



MEMORANDUM

Date: April 1, 2025

To: Honorable Mayor and Commissioners

Via: Brian L. Barroso, City Manager

From: Karen Olson, Deputy Director Port & Marine Services

Subject: 25-3487 City Marina at Garrison Bight Rate Increase

Introduction: Resolution approving rate increases for City Marina at Garrison Bight to more closely match fair market value per Table 1 as outlined in the City commissioned Market Rate Study.

Background: Rental rates at the City Marina have increased only by the Consumer Price Index (CPI) for many years leaving the current pricing structure well below market rate, grossly undervaluing the Marina's potential. In response to direction by the City Commission, staff commissioned a Market Rate Study (Study) to determine fair market rates to be charged at the City Marina. The Study, dated December 2024, determined adjusted fair market rates for liveaboard, commercial, transient, recreational, mooring field, submerged lands leases and boat ramp and trailer fees. This resolution will not address liveaboard, commercial (Charter Boat Row), mooring field, submerged lands leases or trailer storage fees.

Staff are proposing rate increases to come more in line with Key West Bight Marina (KWB) pricing structure utilizing the Study as justification. Maintaining rates comparable to KWB will ensure the City Marina retains its customers and tenants while increasing revenues to sustain the Marina long-term. *City Marina can expect upwards of \$20,000,000 in infrastructure repairs and/ or replacements over the next ten years. Without rate increases the Marina cannot sustain itself long-term.*

Table 1 below provides current rates for City Marina and KWB, proposed rates for City Marina and Study recommendations.

TABLE 1 - CURRENT, PROPOSED and RECOMMENDED RATES				
Slip or Fee Type	Current City Marina Rates	Proposed City Marina Rates	Current Key West Bight rates	Study Recommended Rates
Commercial (Angelfish)	\$25.25/ft	\$35.00/ft ***	\$37.90/ft	\$45.00 - \$50.00/ft
Transient - Daily	\$ 2.53/ft	\$ 4.00/ft ***	\$ 5.00/ft **	\$5.30 - \$5.75/ft
Transient - Monthly	\$32.24/ft	\$55.00/ft ***	\$78.32/ft **	\$85.00 - \$88.50/ft
Recreational	\$24.24/ft	\$40.00/ft ***	\$32.93 *	\$61.00/ft
Ramp Fees in/out per day	\$10.00	\$15	NA	\$17.50

KWB Recreational rates are proposed to increase to \$44.00/ft *

Average blended KWB seasonal rates **

Rate to be increased in two (2) increments over a 1-year period ***

Slip fees will be increased in two (2) increments over a 1-year period as follows:

Commercial (Angelfish) increased to an adjusted rate of \$35.00/ft ($\$35.00 - \$25.25 = \$9.75/2 = \$4.88/\text{ft}$)

$\$25.25 + \$4.88 = \$30.13/\text{ft}$ effective June 1, 2025

$\$30.13 \times 3\%$ (est. CPI) = **$\$31.03/\text{ft}$** effective October 1, 2025

$\$31.03 + \$4.88 = \$35.91/\text{ft}$ effective June 1, 2026

Transient (daily) increased to an adjusted rate of \$4.00/ft ($\$4.00 - \$2.53 = \$1.47/2 = \$0.74/\text{ft}$)

$\$2.53 + \$0.74 = \$3.27/\text{ft}$ effective June 1, 2025

$\$3.27 \times 3\%$ (est. CPI) = **$\$3.69/\text{ft}$** effective October 1, 2025

$\$3.69 + \$0.74 = \$4.43/\text{ft}$ effective June 1, 2026

Transient (monthly) increased to an adjusted rate of \$55.00/ft ($\$55.00 - \$32.24 = \$22.76/2 = \$11.38/\text{ft}$)

$\$32.24 + \$11.38 = \$43.62/\text{ft}$ effective June 1, 2025

$\$43.62 \times 3\%$ (est. CPI) = **$\$44.93/\text{ft}$** effective October 1, 2025

$\$44.93 + \$11.38 = \$56.31/\text{ft}$ effective June 1, 2026

Recreational increased to an adjusted rate of \$40.00/ft ($\$40.00 - \$24.24 = \$15.76/2 = \$7.88/\text{ft}$)

$\$24.24 + \$7.88 = \$32.12/\text{ft}$ effective June 1, 2025

$\$32.12 \times 3\%$ (est. CPI) = **$\$33.08/\text{ft}$** effective October 1, 2025

$\$33.08 + \$7.88 = \$40.96/\text{ft}$ effective June 1, 2026

Full **ramp fee** increase to be effective June 1, 2025.

All other related fees and charges remain the same and a new Study will be performed every five (5) years, and rates will be adjusted accordingly as approved by the City Commission.

Procurement: The approved pricing structure will be implemented on **June 1, 2025**, as outlined above, and will increase at the beginning of each fiscal year by annual CPI. The additional revenues from the approved rate structure will greatly increase City Marina's ability to complete needed infrastructure repairs.

Recommendation: The City Manager's Office recommends the Mayor and Commission approve the rate increases for City Marina at Garrison Bight to more closely match fair market value per Table 1 as outlined in the City commissioned Market Rate Study.