



**November 17, 2023**

**TO:** David Wirth  
City of St. Petersburg  
500 1st Ave SE  
St. Petersburg, FL 33701

**FROM:** David Filler, Chief Developer Officer  
St. Petersburg SMI, LLC / SunTex Marinas  
17330 Preston Road, Suite #100C  
Dallas, TX 75252

**RE: City of St. Pete – SunTex Follow-up RFP Questions – Second Round**

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Mr. Wirth – please see below responses to the City’s follow-up questions to the SunTex RFP submittal:

1. *Can you provide a schedule of your proposed rates and increases for each year during construction and then once stabilized?*

**RESPONSE:** The City’s adopted rate sheet takes into consideration numerous factors (including covered versus uncovered; location of slip; T-heads or standard slips; etc.). Given that SunTex’s proposed plan will deliver an entirely new marina with a modern design, floating docks, revitalized upland facilities and an entirely new configuration of slips to accommodate a larger variety of vessels and customers, our underwriting focused on lease-up and stabilization post-construction. As such SunTex did not create schedule for the existing configuration prior to and during the construction phases.

Prior to the opening of the new marina, SunTex’s rate structure will continue to grow rates consistent with the City’s efforts to bring rates to market. The City grew rates by 10% in 2023 and is anticipated to increase rates by 10% in 2024. SunTex anticipates rates will grow in the 3-10% range (at the rate of CPI, at a minimum) on a blended basis (due to the complexity of the existing rate sheet) and will look to the competitive comp set in the regional marina market. In addition, SunTex’s phased construction plan will relocate existing tenants to the new docks once they are available for occupancy.

Once constructed and open (est. 2028) with an entirely new marina, SunTex will adjust rates on a regular basis to balance revenue and occupancy while remaining competitive in the marketplace. SunTex anticipates marina market rates in the St. Pete region will increase 5-10% per year subject to size of vessel, supply and demand of slips with the larger slips being charged a higher rate than the smaller slips.

In addition, City of St. Pete residents will receive a 10% discount on published rates.