



Report Issued

October 17, 2025

**Audit Report No.
25-06**



**City of Cape Coral
City Auditor's Office**

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Development Services Department - Code Compliance Division Audit

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TO: Mayor Gunter and Council Members

FROM: Andrea R. Russell, City Auditor 

DATE: October 17, 2025

SUBJECT: 25-06 Development Services Department - Code Compliance Division Audit

The City Auditor's Office conducted a performance audit of the Development Services Department - Code Compliance Division. This audit is included in the City Auditor's FY25 approved Audit Plan. The audit was conducted in conformance with Generally Accepted Government Auditing Standards by the authority granted through City Ordinances 28-02 and 79-10.

We would like to express our sincere appreciation to Code Compliance management and staff for the courtesy, cooperation, and proactive attitude extended to the team members during the audit. If you have any questions or comments regarding this audit, please contact Andrea Russell at 242-3380 or Timothy DiSano at 242-3308.

C: Michael Ilczyszyn, City Manager
Connie Barron, Assistant City Manager
Mark Mason, Assistant City Manager
Aleksandr Boksner, City Attorney
Kimberly Bruns, City Clerk
Brett Limbaugh, Development Services Director
Matt Grambow, Deputy Development Services Director
Todd Hoagland, Code Compliance Manager
Sarah Evins, Special Projects Coordinator
Audit Committee

REPORT HIGHLIGHTS

25-06 DEVELOPMENT SERVICES DEPARTMENT - CODE COMPLIANCE DIVISION AUDIT

Issued October 17, 2025

Objectives

1. To determine whether the Code Compliance Division has adequate resources in place to effectively address the growing needs of the city.
2. To determine if Code Compliance roles and responsibilities are clearly defined, accurately documented, and effectively communicated across all departments involved in code enforcement processes to ensure interdepartmental coordination and accountability.
3. To determine whether the volume and structure of City codes aligns with the City's goals, strategic objectives, and community needs and allows for efficient management and enforcement.

WHY THIS MATTERS

Florida jurisdictions have their own code compliance requirements and processes. City Code Compliance Officers monitor citizens' compliance with City codes to protect the beauty and safety of neighborhoods we live in, and the businesses we visit. Code Compliance uses a defined compliance process to enforce property maintenance standards for buildings and properties through community education and civil penalties. One of the best approaches communities can use to prevent violations from occurring or reoccurring is through educating the residents about ordinances, code requirements, and standards. Providing effective and proactive code compliance helps protect public health, safety, and welfare of residents, business owners, and visitors.

ACCOMPLISHMENTS

1. **Higher Closure Efficiency:** Case closure has increased from 30% in FY23 to 51% in FY24.
2. **Increased Voluntary Compliance:** The percentage of forced compliance has declined from 16% in FY23 to 14% in FY24.
3. **Faster Voluntary Resolutions:** Average days to voluntary compliance dropped significantly from approximately 21 days in FY24 to 12 days in FY25.

WHAT WE FOUND


The City Auditor's Office conducted a performance audit of the Development Services Department - Code Compliance Division. This audit is included in the City Auditor's FY25 approved Audit Plan. To gain a comprehensive understanding of the Code Compliance Division, we examined its processes, policies, and procedures; reviewed a sample of code enforcement cases; analyzed City codes, classifications, and code case types/sub-types; and evaluated safety and security measures for Code Officers.

We identified several areas for opportunities to enhance operations by refining existing policies and procedures; strengthening code governance by consolidating the current code; and creating a more concise reporting system to optimizing case tracking. One finding due to certain safety and security information is considered confidential. Revealing the details could potentially compromise officer safety and is intentionally omitted from the report. This finding was communicated to the Department and a management action plan and anticipated completion date have been discussed and agreed upon with management. These recommendations will help to promote consistent enforcement and increased efficiency and provide better more useful reporting for monitoring. Details are provided in the Findings and Recommendations section. Overall, the Division materially complied with applicable laws, regulations, and policies and procedures. We found that existing controls are in place, although they need improvement, and no material deficiencies were identified.



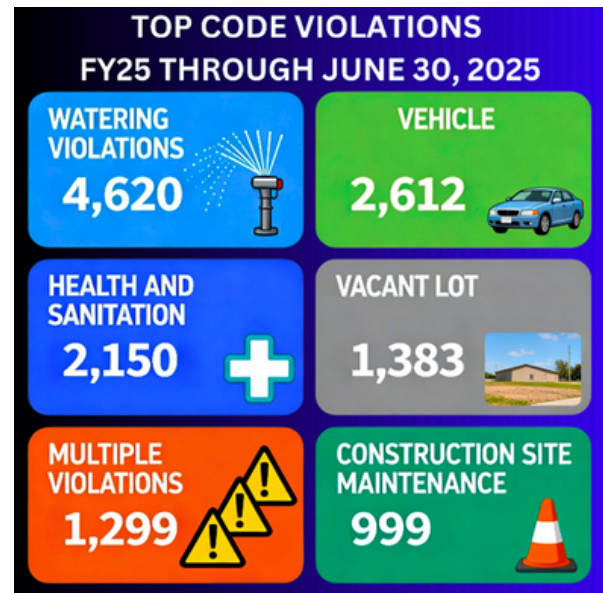
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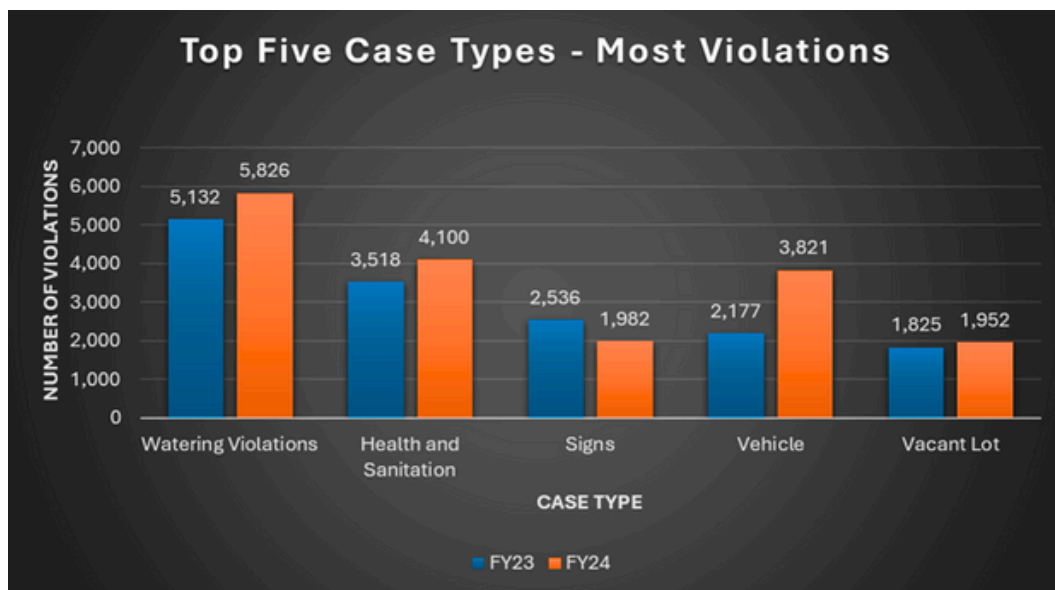
Background

The Development Services Department - Code Compliance Division (Code Compliance) is responsible for enforcing the City's Code of Ordinances. These codes and ordinances impact residential and commercial properties. Code Compliance currently enforces more than 1,000 codes in place to protect the safety and beauty of the City, and to help maintain property values. Code Compliance encourages citizen compliance through community education and obtain voluntary compliance while striving to perform its duties in a fair, professional, and courteous manner.



In order to provide adequate coverage of the City's approximately 120 square miles, the city is geographically divided into four areas, (Northeast, Northwest, Southeast, and Southwest) and 22 zones. Code Compliance staff consists of one Manager, five Supervisors, 31 Officers, two contract Utility Specialists, one Customer Service Supervisor, and six Customer Service Representative support staff.

The following chart depicts the top five code violations for FY23 and FY24.



Reporting a Code Issue

Citizens may submit complaints through the Citizens Self-Service 311 portal on the City website, the Cape Coral 311 app, phone, email, or in person. Once an issue is reported, an Officer will investigate and initiate contact with the property owner or occupant. The Officer informs the resident or business of the violation and educates the citizen of corrective action needed to comply with code, resolve the issue, and stay in compliance in the future. A reasonable amount of time based on the Officer's assessment is provided for the citizen to make corrections to the violation. The time allotted to bring the property into compliance may vary. Voluntary compliance is the ultimate goal of Code Compliance. If the violation is not corrected by the deadline assigned to the case, the Officer begins the



escalation process. Should corrective actions not be completed or the property owner disregards the City's codes and ordinances after receiving the formal notice, a public hearing may be scheduled in front of the Code Hearing Board Special Magistrate. Hearings are conducted pursuant to Florida State Statutes (FSS) Title XI, Chapter 162, County or Municipal Code Enforcement. If the property owner or occupant is found guilty during the hearing

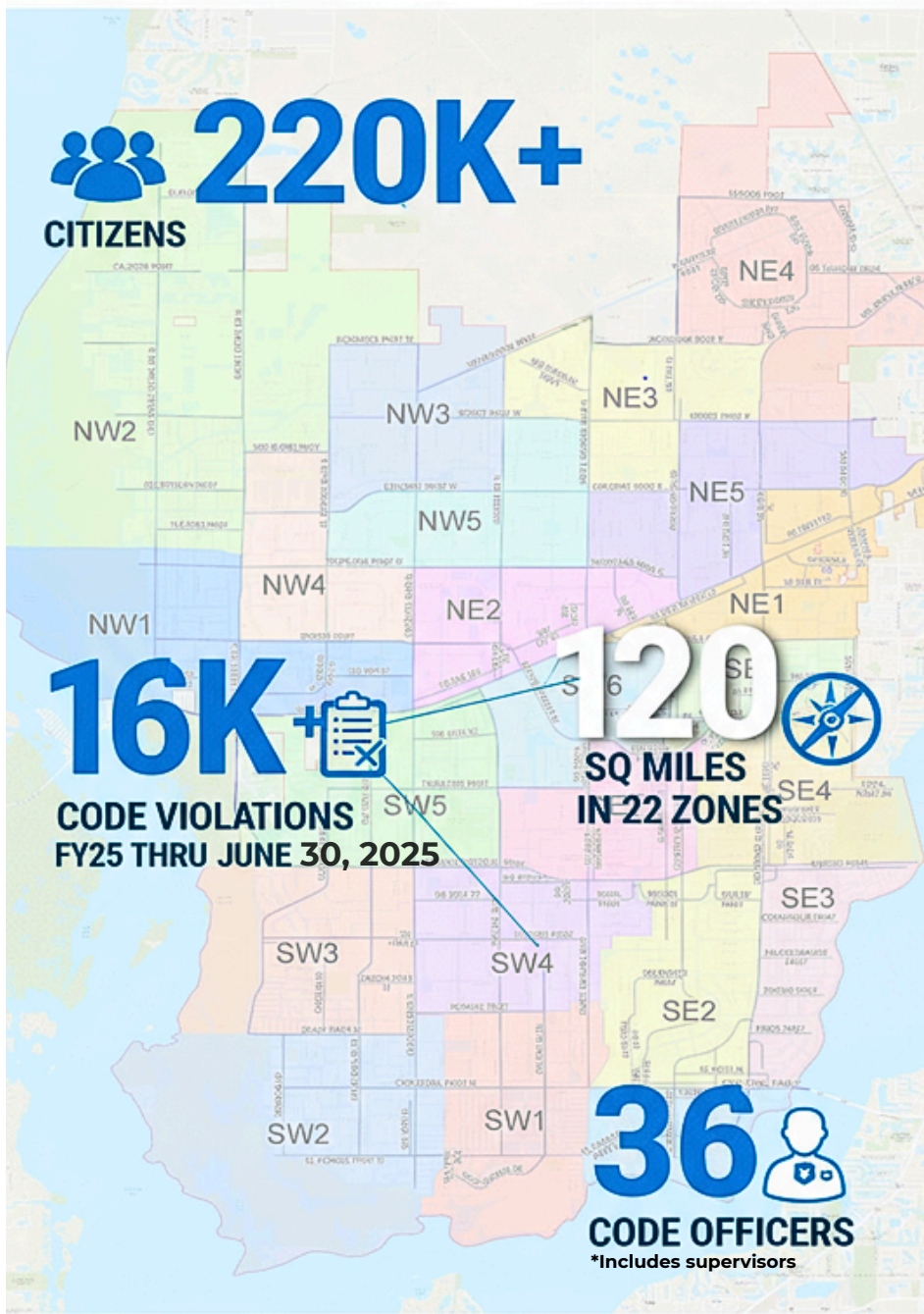
process, fines and administrative costs may be assessed, and liens may be placed on the subject property. As of July 1, 2021, Florida residents are no longer allowed to submit anonymous violations for certain offenses. FSS 125.69 was amended to require that anyone reporting a potential code or ordinance violation must provide their name and address before an investigation can proceed.¹



The City Code Of Ordinances

Code Compliance oversees more than 1,000 code regulations outlined in the City's Code of Ordinances. Issues and violations reported to Code Compliance are documented within a

¹ This requirement does not apply if the code officer believes that the violation is an imminent threat to public health, safety, welfare, or imminent destruction of habitat or sensitive resources.



centralized information system, where Officers are required to log specific details and upload supporting photographs to aid in case tracking and enforcement. Many of these codes date back to 1972² and have not undergone significant review or modernization, leading to outdated and overlapping regulations. As the city continues to grow and develop, these legacy codes present growing challenges. In April 2024, an attempt was made to consolidate nuisance-related ordinances; however, the original codes were not repealed resulting in redundancy and confusion. Additionally, the newly adopted ordinance lacked clear guidelines for enforcement and compliance, introducing further complications around fees and civil penalties.

² The earliest code adopted that relates to Code Compliance was the Florida Sanitary Code adopted on 6/26/1972.

Findings and Recommendations

FINDING 2025-01: Policies and Procedures Need Improvement

Rank: High

Condition:

Code Compliance policies and procedures (Policy) have not been updated to reflect actual practices and lack sufficient detail to provide effective guidance for Officers to ensure consistent application of the code. The City Auditor's Office requested policy and procedure documentation as part of planning; however, we received more than 40 separate Word documents that were in the process of being revised, rather than a single, comprehensive manual. Due to the nature of the Officers work and the department organization, it is important to have one comprehensive manual to enforce consistency among the officers reporting and handling of violations. Based on the documents received, the most recent review and update was April 2022, more than three years ago.



Test Results

Residential Violations

As part of our fieldwork testing, we selected a sample of 60 residential violations to determine adherence to the Policy.

- The Policy requires photo documentation for violations, and we noted that five of 60 (8%) violations did not include complete photo documentation.
- Although the Policy requires follow-up on all cases, testing showed that some cases were not followed up in accordance with the Policy.
- The Policy states Officers are required to make timely inspections; however, timely is not defined. Testing reflected initial inspection ranged from zero to four days.

While reviewing violations for adherence to the Policy, we also analyzed how cases are categorized and recorded in the system. The Policy does not clearly define how violation types or sub-types are determined. We noted duplication and inconsistency in assignment of violation types and sub-types choices, that made testing and identification of test attributes difficult and in some instances, we were not able to perform any testing³.

Business Violations

We also tested 20 business violations. Code Compliance considers these Commercial Corridor violations; however, there is no formal policy to define the area or how to identify commercial versus residential violations. We were unable to determine a complete population of commercial cases due to issues with data input and system reporting³.

- Two (10%) violations did not include complete photo documentation as required by Policy.
- One (5%) violation was closed according to officer notes in the case but was still shown as open in the system.

Industry Best Practices

These exceptions demonstrate the importance of standardized documentation requirements and consistent application of existing procedures. A November 30, 2020, article by Marcus Kellum⁴, published on the International Code Council (ICC) website emphasizes the importance of well-defined, written Standard Operating Procedures (SOPs). Kellum notes that clear, defined SOPs “provide direction, improve communication, reduce training time and improve work consistency.” He further explains that SOPs “used in combination with planned training and regular performance feedback lead to an effective and motivated workforce.” In addition, the Government Accountability Office (GAO) Standards for Internal Control in Federal Government details the importance of management establishing documented policies and procedures in several sections 12.02, 12.03 and 12.05.



³ See Finding 2025-02: Enhancements needed in Municipal Code Governance and in Tracking System Configuration.

⁴ Marcus Kellum is a trainer, facilitator, and consultant for local governments and professional organizations. He is known for his innovative work in local regulatory solutions and is considered a subject matter expert in municipal operations.

Criteria:

- Standards for Internal Control in Federal Government
- Code Compliance Policy and Procedures
- ICC Best Practices article

Cause:

- Outdated, inaccurate, and unclear policies and procedures
- No periodic review of policies and procedures in comparison to actual practices
- Noncompliance with policies and procedures
- Insufficient monitoring of case documentation

Effect:

- Inconsistent enforcement of Codes
- Misapplication and misinterpretation of performance metrics
- Increased risk of error
- Ineffective new officer training due to inaccurate policies
- Potential legal exposure due to outdated procedures and inconsistent code enforcement

Recommendation**2025-01a:**

Update policies and procedures to reflect actual business practices and consolidate them into a single, comprehensive document to streamline access and ensure consistent use across all personnel. The updated document should include sufficient detail to support consistency, equity, transparency, and clarity.

Management Response and Corrective Action Plan:

2025-01a Select one of these boxes:

☒ **Agree** ☐ **Partially agree*** ☐ **Disagree***

***For partially agree or disagree a reason must be provided as part of your response.**

2025-01a

A review of all Standard Operating Procedures (SOP's) for the Code Compliance Division will be completed in FY26. All SOP's will be distributed using required software. All documents will be integrated into one all-inclusive and searchable document.

2025-01a

Management Action Plan Coordinator:

Development Services Director

2025-01a

Anticipated Completion Date:

9/30/2026

Recommendation

2025-01b:

Establish and implement a formal review schedule to periodically assess and update policies and procedures. To ensure they remain accurate and aligned with current business practices and requirements.

Management Response and Corrective Action Plan:

2025-01b Select one of these boxes:

☒ **Agree** ☐ **Partially agree*** ☐ **Disagree***

***For partially agree or disagree a reason must be provided as part of your response.**

2025-01b

The Code Compliance Division Manager and Supervisors will meet quarterly to review SOP's and make updates as needed.

2025-01b

Management Action Plan Coordinator:

Development Services Director

2025-01b

Anticipated Completion Date:

12/31/2025

Recommendation

2025-01c:

Establish monitoring procedures to ensure compliance with policies and procedures.

Management Response and Corrective Action Plan:

2025-01c Select one of these boxes:

☒ **Agree** ☐ **Partially agree*** ☐ **Disagree***

***For partially agree or disagree a reason must be provided as part of your response.**

2025-01c

The Code Compliance Division Supervisors will perform Quality Assurance (QA) checks on select closed code cases for their field staff each week. The steps will be outlined in a new SOP that includes an enterprise software workflow QA step and findings. Adding of this step in workflow will allow for tracking and reporting.

2025-01c

Management Action Plan Coordinator:

Development Services Director

2025-01c

Anticipated Completion Date:

1/15/2026

FINDING 2025-02: Enhancements needed in Municipal Code Governance and in Tracking System Configuration

Rank: High

Condition:

Municipal Code Governance

Code Compliance operates under the authority granted by FSS 162, which governs County and Municipal Code Enforcement. Municipal code governance is the framework through which a local government develops, organizes, and enforces the laws and regulations that guide how the community functions. It ensures that rules related to public safety, land use, and daily operations are clearly defined, consistently applied, and aligned with the community's values and goals. Code Compliance currently oversees compliance for more than 1,000 municipal codes and plays a crucial role in assisting citizens and businesses with understanding and complying with these regulations.

Codes are fragmented and overlap across multiple ordinance chapters and sections within the Municipal Code. For example, a search of the City's online Municipal Code for a common violation, "Boat, Boat Trailer", returned 62 code results and 25 ordinances. The table below shows code and ordinance search results for common code violations.



Search Term	Code Results	Ordinance Results
Boats, Boat Trailer	62	25
Garbage, Trash	90	21
Landscaping	97	32
Water, Irrigation	55	26
Right-of-Way	139	49

In April 2024, an effort was made to combine five codes with similar nuisance violations⁵ as part of Chapter 9, Article II, Section 9-16 Prohibited Conditions on Private Real Property enacted by Ordinance 19-24; however, Officers enforcing the codes were not asked for input. The ordinance includes topics that are also included elsewhere, such as obnoxious growth, or topics that are the responsibility of other departments, such as stagnant water or sidewalk repair. The other duplicative ordinances, where nuisance violations are mentioned that were already enacted, were not sunset or rescinded with the creation of Ordinance 19-24. Because this ordinance was not thoroughly vetted before enacting, it is duplicative and unclear.

Having so many code and ordinance results makes it hard for citizens to know which code applies to their situation, leading to confusion and frustration when searching for code violation information. Clearer organization and improved governance of the municipal codes are needed to make it clear, provide consistent application across the city; remove duplicative and irrelevant codes; easier to access; understand; and follow the local ordinances.

System Reporting

Officers use a third-party system to track and manage code violations, but the current approach to code violation data entry results in significant limitations for backend reporting. Retrieving meaningful information requires extensive manipulation of the reporting functionality. Currently, four separate reporting modules are used to collect code violation data. Advanced searches and data mining often require assistance from Information Technology Services (ITS), which can be time-consuming, and does not always produce the desired results. We noted deficiencies in data input regarding violation case and sub-types, as well as residential versus commercial corridor violations.

⁵ The nuisance violations included here but also in other sections of the Code include obnoxious growth; refuse and litter; dangerous buildings; stagnant water; sidewalk repair; storage of junk.

In FY25, through June 30, 4,620 watering violations were classified into 12 sub-types, with individual counts ranging from just one violation up to 3,507 violations (see Exhibit 1). Officers may be confused about how to classify violations which can lead to duplicative (Wet Surface – Informational, Informational Handout, and Educational) or irrelevant sub-types (Duplicate Case with only one violation out of 4,620). For FY25, there were 21 violation types and anywhere

EXHIBIT 1	
WATERING VIOLATIONS	4,620
Watering Violation Sub-Types	
WATERING VIOLATION - 1ST OFFENSE - ACTIVE WATERING	3,507
ACTIVE WATERING	503
WATERING VIOLATION - 2ND OFFENSE - ACTIVE WATERING	291
EDUCATIONAL	222
WATERING VIOLATION - 3RD OFFENSE - ACTIVE WATERING	36
WATERING CITATION RESCINDED	24
WATERING VIOLATION - 4TH OFFENSE - ACTIVE WATERING	10
WET SURFACE - INFORMATIONAL	9
NO VIOLATION	8
NEW LANDSCAPING WATERING	6
INFORMATIONAL HANDOUT	3
DUPLICATE CASE	1

from two to 32 sub-types for each. In addition, we noted 18 violation case types listed ‘Educational’ as a sub-type, but Educational is also a main violation type (see Exhibit 2). The volume of codes makes reporting difficult due to the sheer number of types and sub-types utilized in reporting violations.



The large number of municipal codes, combined with difficulties in searchability, complexity of case categorization in the software, and limitations in reporting can hinder effective enforcement and monitoring efforts. These challenges, in turn, may reduce the success of enforcement and community education initiatives. For example, fines for watering violations are classified based on 1st, 2nd, 3rd, and 4th offense and the fines escalate with the more violations noted. If an officer categorizes a violation as active watering, this sub-type does not record or relate to the 1st, 2nd, or subsequent events. Conducting a comprehensive review and consolidation of the codes and violation case types and sub-types would help improve transparency, provide consistent enforcement and provide accurate, quality data for use in monitoring and reporting.

Criteria:

- FSS Chapter 162
- City Code of Ordinances
- Code Compliance Policy and Procedures

Cause:

- No recent comprehensive code review
- Reactive ordinance additions and amendments without strategic consolidation or sunset provision
- Disorganized code design

Effect:

- Increased administrative burden for Officers and administrative personnel
- Increased noncompliance due to confusion or lack of awareness
- Potential outdated and duplicative codes that do not align with evolving community needs
- Potential inaccurate performance metrics
- Limited ability to assess program operations and compliance efforts

Recommendation

2025-02a:

Perform a comprehensive review to clarify vague codes; and remove duplicative and outdated codes.

Management Response and Corrective Action Plan:

2025-02a Select one of these boxes:

☒ **Agree** ☐ **Partially agree*** ☐ **Disagree***

***For partially agree or disagree a reason must be provided as part of your response.**

2025-02a

Our goal would be to create a new city ordinance consolidating all nuisance violations on private property that Code Compliance responsible to enforce into one Municipal Code Title. This will take a collaborative effort from the City Manager's and Attorney's Offices, Development Services, Public Works, and more. In addition to the code revisions, Work with The CMO and Finance Department to create a reliable and appropriate funding source in place to abate any nuisance conditions observed in the community. Provided cooperation from departments and successful approval from City Council.

2025-02a Management Action Plan Coordinator:

Development Services Director

2025-02a Anticipated Completion Date Draft:

09/30/2026

Anticipated Completion Date Final:

12/31/2027

Recommendation

2025-02b:

Evaluate and upgrade data classifications (violation case types/sub-types, residential/commercial) and reporting functionality to consolidate reporting modules and enable more comprehensive case tracking and system output, to ensure accurate and meaningful reporting.

Management Response and Corrective Action Plan:

2025-02b Select one of these boxes:

☒ **Agree** ☐ **Partially agree*** ☐ **Disagree***

***For partially agree or disagree a reason must be provided as part of your response.**

2025-02b

Evaluate and consolidate current code case violation classifications and sub-types to streamline reporting tabulations into meaningful data that can be evaluated to see trends, inform policy decisions and personnel adjustments.

2025-02b


Management Action Plan Coordinator:

Development Services Director

2025-02b

Anticipated Completion Date:

12/15/2026



FINDING 2025-03: Confidential

This finding and recommendation is considered confidential due to certain safety and security information. Revealing the details could potentially compromise officer safety and is intentionally omitted from the report. This finding was communicated to the Department and a management action plan and anticipated completion dates have been discussed and agreed upon with management.

Scope

Based on the work performed during the planning phase and the assessment of risk, the audit covers the processes, policies, procedures, and laws and regulations in place for Code Compliance for FY23, FY24, and FY25 through 6/30/2025.

Statement of Auditing Standards

We conducted this performance audit in accordance with Generally Accepted Government Auditing Standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Methodology

In order to achieve the audit objectives and gain a better understanding of Code Compliance processes, we conducted interviews, Officer ride-a-longs, staff surveys, and walkthroughs with key staff.

We conducted field observations of Officers as they used the case tracking system to open, process, and manage code cases. Original records, copies, and various reports were reviewed and used as audit evidence. Code Compliance best practices were considered during testing to help identify potential areas for improvement and to strengthen internal controls and operational processes. Sample sizes and selection were based on the CAO sampling methodology.

Objective 1: To determine whether the Code Compliance Division has adequate resources in place to effectively address the growing needs of the City.

To assess whether processes are in place to effectively address field safety and security concerns and support officers in performing their duties safely, we surveyed all Officers and Supervisors. The survey focused on their roles and responsibilities, including safety and security in the field. We were unable to test the Threat Assessment/Assault Report and monitoring of incidents due to lack of supporting documentation; however, we utilized survey responses and supporting documentation regarding threats to determine whether incidents were appropriately addressed and if preventive measures were implemented to reduce recurrence.

To determine if the Code Compliance volunteer program is being administered according to the volunteer handbook policies and procedures, we reviewed volunteer applications and supporting documentation. We judgmentally chose to sample all applications for volunteers within the audit scope.

Methodology (continued)

Objective 2: To determine if Code Compliance roles and responsibilities are clearly defined, accurately documented, and effectively communicated across all departments involved in code enforcement processes to ensure interdepartmental coordination and accountability.

We selected a random sample of 60 cases and a judgmental sample of 20 Commercial cases to assess compliance with applicable policies and procedures. We reviewed case files and supporting documentation to assess if policies and procedures were followed, including proper case file documentation.

Objective 3: To determine whether the volume and structure of City codes aligns with the City's goals, strategic objectives, and community needs and allows for efficient management and enforcement.

To determine if performance and reporting metrics were adequately supported and accurate, we judgmentally selected nine management provided reports and reviewed for supporting documentation and accuracy.

To determine if cases requiring Officer referral to another department were referred in accordance with policies and procedures, we judgmentally selected a sample of 15 cases.

To evaluate opportunities to streamline or consolidate code classifications, we analyzed case types and sub-types active during the scope of the audit. We also performed an analysis of City municipal codes to identify potential redundancies and areas for consolidation or elimination.

To support the sampling and testing activities described above, we reviewed, observed, and obtained an understanding of the software system used by Code Compliance to manage data. Based on this review, we determined the data to be sufficiently reliable for use in meeting the audit objectives.

Unless specifically stated otherwise, based on our selection methods and testing of transactions and records, we believe that it is reasonable to project our results to the population and ultimately draw our conclusions for testing, findings, and recommendations on those results. Additionally, for proper context, we have presented information concerning the value and/or size of the items selected for testing compared to the overall population and the value and/or size of the exceptions found in comparison to the items selected for testing.