



## AGENDA MEMORANDUM

*Finance Department*

**City Council Meeting Date: March 3, 2026**

**To:** City Council  
**From:** Steve C. Chaipel, Deputy City Manager/CFO  
Mark Harmon, Grants Manager  
**Date:** March 25, 2026

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**SUBJECT:** U.S. Department of Housing and Urban Development Grant Agreement

**BACKGROUND:** Hurricane Ian significantly impacted the City's transportation infrastructure, including the East Periwinkle Way Bridge, which sustained substantial structural damage. Although temporary repairs were completed to safely restore vehicular access, subsequent engineering evaluations determined that the existing structure has been compromised and requires full replacement to ensure long-term safety, reliability, and resilience.

Since the storm, City staff, in coordination with contracted engineering consultants, have been actively engaged in the planning, design, and funding of a replacement bridge. The project is a critical component of the City's overall recovery and resiliency strategy, as the East Periwinkle corridor serves as a key transportation route for residents, emergency services, and visitors.

**FUNDING SOURCE:** The City has successfully secured funding from both the State of Florida and Federal sources to support the replacement of the East Periwinkle Way Bridge. The total project funding is summarized as follows:

- \$750,000 – Florida Department of Transportation (FDOT) Grant #G2W66 (Design)
- \$2,500,000 – Florida Department of Transportation (FDOT) Grant #G3E92 (Construction)
- \$5,500,000 – U.S. Department of Housing and Urban Development (HUD) Grant #B-24-CF-FL-0595 (Construction)

The HUD grant represents the largest funding component of the project and is essential to advancing the construction phase of the bridge replacement. The project is included in the fiscal year [2026 adopted capital budget](#).

**RECOMMENDED ACTION:** Accept the grant funding from HUD and authorize the City Manager to execute the grant agreement for \$5,500,000 for the East Periwinkle Way Bridge construction.

*Sanibel is and shall remain a barrier island sanctuary*