Memorandum

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Date: June 9, 2026

To: Members of the Board of Supervisors

From: Jesús Armas, Community Services Department Director

Subject: Administrative Agenda A-23: County Loan to FLT San Simeon Oaks, L.P., for development of a Multi-Family Affordable Housing Development

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The following information is provided at the request of Chair Nelson:

Administrative Agenda A-23 recommends the Board approve a loan of $1.1 million to FLT San Simeon Oaks to support the development of a 105-unit (plus 1 resident manager unit) affordable housing development in unincorporated Santa Barbara County. The loan is to be funded through the allocation of in lieu affordable housing fees collected by the County. The use of in lieu fees in support of this project was originally presented to the Board on May 5, 2025, at which time the Board conditionally approved the loan.

The following table indicates funding available to support this project at this time:

Housing Marking Area	FYE 6/30/2025	4/30/26 YTD	Balance
South Coast	$974	$ 576	$ 1,551
Santa Maria	$254,796	-	$254,796
Lompoc	$46,321	-	$46,321
Santa Ynez	$343,650	$52,232	$395,882
County-wide	$310,577	$133,789	$444,367
	$956,320	**$186,599**	**$1,142,919**

The County Code, at section 46A-6 (b), indicates potential use of such funds as follows:

"Expenditure and Annual Adjustment of In-Lieu Inclusionary Housing Fees.

1. Expenditure and Reporting of Collected In-Lieu Inclusionary Housing Fees. In-lieu inclusionary housing fees paid pursuant to subsection 46A-4(b)(3) shall be deposited in the County HCD's housing trust fund and used for qualifying projects. Fees collected in lieu of construction of affordable housing units shall be spent on qualifying projects located either:

   a. Within the Housing Market Area from which the fees were collected, or
   b. Within the South Coast HMA.

The in lieu fee fund shall be administered by the County's Community Services Department (CSD). The Director of CSD shall report annually to the Board of Supervisors on the status of activities undertaken with this fund."