cap Rate”) is basically the ratio of an income producing property's net operating income (“NOI”) to its market value (i.e., purchase price), representing the expected annual return on a real estate investment. Cap Rates are widely utilized and an essential part of the commercial real estate market by allowing for an efficient comparison of investment properties across markets or asset classes, quick estimation of property value, and the ability to assess risk based on specific property factors.

Property within the District would only need to capture 0.5% of food, retail, and entertainment spending generated by Freebee consumers to create an increase in the market value of property of \$3,400,000 or more than 5 times the annual Freebee program costs (see Table 2-3).

Table 2-3: Incremental District Property Values

Spending Capture	Incremental Sales ¹	Property Value Increase ²	% Increase
0.5%	\$ 410,000	\$ 3,360,000	0.1%
1.0%	820,000	6,710,000	0.2%
1.5%	1,230,000	10,070,000	0.3%
2.0%	1,640,000	13,430,000	0.4%

Source: Raftelis; Notes: (1) Only food away from home, retail, and entertainment spending.

(2) Based on capitalization of NOI from incremental sales.

Again, the levels of consumer spending resulting from individuals utilizing the Freebee program reflect the main contribution to increased business activity and investment that increases the property values in the District, depending on the capture of incremental spending. In our opinion, Freebee reasonably contributes to an increase in commercial property values in the District between \$3.4 million and \$13.4 million or 0.1% to 0.4% of total District market value.



APPENDIX A: Freebee Ridership Summary



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Notes: Summary of calendar year 2025 origin-destination trip data used to develop trip profile, passenger averages, and trip length averages. Does not include trips with either a missing origin of destination property ID. Represents a sample of 80% of the population of trips in FY 2025.

2025 Total From/To Trip Data						
Trips						
From/To	Residential	Commercial	Hotel	Office	All Other	Total
Residential	246	10,215	37	422	632	11,552
Commercial	9,903	4,220	1,635	172	741	16,671
Hotel	66	2,019	23	31	181	2,320
Office	983	348	171	12	49	1,563
All Other	607	1,166	62	16	84	1,935
Total	11,805	17,968	1,928	653	1,687	34,041
Passengers						
From/To	Residential	Commercial	Hotel	Office	All Other	Total
Residential	337	14,413	56	504	865	16,175
Commercial	14,279	5,866	3,377	198	952	24,672
Hotel	85	4,136	54	33	399	4,707
Office	1,208	424	184	17	62	1,895
All Other	910	1,570	128	17	108	2,733
Total	16,819	26,409	3,799	769	2,386	50,182
Per trip	1.4	1.5	2.0	1.2	1.4	1.5
Average Trip Length (miles)						
From/To	Residential	Commercial	Hotel	Office	All Other	Total
Residential	0.95	0.96	0.97	0.98	0.95	0.96
Commercial	0.94	0.95	0.95	0.96	0.95	0.95
Hotel	0.94	0.92	1.01	0.86	0.96	0.93
Office	0.95	1.01	0.90	0.97	1.08	0.96
All Other	0.99	0.96	1.00	0.89	1.00	0.97
Total	0.94	0.96	0.95	0.96	0.96	0.95