



## **Snug Harbor's Acquisition Caps Turnaround for Prime Waterfront Development Site**

**Sale/Acquisition of the Year for Tampa, Florida**



A rendering of the Snug Harbor multifamily/restaurant/marina development at 12000 Gandy Blvd. in St. Petersburg. The planned development is being renamed Waterways Luxury Apartments & Marina. (Key International)

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When the St. Petersburg City Council voted to approve a revised development agreement increasing the number of residential units included in a proposed mixed-use waterfront project on Gandy Boulevard, it capped a remarkable turnaround for Snug Harbor, a planned development slated to have a big impact on the St. Pete area with the addition of stylish residential units, a large waterfront restaurant, and a new marina.



Developer Key International was one of the first to use a new state law to increase residential density in its planned 39-acre Snug Harbor waterfront mixed-use development. (Colliers) The 39-acre mixed-use project at 12000 Gandy Boulevard North was selected by a panel of local industry professionals as the 2023 winner of the CoStar Impact Awards' Sale/Acquisition of the Year for Tampa. Originally conceived in 2005, financing for the project located near the intersection of Gandy Boulevard North and Snug Harbor Road fell victim to the Great Recession. Now, 17 years later, Miami-based Key International has revived the project and secured approvals for the development planned for one of the last large-scale waterfront development sites in the Tampa Bay area with plans to transform it into a vibrant residential community. Key International, which has developed a number of successful waterfront projects, acquired the land parcels in a combined \$19 million all-cash deal last year.

Further underscoring the importance of timing in real estate development, Snug Harbor's developer secured approval to increase the number of residential units to 470, and is believed to be the first project approved for increased density under a 2021 state law known as the Graywater Statute, which provides density bonuses for certain developments that meet specific criteria regarding graywater reuse technologies.

Plans for the project include a large, 8,400-square-foot waterfront restaurant and 169 dry boat slips, and 101 wet slips.

About the project: Snug Harbor is a 39-acre planned mixed-use residential development on Gandy Boulevard on the St Petersburg waterfront. Miami-based real estate firm Key International acquired the site at 12000 Gandy Blvd. last year and has started work on the first units in the project consisting of three-story townhouse residences with rooftop decks.

What the judges said: "Land assemblage and master planning for a waterfront, large-scale mixed-use development is complicated, to say the least. Add in the current insurance industry headwinds and the sale of this parcel is all the more impressive," said Lee Shaffler, chief portfolio officer for Strategic Property Partners.

"The Snug Harbor sale is a standout given it took 17 years to sell after being foreclosed upon during the Great Financial Crisis. Working through the complexities of being located in the Coastal High Hazard Area and getting the additional density via the Graywater Statue to make the project viable was a notable accomplishment. In addition to the more than 400 planned residential units approved, the proposed restaurant and marina will have some slips available to the public benefiting not only the immediate residents but those outside of the development," noted Owen LaFave, Pinellas County market president for The Bank of Tampa.

"This sale will continue to the activation of a long-underdeveloped section of North St. Pete. Between the Snug Harbor site and the future redevelopment of the dog track, this area will transition from an area that most people drive by to an actual destination market," added Matt Mitchell, senior managing director of Berkadia Real Estate.

They made it happen: Executive Vice President Mark Eilers of Colliers brokered the land sale. Attorneys Elise Batsel of Stearns Weaver Miller and Graham Carothers, Jr. of Trenam Law handled the transaction and Key International Chief Investment Officer Michael Vassilaros and Acquisitions Associate Martin Aranzabe acquired the site.



From left to right: Key International's Michael Vassilaros and Martin Aranzabe, Colliers' Mark Eilers and CoStar's Andre Urbanski and Andrew Wiley. (CoStar)

CoStar's Impact Awards highlight the commercial real estate transactions and projects that have transformed their markets over the past year. The winners are chosen by independent panels of industry professionals who work in the markets they judge. [Learn more about the awards here.](#)