



DATE: May 19, 2023

TO: City of Cape Coral Mayor and City Council

FROM: Michael L. Ilczynsyn, Interim City Manager

SUBJECT: Cape Coral Community Development Block Grant Disaster Recovery (CDBG-DR) Programs and Projects Plan: Assessment of High Priority Hurricane Ian Recovery Programs and Projects

On September 28, 2022, Hurricane Ian made landfall in southwest Florida as a Category 5 hurricane. Residents across Cape Coral experienced wind gusts of 140 miles per hour and a massive storm surge of over 7 feet, causing widespread flooding, power outages, and severe damage to homes, businesses, schools, and critical infrastructure. Hurricane Ian impacted those least able to afford the damage, particularly low-income households and those with limited or no resources to recover from the storm.

To provide recovery aid to this highly impacted area, the U.S. Department of Housing and Community Development (HUD) has made a direct allocation of CDBG-DR to Lee County, Florida in the amount of \$1,107,881,000. The City of Cape Coral (City) will be formally requesting to be considered as a direct subrecipient of Lee County in an effort to address unmet community needs and streamline recovery efforts from Hurricane Ian already in process.

The City has worked diligently with a diverse group of stakeholders to obtain a list of urgent need projects that would benefit the community as it recovers from this catastrophic event. Upon review of all projects submitted, City staff have ranked project and program priorities by program type (i.e., Housing, Planning and Public Services, Economic Development and Revitalization, and Mitigation). At a high level, these projects and programs have been vetted for CDBG-DR eligibility and feasibility with the City's consultant team.

While all proposed projects and programs provide significant importance in the recovery efforts for the City and its residents, the City understands funding will only be available for a small portion of projects. To ensure that key projects and program are identified, City staff ranked projects and programs based on following criteria:

- The projects or programs are consistent with the City's goals (the City Comprehensive Plan, Consolidated Plan and Strategic Plan).
- The project or program is consistent with the CDBG-DR recovery framework.
- Ease of funding the project or program.
- The project or program achieves a benefit to the community.
- Ability to complete project or program within the typical CDBG-DR grant timeframe (5 to 10 years).
- The project or program provides a critical service to the community.

Proposed Next Steps

Based on the information reflected above and on-going conversations between the City and Lee County, there are a series of potential next steps outlined below for consideration:

- Further review of CDBG-DR eligibility review will be needed for the high priority projects.
- Further review and mapping of specific priority projects with service areas close to the 51% low- and moderate-income (LMI) threshold since LMI is a critical component of CDBG-DR grants.
- Additional refinement of priority project scopes of work and project budgets.
- Additional stakeholder outreach and community engagement.



Housing Programs – High Priority

| Priority Housing Project Recommendations | | | |
|--|---|--|----------------------|
| Rank | Project Title | Project Description | Estimated Total Cost |
| 1 | City of Cape Coral Attainable Homeownership Program | <p>The development of single-family homes for sale to low moderate-income households. These homes will incorporate green building principles and FBC required hardening. The development of these homes meets pre-and post-storm documented need for affordable housing in Cape Coral. This is an expansion of the City's existing housing programs. The program will include the acquisition of land, construction of units and disposition of properties. The program will include long-term affordability mechanisms including but not limited to right-of-first refusal, shared equity and the establishment of a City Community Land Trust.</p> <p>It is anticipated that this will be implemented by the City and not-for-profit partner agencies utilizing City surplus and privately held properties. Pre-storm documented need indicated a need for 2,946 homeownership units for LMI. The City recognizes the need has been exacerbated since the storm.</p> | \$235,574,555.00 |
| 2 | City of Cape Coral Down Payment Assistance and Interest Rate Buydown Program | <p>This program expands the City's existing down payment assistance program for low- and moderate-income households. The expansion of this existing program meets pre-and post-storm documented need for affordable housing in Cape Coral.</p> <p>It is anticipated that this will be implemented by the City. Pre-storm documented need indicated a need for 2,946 homeownership units for LMI households. The City recognizes the need has been exacerbated since the storm.</p> | \$14,055,065.00 |
| 3 | City of Cape Coral Home Repair and Hardening Program | <p>This is a home repair and hardening program for owner-occupied homes impacted by Hurricane Ian in Cape Coral. The purpose of this program is to address unmet need related repairs from the hurricane while reducing vulnerability of homes by incorporating mitigation measures. Activities will be an extension of the existing City rehabilitation program and will take place in accordance with established City rehabilitation guidelines, as well as all required federal requirements.</p> | \$98,385,462.00 |
| 4 | City of Cape Coral Attainable and Senior Rental Program | <p>The development of multi-family rental housing for low- and moderate-income households. These developments will incorporate green building principles and FBC required hardening. The development of these projects meets pre-and post-storm documented need for affordable housing in Cape Coral. This is an extension of the City's existing housing programs. The program will include the acquisition of land and/or the construction of units. The program will require long-term affordability.</p> <p>It is anticipated that this program will competitively procure non-profit and/or for-profit development partners. Pre-storm documented need indicated a need for 5,226 rental units for LMI. The City recognizes the need has been exacerbated since the storm.</p> <p>The City anticipates providing funding through other programs in addition to CDBG-DR for this program.</p> | \$66,913,763.00 |



Other Unmet Needs Housing Programs and Projects – High Priority

| Priority Housing Project Recommendations | | | |
|--|---|---|----------------------|
| Rank | Project Title | Project Description | Estimated Total Cost |
| 1 | Acquisition and rehabilitation of a contaminated golf course into compact affordable housing mixed with low commercial and greenspaces in a planned mobility hub (Golf Course) | <ol style="list-style-type: none"> 1.Acquire private property that is only comprised of land, no building. 2.Remediate the land. 3.Provide access based on Mobility Hub / masterplan, Country Club/Palm Tree Blvd are alternative routes from Cape Coral parkway / CRA but serve as LMI housing to access mobility hub for workforce. 4.Provide development footprint for development of compact (LEED or FGBC rated) (mid-rise) affordable housing to make this a destination and a living neighborhood where mobility is geared towards walking, biking and public transportation. 5.Create greenspaces and enhanced stormwater storage and treatment on the rest of the property to provide on-site recreation activities, sense of livable and resilient community for LMI households but also drawing in other opportunities for recreation from non LMI areas. | \$40,000,000.00 |
| 2 | Special assessment program for income qualified households (North 1, 3, 4 and 5 Utilities Extension Projects [UEP]) | <p>The program will pay for special assessments for only low-mod households within North 1, 3, 4, and 5 utility expansion areas. Utility expansions include the construction of potable water, wastewater, irrigation water, storm drain replacement, road improvements, and fiber optics. The program will aim to ensure that low-mod households are not overburdened by the expansion of utilities and keep housing costs affordable for new housing constructed in the identified areas.</p> <p>This program complements the City's existing Utility Connection Program. This program is part of the City's owner-occupied rehab program that provides assistance to low-mod households for mandatory utility connections from the street to the house.</p> | \$326,480,000.00 |

Infrastructure Public Facilities and Improvements – High Priority

| Priority Infrastructure Project Recommendations | | | |
|---|---|---|----------------------|
| Rank | Project Title | Project Description | Estimated Total Cost |
| 1 | Lower Hawthorn Aquifer Emergency Wells and small-scale RO system for Critical Facilities | Construct two lower hawthorn emergency water supply wells with two small scale RO systems. One well will be located at or near 1015 Cultural Park Blvd, Cape Coral, and a second well and RO system at Cape Coral Hospital located at 636 Del Prado Blvd. S. Cape Coral. | \$20,000,000.00 |
| 2 | Construct Community Recreation Center/Shelter | Construct 90,000 square foot disaster/evacuation shelter with servicing 20,000 square foot kennels during emergencies and a community center/animal shelter outside of emergencies. This complex will enable the City of Cape Coral to provide support for evacuations without impacting schools. | \$80,000,000.00 |



Priority Infrastructure Project Recommendations

| Rank | Project Title | Project Description | Estimated Total Cost |
|------|--|--|----------------------|
| 3 | City of Cape Coral Non-Profit Capital Program | Non-Profit Capital Program to assist local not-for-profit entities serving LMI/LMC clients with repairs and mitigation to their facilities within Cape Coral. The intent is to provide a competitive opportunity to these agencies. The City provides operation support to agencies through the CDBG program, however due to limited funds capital has never been included and many agencies had aging facilities even prior to the storm. An informal survey of CDBG agencies, as well as other agencies that serve LMC clients has shown a need for this project. These needs stemmed from damage from the storm, post disaster assessments of operations, and hardening. Potential projects include repairs to group homes for the disabled, repairs to the City's primary food pantry including disaster response improvements (e.g., generators for food, gas lines, staging areas for food and supply distribution), hardening of the local domestic violence shelter, repairs of hurricane damage in a local day adult day training center for the developmentally disabled and group homes for the developmentally disabled. | \$2,284,000.00 |
| 4 | City Fiber Optic Connectivity | Construction fiber optic connectivity using underground conduits to connect critical City and Utility assets. | \$12,000,000.00 |
| 5 | Dedicated Watermain to Critical Facilities | Construct dedicated 12-inch diameter Emergency Water Supply Main from the North RO Plant to 5 critical community facilities. | \$90,000,000.00 |
| 6 | North LSA/USD Administration and Warehouse | Design and construct new Local Staging Area (LSA) at Utilities Collection and Distribution Administration and LSA/Warehouse Buildings with paved parking for trucks and equipment. The new LSA facility will allow staff to position hurricane response equipment at a higher elevation during a Hurricane or storm event. The current facility is in a coastal high hazard flood zone. | \$60,000,000.00 |

Planning and Public Services – High Priority

Priority Planning Project Recommendations

| | Project Title | Project Description | Estimated Total Cost |
|---|---|---|----------------------|
| 1 | City of Cape Coral Cost Recovery Project | Development of a cost recovery plan to structure the financial recovery from disasters and outline how to effectively utilize resources to build the City of Cape Coral resilience to future hazard events. Overall, this plan will be designed to define roles and responsibilities during and after an activation of the City's Emergency Operations Center; facilitate interagency and intra department coordination; and outline a process to apply and comply with federal and state recovery programs, and provide tools to facilitate overall cost recovery operations, including training sessions. | \$200,000.00 |



Priority Planning Project Recommendations

| | Project Title | Project Description | Estimated Total Cost |
|---|--|---|----------------------|
| 2 | City of Cape Coral Disaster Recovery Plan | Development of a disaster recovery plan to help the City of Cape Coral recover from disasters and build resilience to effectively respond to future hazard events. Overall, this plan will be designed to define roles and responsibilities during the disaster recovery process; outline the framework for Recovery Support Functions (RSFs); outline an approach to restore the City's population and essential community resources and functions post-disaster; identify strengths that can be leveraged in a recovery operation; and provide tools to facilitate overall cost recovery operations, including training sessions. | \$170,000.00 |
| 3 | Community Resilience Risk Reduction Plan | A Community Risk Reduction Plan will aid the City in identifying and prioritizing local risks, followed by the integrated and strategic investment of resources (emergency response and prevention efforts) to reduce their occurrence and impact. Through collaboration with internal and external stakeholders and partners, the CRRP will support the development and implementation of mitigation and prevention efforts to reduce risk and increase resiliency. | \$250,000.00 |
| 4 | South Cape Core Connect Mobility Hub Planning, Design, and Construction Project | The project entails two components: 1) An initial planning and public outreach study and 2) the design and construction of the mobility hub. The proposed mobility hub will expand public transit service to adjacent LMI tracts and seeks to advance equity in mobility choices throughout the city. The improved facility may include the following: additional emergency transit route and route optimization, bus stop and layover zones, electric vehicle charging stations, solar-powered cellular charging stations, the transit shelter with real-time arrival information, bike share stations, micro-mobility or autonomous vehicle flex-space, WI-FI service, bicycle storage, repair facilities, ancillary retail, restrooms, public art, and open space. | \$6,550,000.00 |

Priority Planning Project Recommendations

| | Project Title | Project Description | Estimated Total Cost |
|---|---|--|----------------------|
| 5 | Cape Coral Parkway Corridor Planning Study | <p>Infrastructure: Analyze stormwater retention/detention/conveyance along Cape Coral Parkway to identify deficiencies and potential solutions. The stormwater system analysis may extend beyond the 2.5-miles of the corridor to allow flexibility in finding solutions. Assess existing landscaping along the corridor. Retrofit the corridor with a functional landscaping plan to better retain and mitigate the effects of stormwater and stormwater surge in an emergency scenario.</p> <p>Assess undeveloped or available properties abutting the corridor for future conveyance and retention. Properties acquired for retention ponds shall also be considered for public use, such as micro mobility/micro transit stations, public art installation, and passive recreation.</p> <p>Assess the existing streetscape for multimodal improvements, encouraging transit-oriented infill development and equity in mobility.</p> <p>Identify locations for ADA improvement infrastructure.</p> <p>Economic Development Program: Commercial/Retail District Improvement. The study area is included within the City's CRA district. Improved stormwater infrastructure and landscaping will provide direct economic benefit by: Enabling more compact multifamily and mixed-use development, but also creating an aesthetically appealing streetscape. The functional landscaping serves to promote a more comfortable, pedestrian-friendly downtown environment and encourages connectivity to local business by offering multimodal choices.</p> | \$350,000.00 |
| 6 | North Cape Coral Drainage Basin Alternative Restoration Plan | <p>1.) Lead discussion and action between other government agencies, non for profit, private landowners, research institutions, education and citizens on improving water quality in entire drainage basin leading to Gator Slough and discharging into Outstanding Water of the State Matlacha Pass.</p> <p>2.) Establish and prioritize water quality improvement projects such as large drainage projects, land acquisition, retrofit of infrastructure, creation of filter marsh etc.</p> <p>3.) Engage LMI and other communities on environmental challenge and water quality in N Cape Coral and Matlacha Pass. Provide education, community engagement and recreation opportunities (education days, summer camps, volunteer events, partnership with universities, field days etc.)</p> | \$5,000,000.00 |
| 7 | City-wide Resiliency and Adaptation Planning | <p>Complete the following steps:</p> <ol style="list-style-type: none"> 1. Update vulnerability assessments to include latest climate change, sea level rise modelling and projection tools; 2. Set priorities and select actions; 3. Define adaptation actions; 4. Create a communication plan, engage public; and 5. Create a monitoring and evaluation plan. | \$500,000.00 |



Economic Development and Revitalization – High Priority

| Priority Economic Development and Revitalization Project Recommendations | | | |
|--|---|---|----------------------|
| Rank | Project Title | Project Description | Estimated Total Cost |
| 1 | Small Business Incubator / Accelerator | Develop a Small Business Incubator/Accelerator that can assist small businesses grow and expand. Also house the Small Business Development Center consultants to support the 7,500 small business in Cape Coral. | \$20,000,000.00 |
| 2 | Business Emergency Communications Center and Small Business Communications Hub | <p>To create a Business Emergency Communications Center (BECC) and Small Business Communications Hub at the Chamber of Commerce of Cape Coral.</p> <p>Physical Location Needs: The project would include the hardening of the existing building and the addition of a safe room to the existing building to serve as the BECC post storm/disaster. The safe room would provide workspace for 50-75 people at a time.</p> <p>Parking Lot expansion.</p> <p>Communications: Through the installation of LTE or 5G Wireless communication equipment, create a location where people can connect following a disaster to get their businesses up and running or communicate with loved ones. We would also include charging stations. The goal is to offer service to 50 workstations at a time. The signal strength would also allow people to work from the park.</p> <p>Could also serve as a temporary Business Recovery Center or SBA post disaster. In “blue skies” can serve as training space for small businesses and non-profits.</p> | \$500,000.00 |
| 3 | Cape Coral Technical College Workforce Development Program | Create a program to subsidize desired areas of study at the Cape Coral Technical College to better fill open positions in desired industry sectors that require specific skills/certifications. Subside 100 students per year at 50% of full program costs, \$3500 estimate. Total per student subsidy, \$1750. | \$131,250.00 |
| 4 | Small Business Education Portal | Create a Small Business Education Portal. Portal to provide top online business curricula for small business utilized by small medium and large companies across the country. A much more cost-effective solution than other offerings. Will require a cloud-based Learning Management System/Portal. It will also require an online business course library which can include up to 20K short business courses. Topics are included in the following categories: in Sales, Customer Service, Process Management, Business Strategy Development, Communications, Project Management, Cyber Security, Human Resources, Microsoft Office Tools, etc. Key courses also help staff with attaining targeted certifications. This can be expanded to County-wide effort supporting 27,000 businesses. | Varies annually |



Mitigation – High Priority

| Priority Mitigation Project Recommendations | | | |
|---|--|---|----------------------|
| Rank | Project Title | Project Description | Estimated Total Cost |
| 1 | PW/Utilities/Storm water radio system hardening with additional radios for staff during a storm | Add two tower locations for radio transmission. This creates a city-wide redundant system. More city departments can be added to the system. | \$547,750.00 |
| 2 | Yellow Fever Creek Land Acquisition | <p>Undeveloped wetlands and uplands are currently buffering LMI housing from the Yellow Fever Creek. Acquiring these lands for preservation would:</p> <ol style="list-style-type: none"> 1. prevent additional impervious areas in flood zone, protecting LMI areas from further flood risk. 2. prevent rising of cost of living in LMI areas by preventing of waterfront development 3. offer recreation and quality of life for LMI areas if city further use the acquired land for nature parks <p>The Yellow Fever Creek is currently an impaired waterbody by the state of Florida and must develop a project to meet improved water quality standards. Preserving and improving the natural habitat will prevent further water quality degradation.</p> | \$10,000,000.00 |
| 3 | Weir Rehabilitation, Upgrade or Replacement Program | <p>The City's weir system controls the discharge of stormwater from the freshwater canal system to ensure the City has an adequate supply of freshwater for irrigation and fire protection, provides water quality treatment to enhance the quality of the stormwater being discharged into receiving waters, as well as flood control.</p> <p>The Program is to rehabilitate, upgrade or replace the City's weirs based on the priorities identified by the Weir System Master Plan which is currently in progress. The City weirs are reaching their expected lifespan and will need replacement or repair.</p> <p>The City is focusing on the 18 weirs that will impact the LMI areas.</p> | \$54,000,000.00 |
| 4 | Highwater Response and Rescue Vehicles | The purchase of two highwater rescue and response vehicles for response immediately following a storm, to transverse high-water levels, to enact rescues, and service/inspect critical infrastructure. | \$800,000.00 |
| 5 | Firefighting/USAR Vehicle and Equipment | Purchase and equipping of a heavy rescue apparatus and associated equipment for technical rescues, including confined space, trench, high angle, and swift water. | \$2,000,000.00 |
| 6 | Critical Facility Generator Installation/Upgrade | Install/Upgrade generators at City of Cape Coral critical facilities serving as recovery centers during emergencies and natural disasters. Install remote monitoring systems to thirty (30) existing systems. | \$5,500,000.00 |