



AGENDA MEMORANDUM

City Manager

City Council Regular Meeting Date: January 13, 2026

To: City Council
From: Dana A. Souza, City Manager
Date: January 7, 2026

SUBJECT: Community Housing Resources (CHR) is requesting the City Council's support for a \$15 million Community Development Block Grant–Disaster Recovery (CDBG-DR) funding request to Lee County for the construction of 38 affordable housing units at 1523–1531 Periwinkle Way, the former Fish House site.

BACKGROUND: On December 30, 2025, CHR Executive Director Nicole McHale submitted a letter requesting the City Council's support for a \$15 million funding request to construct up to 38 affordable housing units at 1523–1531 Periwinkle Way, the former Fish House site. CHR plans to attend the January 20, 2026, Lee County Board of County Commissioners meeting to formally request funding.

Previously, on October 1, 2024, the City Council approved Resolution 24-068 in support of CHR's request to Lee County for \$5 million in Community Development Block Grant–Disaster Recovery (CDBG-DR) funds for the construction of 20 affordable housing units at 1874 Middle Gulf Drive. CHR is no longer pursuing funding for the acquisition and development of the Middle Gulf Drive site and is instead seeking funding to acquire and develop the Periwinkle Way site.

CHR's December 30, 2025, letter, along with documents from the October 1, 2024, City Council meeting, are included in the agenda packet for this item. Also included is a draft letter for the City Council's consideration supporting CHR's \$15 million funding request.

FUNDING SOURCE: N/A

RECOMMENDED ACTION: Discussion. Consider approval of a draft letter of support for Community Housing Resources' request to Lee County for \$15 million in Community Development Block Grant–Disaster Recovery (CDBG-DR) funding to construct 38 affordable housing units at 1523–1531 Periwinkle Way, the former Fish House site.

Sanibel is and shall remain a barrier island sanctuary