Impact, Equity, and Efficiency in Recovery Funding: CDBG-DR for Hurricane Ian in Lee County, FL

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Background

- Hurricane Ian (September 2022) caused 149 deaths statewide, including 72 in Lee County, and produced severe infrastructure and housing damage, including \$21.4B in insured losses and \$8.7B–\$10B in uninsured losses.
- Community Development Block Grant–Disaster Recovery (**CDBG-DR or DR**) funds are made available through Congressional disaster appropriations and administered by HUD to address unmet recovery needs not covered by FEMA, SBA loans, insurance, or other sources.
- Lee County received **a \$1.108B direct DR allocation** for Hurricane Ian recovery, the largest direct county-level allocation in the program's history.

Research Question

To what extent and in what ways does Lee County's post-Hurricane Ian CDBG-DR portfolio and implementation process address long-term recovery needs, equity, and efficiency?

We examine: (1) **project and activity mix** across housing, infrastructure, planning, public services, and administration; (2) **geographic distribution** of investments across municipalities and neighborhoods; and (3) **funding flow and implementation timing** from allocation to project execution.

Data & Methods

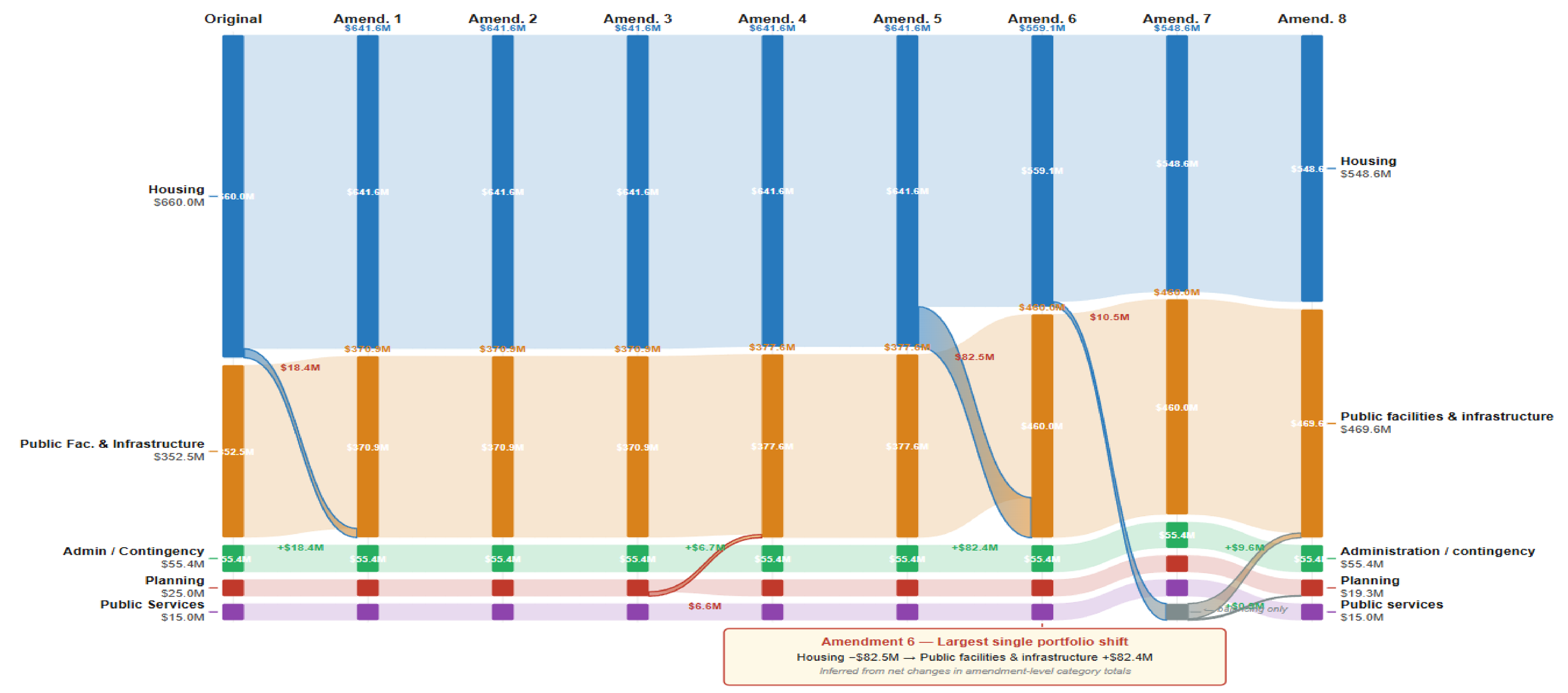
Reviewed Lee County DR Action Plans and 9 substantial and non-substantial amendments from September 2022 through January 2026.

Reviewed hundreds of contracts, HUD and Lee County program applications, eligibility rules, and 120 subrecipient projects.

Tracked obligated, expended, and disbursed funds using Lee County financial records, auditing reports, and HUD DRGR/QPR data.

Coded project type, funding amount, location, program area, implementation phase, recovery goals, eligible activities, timelines, and equity/resilience criteria.

Portfolio Project Mix and Changes

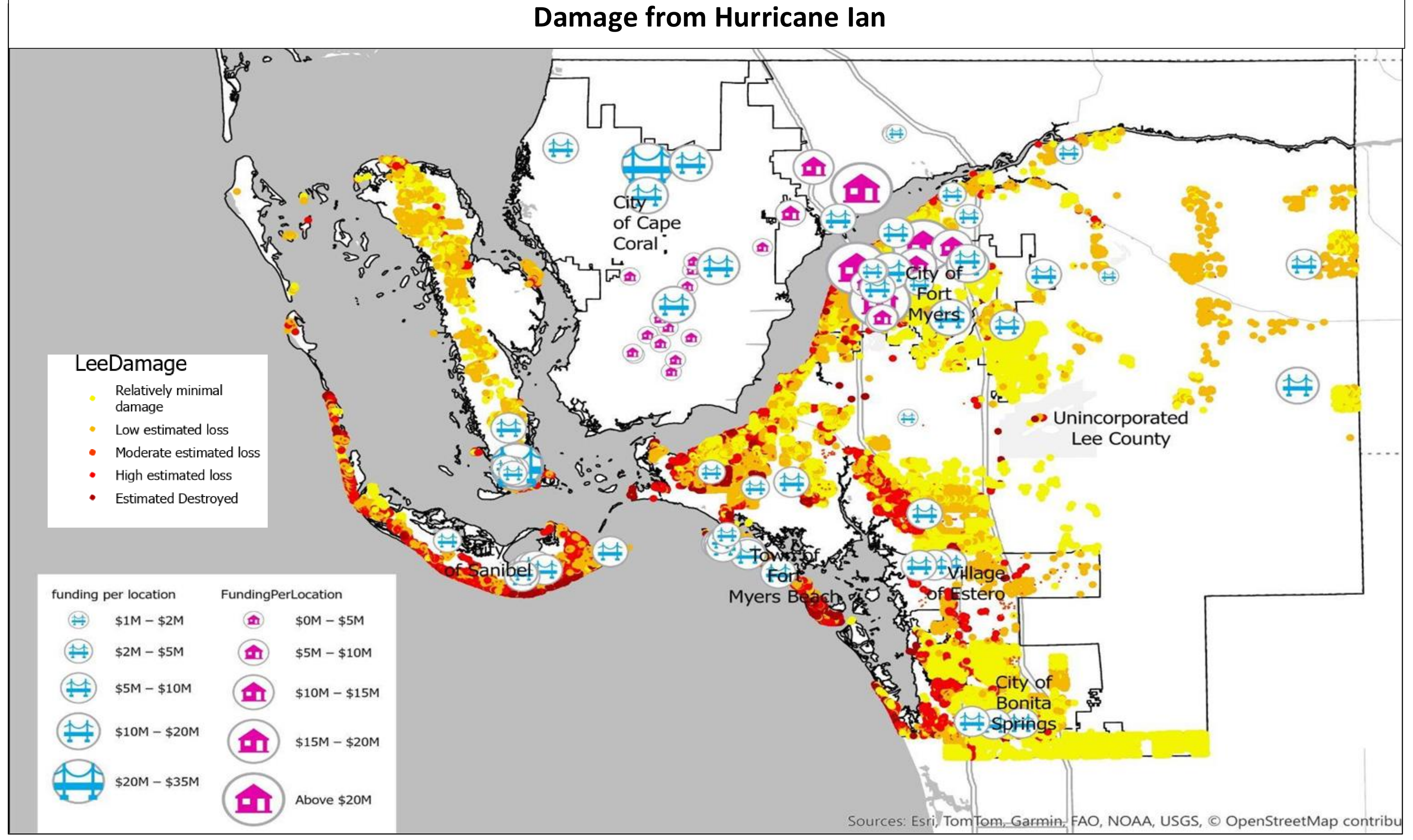


- In the initial Action Plan, housing activities received approximately \$660.0 million, reflecting **an early emphasis on addressing widespread residential damage**, housing instability, and unmet recovery needs following Hurricane Ian.
- Subsequent amendments reduced housing funding to approximately \$548.6 million, **a decrease of more than \$111 million.** During the same period, infrastructure funding increased from approximately \$352.5 million to \$469.6 million, representing **an increase of more than \$117 million.**

Spatial Allocation of Projects

- This map compares approved DR infrastructure and affordable housing projects with Ian damage across Lee County, including Sanibel, Fort Myers Beach, Cape Coral, Fort Myers, and North Fort Myers.
- Allocation reflects eligibility rules, project readiness, municipal capacity, and implementation capacity.
- 2022 median household income varied sharply across damaged communities: Sanibel (\$108.6K), Fort Myers Beach (\$81.3K), Cape Coral (\$78.1K), Fort Myers (\$63.7K), and North Fort Myers (\$56.3K).

Infrastructure and Affordable-housing CDBG-DR Projects layered with Damage from Hurricane Ian



Funding Disbursement

Program	Current Allocation	Obligated \$M	Expended \$M	Disbursed \$M	Expenditure Rate	Disbursement Rate
Housing	\$548.6	\$232.4	\$14.7	\$18.3	6.3%	7.9%
Infrastructure	\$469.6	\$61.1	\$0.6	\$0.6	1.0%	1.0%
Public Services	\$15.0	\$3.8	\$0.3	\$0.4	8.4%	9.9%
Planning	\$19.3	\$18.4	\$2.8	\$2.8	15.0%	15.0%
Administration	\$55.4	\$0.0	\$2.9	\$3.3	n/a	n/a
Total	\$1,107.9	\$315.7	\$21.2	\$25.4	6.7%	8.0%

- Funding commitments are ahead of delivery. By 2025 Q2 (most recent quarter), Lee County had obligated \$315.7M of its \$1.108B DR allocation, but only \$21.2M had been expended and \$25.4M disbursed.
- This equals **a 6.7% expenditure rate and 8.0% disbursement rate**, Approved recovery funding has not turned into spending or any visible project delivery.
- Infrastructure shows the clearest delay, with \$61.1M obligated but only **\$0.6M expended and disbursed**.

Phases of Project Completeness

Program	Implementation	Design	Construction	Underway	Completed	Total
Infrastructure	19	9	0	0	0	**28**
Housing	5	0	9	0	0	**14**
Planning	7	0	0	16	1	**24**
Public Services	0	0	0	13	0	**13**

- All 28 infrastructure projects remain in pre-implementation or design **none** in construction or completed. Housing (9 of 14 in construction) and public services (13 active) are further along.
- Large capital projects lag, the clearest **efficiency** gap in the DR portfolio

Conclusion

- The DR portfolio substantially addresses recovery needs**:** **Infrastructure projects** target access/roadway resilience, shelters/resilience hubs, backup power, public safety, stormwater, utilities, and public space recovery
- Also Planning projects address hazard mitigation, countywide systems, housing/land use, mobility, behavioral health, parks, and business continuity.
- Housing includes 432 individual housing projects, 10 multifamily development projects, 1 multifamily rehab project, and 3 single-family development projects.
- Projects partly follow Hurricane Ian damage patterns, but damage alone does not explain allocation.
- DR rules require LMI benefit, but **access also depends on eligibility, documentation, readiness, and local capacity**.