DRAFT Substantial Amendment 1

2026 Annual Action Plan

Housing New Mexico|MFA

&

New Mexico Department of Finance and Administration

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Executive Summary

AP-05 Executive Summary – 24 CFR 91.200(c), 91.220(b)

1. Introduction

In 1994, the U.S. Department of Housing and Urban Development (HUD) issued new rules consolidating the planning, application, reporting and citizen participation processes for four formula grant programs: Community Development Block Grants (CDBG), HOME Investment Partnerships (HOME), Emergency Solutions Grants (ESG) and Housing Opportunities for Persons with AIDS (HOPWA). The new single-planning process was intended to more comprehensively fulfill three basic goals: to provide decent housing, to provide a suitable living environment and to expand economic opportunities. It was termed the Consolidated Plan for Housing and Community Development.

The Consolidated Plan is designed to be a collaborative process whereby a community establishes a unified vision for housing and community development actions. It offers communities the opportunity to shape these housing and community development programs into effective and coordinated neighborhood and community development strategies. It also allows for strategic planning and citizen participation to occur in a comprehensive context, thereby reducing duplication of effort. The term "entitlement area" refers to cities and counties that, because of their size, are able to receive federal funding directly. These areas must complete a Consolidated Plan separately from the State's to receive funding. For purposes of this report, non-entitlement refers to cities and towns that do not file Consolidated Plans individually and are not able to receive funding from the HUD programs directly. Entitlement areas receiving funding not covered by the New Mexico Consolidated Plan are City of Albuquerque, City of Las Cruces, City of Santa Fe, City of Farmington and City of Rio Rancho. Individuals wishing to contribute to the consolidated planning process in these areas should contact housing and community development specialists in these cities.

As the lead agency for the Consolidated Plan, the Housing New Mexico|MFA hereby follows HUD's guidelines for citizen and community involvement. Furthermore, it is responsible for overseeing these citizen participation requirements, including those that accompany the Consolidated Plan and CDBG, HOME, HOPWA, ESG and Housing Trust Fund (HTF) programs, as well as those that complement the Housing New Mexico|MFA planning processes already at work in the State. Housing New Mexico|MFA administers HOME, ESG, HOPWA and HTF programs. The New Mexico Department of Finance and Administration, Infrastructure Division (DFA), administers CDBG programs and is responsible for overseeing the communities meet all CDBG citizen participation requirements.

2. Summarize the objectives and outcomes identified in the Plan

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.

The following list presents the overriding strategies and goals of the Housing New Mexico|MFA Five-Year Consolidated Plan for Housing and Community Development, including selected performance criteria associated with each strategy and goal. Furthermore, there may be a need to direct such housing resources by using project selection criteria, which may be updated annually, based upon year-to-year need and local circumstances.

Strategies the State will pursue over the next five years are as follows:

1. Expand the supply of quality affordable housing, including financing multifamily rental new construction;
2. Increase opportunities for homeownership, including financing new construction of single-family homes and providing financial assistance to prospective buyers of those homes;
3. Preserve the State's existing affordable housing stock, including providing resources for owner-occupied homeowner housing rehabilitation and financing multifamily rental acquisition and rehabilitation;
4. Provide housing for special needs populations, including encouraging the development of special needs housing with services, expanding housing opportunities and access for special needs populations and funding non-profit entities providing housing and related services for persons living with HIV/AIDS;
5. Address immediate needs of persons experiencing homelessness through housing assistance and assistance to shelters and reduce the incidence of homelessness by increasing the level and range of services provided to persons experiencing homelessness and persons at risk of homelessness and increasing the number of available living environments, especially permanent housing situations, for persons who have been homeless or are at risk of homelessness;
6. Enhance the quality of life for New Mexicans by providing funding for public infrastructure improvements such as projects relating to water, wastewater, sewer systems, roadways, storm drainage, public facilities and housing in non-entitlement communities, with a set-aside for Colonias;
7. Provide assistance to non-entitlement communities to plan and prepare for infrastructure projects by funding planning grants that include comprehensive, asset management and related plans; and

Enhance economic development activities in non-entitlement communities to create new, permanent jobs for New Mexicans.

3. Evaluation of past performance

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

Housing New Mexico|MFA and DFA's evaluations of past performance on CDBG, HOME, ESG, HOPWA and HTF have been completed in annual Consolidated Annual Performance and Evaluation Reports (CAPER); the most recent of which was accepted and approved by HUD in December 2025. Each CAPER states the objectives and outcomes identified in each Annual Action Plan and includes an evaluation of past performance through measurable goals and objectives compared to actual performance.

Housing New Mexico|MFA analyzes housing, low-income areas, and community needs of NM citizens to determine project funding estimates for the upcoming years to include past performance and impediments. The CAPER reports Housing New Mexico|MFA and DFA's progress on meeting the outcomes and measures. The past CAPER shows targets on track to meet priority needs for the selected areas and projects based on need and study analytics.

The 2025 CAPER along with previous reports can be found on the Housing New Mexico|MFA website at: https://housingnm.org/resources/plans-and-reports/caper. Housing New Mexico|MFA and DFA are on target to meet or exceed set goals. The 2026 CAPER will be compiled in July 2026 and submitted in September 2026. Any evaluation findings will be added as considerations to goals and projects for 2027 Annual Action Plan.

4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan.

Citizen participation and consultation for this plan began with a review of New Mexico's past Citizen Participation Plan which sought to broaden participation. The State identified methods of additional participation and clarified existing consultation processes. Those methods and activities were a key part of the Consolidated Plan's preparation. The current citizen participation plan is attached in the grantee unique appendices. The public notice was published in local newspapers throughout the State to reach metro and rural areas. In addition the notice was posted on the Housing New Mexico|MFA and DFA's websites and available in a variety of formats.

A 30-day public comment period was held from April 6, 2026, to May 6, 2026, during which citizens were invited to comment on a draft of the Annual Action Plan.

The citizen participation process was conducted with final FY 2025 allocations for CDBG, HOME, ESG, and HOPWA programs. HTF is an estimate based on funding amounts from prior year allocation. The proposed budget will be proportionally increased or decreased from estimated funding levels to match actual allocation amounts. Once the final HTF allocation is made, the State will adjust funding amounts accordingly through a substantial amendment.

5. Summary of public comments

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Consolidated Plan.

The State of New Mexico has adopted its HUD approved Citizen Participation Plan (CPP) as per 24 CFR 91.105, which sets forth the State's policies and procedures for citizen participation in the Consolidated Plan and first year 2025 Annual Action Plan. The CPP provides details for public notice for all meetings and the various stages of Consolidated Plan development, public hearings before the citizens of New Mexico, accommodations for persons with disabilities, and the conduct of public review of draft documents. Adhering closely to the CPP, the State held a public comment period and public hearing. Details of these outreach efforts are provided below:

PUBLIC COMMENT PERIOD:

A public comment period was held starting on June 23, 2025, to July 24, 2025. The draft 2025-2029 Consolidated Plan and 2025 Annual Action Plan were available on MFA's website at:

https://housingnm.org/resources/plans-and-reports/nm-consolidated-plan and at DFA's website at http://www.nmdfa.state.nm.us/Local_Government.aspx.

Printed copies were also available at no charge at the Housing New Mexico|MFA office at 7425 Jefferson St. NE, Albuquerque, NM 87109 and at DFA's office at 407 Galisteo Street, Santa Fe, NM 87501. Written comments and/or questions could be directed to Shannon Tilseth by phone: (505) 843-6880 or toll free 1-800-444-6880; fax: (505)243-3289; email: stilseth@housingnm.org; or mail: Housing New Mexico|MFA, 7425 Jefferson St. NE, Albuquerque, NM 87109.

PUBLIC HEARING: A public hearing was held to discuss the proposed 2025-2029 Consolidated Plan and PY 2025 AAP. The hearing was held at the Housing New Mexico|MFA office located at 7425 Jefferson St. NE Albuquerque, NM 87109 on July 8, 2025, at 10:00 a.m. Members of the public were welcome to attend and provide comments.

PUBLIC MEETINGS: The State held a series of public meetings with citizens and community stakeholders to present background information on the grant programs, solicit feedback, give citizens an opportunity to take surveys, and provide answers to general questions about the program. These meetings were summarized in the PR-15.

COMMUNITY & STAKEHOLDER SURVEYS:

Community Survey Link: https://www.research.net/r/NM-Community-Survey

Stakeholder Survey Link: https://www.research.net/r/NM-Stakeholder-Survey

6. Summary of comments or views not accepted and the reasons for not accepting them.

There were no public comments received either written or verbal at the public hearing. The one participant indicated he was in attendance to gain knowledge to assist with advocacy.

7. Summary

The Annual Action Plan provides residents of New Mexico with a comprehensive review of housing and community development needs within New Mexico, an opportunity to provide perspectives on those needs and an understanding of the State's five-year plan for addressing those needs. Through a citizen participation process that included stakeholders and multiple community outreach efforts, Housing New Mexico|MFA used community feedback to shape strategies that focus on affordable and special needs housing, assistance for those experiencing homelessness and infrastructure improvements. Any comments received through this process are summarized in the Citizen Participation Section.

PR-05 Lead & Responsible Agencies – 91.300(b)

1. Describe agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source

The following are the agencies/entities responsible for preparing the Action Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
Lead Agency	New Mexico	Housing New Mexico|MFA Policy & Planning Department
CDBG Administrator	New Mexico	State of New Mexico Department of Finance and Administration Infrastructure Division
CDBG-CV Administrator	New Mexico	State of New Mexico Department of Homeland Security and Emergency Management.
HOPWA Administrator	New Mexico	Housing New Mexico|MFA Community Development Department
HOME Administrator	New Mexico	Housing New Mexico|MFA Housing Development Dept. & Community Development Department
ESG Administrator	New Mexico	Housing New Mexico|MFA Community Development Department
HTF Administrator	New Mexico	Housing New Mexico|MFA Housing Development Department

Narrative

The lead agency for preparing the 2026 Action Plan was the Housing New Mexico|MFA Policy and Planning Department.

New Mexico will meet its responsibility to provide decent and affordable housing and aid in the development of viable communities with suitable living environments and expanded economic and community development opportunities. This will be done with the help and support of a network of public institutions, nonprofit organizations and private industries. For example, Housing New Mexico|MFA partners with the Department of Finance and Administration (DFA), and DFA provides CDBG funding on projects involving housing. The Department of Homeland Security & Emergency Management administers the CDBG-DR program. The State is fortunate to have a strong relationship with valuable service agencies.

Housing New Mexico|MFA also works to instill capacity for strong housing and community development across the State through funding initiatives, outreach, training and other capacity building endeavors.

Consolidated Plan Public Contact Information

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AP-10 Consultation – 91.110, 91.300(b);91.315(l)

Introduction

As part of the process the Housing New Mexico|MFA and Department of Finance and Administration, Infrastructure Division, (DFA) must consult with a wide variety of organizations in order to gain understanding of the housing and community development process. This Action Plan and planning process represents a collective effort from a broad array of entities in New Mexico, ranging from governmental officials, advocacy groups, social service providers and economic development organizations. Private, non-profit and public organization representatives, including agencies that provide assistance and public housing; agencies with expertise regarding lead-based paint hazards; local governments; Continuum of Care organizations; public and private agencies addressing low-income, homeless or special needs populations; publicly funded institutions that may discharge persons into homelessness; agencies that bridge the digital divide for the State's most vulnerable residents; hazard mitigation and emergency management agencies and government departments; business and civic leaders were contacted through several means, such as e-mail correspondence, online surveys and face-to-face interactions. These stakeholders were solicited to discuss housing and community development needs in New Mexico, including the ranking of needs and activities that Housing New Mexico|MFA and DFA might consider to better address needs throughout the State. Further, individuals were asked to provide additional insight into prospective barriers and constraints in addressing housing and community development needs in New Mexico.

Provide a concise summary of the state's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(l)).

Housing New Mexico|MFA and DFA actively enhance coordination between public and assisted housing providers, private entities, and governmental health, mental health, and service agencies. Ongoing relationships with housing providers are fostered through initiatives such as the Landlord Engagement Outreach activities, which support housing development efforts.

As part of the planning process, Housing New Mexico|MFA and DFA consulted with social services organizations that provide assistance to individuals facing health and mental health challenges, including the New Mexico Coalition to End Homelessness (NMCEH) Continuum of Care (CoC). Three focus groups were held where affordable housing topics were highlighted, and feedback gathered from affordable housing industry participants. These discussions included considerations for coordinating both health and housing needs for vulnerable populations. Additionally, the New Mexico Department of Corrections Probation and Parole held a remote session that invited participation from individuals in State custody to identify housing needs upon release. Finally, through surveys and stakeholder interviews, a wide range of housing and health providers were consulted.

Through the NMCEH CoC, cities in New Mexico collaborate with mental health providers, homeless shelters, service providers, and governmental agencies to assist homeless individuals and families. Municipalities also engage in coalitions such as the New Mexico Interagency Council on Homelessness, working to address broader housing and service needs. Initiatives like integrated workforce development programs partner with organizations such as Heading Home, Roadrunner Food Bank, and faith-based groups to address homelessness. These programs provide workforce opportunities, navigation services, and support through day relief centers offering hygiene services, meals, and respite.

To bridge the digital divide, municipalities in New Mexico work with high-speed internet providers to serve low- and moderate-income households. Ensuring affordable internet access aligns with statewide goals of enhancing the quality of life for underserved communities and expanding access to education and employment opportunities.

Cities in New Mexico collaborate with agencies focused on emergency preparedness, climate change, and hazard mitigation. In partnership with the New Mexico Department of Homeland Security and Emergency Management (NMDHSEM), municipalities support streamlined disaster response and recovery efforts. They also work with the New Mexico Environment Department (NMED) and the New Mexico Department of Health to monitor and improve air quality while addressing climate change impacts.

To manage flood risks and water resources exacerbated by climate change, municipalities partner with the New Mexico Office of the State Engineer and local water conservation districts. Hazard mitigation and emergency preparedness efforts are further supported through collaboration with the New Mexico Department of Homeland Security and Emergency Management and the New Mexico National Guard. These partnerships strengthen resilience to natural disasters and extreme weather events while supporting sustainable development and housing initiatives.

Provide a concise summary of the state's activities to enhance coordination with local jurisdictions serving Colonias and organizations working with Colonias Communities.

See above. Citizen participation efforts included outreach to the Colonias.

Describe the coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.

New Mexico is served by two Continuums of Care (CoCs): Albuquerque CoC, which serves the City of Albuquerque, and the Balance of State CoC, which serves the rest of the State. The New Mexico Coalition to End Homelessness (NMCEH) coordinates both CoCs. Housing New Mexico|MFA is a member of each CoCs governing board and works with the CoCs in planning, policies and procedures related to CoC activities.

Housing New Mexico|MFA also works closely with NMCEH in the coordination of other efforts to address the needs of individuals and families who are experiencing homelessness or are at risk of homelessness. In addition to administering both CoCs in New Mexico, NMCEH offers training and technical assistance to nonprofit agencies and other groups in New Mexico, partners with other organizations to create supportive housing, manages New Mexico Homeless Management Information System (HMIS), the statewide coordinated entry system and is engaged in campaigns at the state and local levels to end homelessness. Housing New Mexico|MFA provides support for activities undertaken by NMCEH through financial commitments, such as resources from general fund and in-kind contributions, such as meeting facilities and technical assistance to its members. Further, as part of the consolidated planning process, Housing New Mexico|MFA worked with New Mexico Department of Corrections Probation and Parole to gather input from individuals in State custody regarding housing needs upon release.

New Mexico Coalition to End Homelessness (NMCEH) administers a Coordinated Entry System (CES), which is a process where people experiencing homelessness can access quick and streamlined services, and have their needs promptly assessed and connected to appropriate and situation-specific housing services. The CES system prioritized individuals and families experiencing homelessness based on their vulnerability, measured by a VI-SPDAT assessment in order to quickly and effectively provide assistance. The CES can be accessed by email at coordinatedentry@nmceh.org. For more information about CES and a list of access points, see link: https://www.nmceh.org/coordinated-entry-system.

Describe consultation with the Continuum(s) of Care that serves the state in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS.

Housing New Mexico|MFA is a member of the governing boards of both CoCs in New Mexico and receives input from CoC staff and member agencies regarding allocation priorities, performance standards and outcome measures for ESG funds.

Housing New Mexico|MFA is a member of the HMIS Governing Committee, which includes representation from NMCEH and several HMIS user agencies. This committee meets quarterly to address all issues related to HMIS administration in the State and works with the CoCs to: (1) review, revise and approve a privacy plan, security plan and data quality plan for HMIS; (2) ensure consistent participation of recipients and subrecipients in HMIS; and (3) ensure HMIS is administered in compliance with HUD requirements.

2. Describe Agencies, groups, organizations and others who participated in the process and describe the states consultations with housing, social service agencies and other entities.

1	**Agency/Group/Organization**	New Mexico Coalition to End Homelessness
	Agency/Group/Organization Type	Services-homeless Civic Leaders
	What section of the Plan was addressed by Consultation?	Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Market Analysis HMIS Coordinator

	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Consulted by responding to online stakeholder survey which helped to shape priority needs and strategies.
2	**Agency/Group/Organization**	The Springer Housing Authority
	Agency/Group/Organization Type	Housing PHA Services - Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis Housing and Social Services
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Consulted by responding to online stakeholder survey which helped to shape priority needs and strategies.
3	**Agency/Group/Organization**	Center of Protective Environment (COPE)
	Agency/Group/Organization Type	Services-Elderly Persons Services-Victims of Domestic Violence Services-Education Services - Victims Publicly Funded Institution/System of Care
	What section of the Plan was addressed by Consultation?	Housing Needs Assessment
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Consulted by responding to online stakeholder survey which helped to shape priority needs and strategies.
4	**Agency/Group/Organization**	ICAST
	Agency/Group/Organization Type	Multifamily Weatherization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis

	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Consulted by responding to online stakeholder survey which helped to shape priority needs and strategies.
5	**Agency/Group/Organization**	The Housing Trust
	Agency/Group/Organization Type	Services-Education Housing-Counseling
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis Housing and Social Services
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Consulted by responding to online stakeholder survey which helped to shape priority needs and strategies.
6	**Agency/Group/Organization**	Santa Fe Community Housing Trust
	Agency/Group/Organization Type	Services-Fair Housing Housing Counseling, Community Agency/Organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis Housing and Social Services
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Consulted by responding to online stakeholder survey which helped to shape priority needs and strategies.
7	**Agency/Group/Organization**	Haven House, Inc.
	Agency/Group/Organization Type	Services-Children Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-Victims of Domestic Violence Services-homeless
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis Housing and Social Services

	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Consulted by responding to online stakeholder survey which helped to shape priority needs and strategies.
8	**Agency/Group/Organization**	Eddy County New Mexico
	Agency/Group/Organization Type	Services-Elderly Persons Services-Persons with Disabilities Other government - County
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Consulted by responding to online stakeholder survey which helped to shape priority needs and strategies.
9	**Agency/Group/Organization**	South Central Regional Transit District
	Agency/Group/Organization Type	Services-Elderly Persons Services-Persons with Disabilities Transit
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Consulted by responding to online stakeholder survey which helped to shape priority needs and strategies.
10	**Agency/Group/Organization**	City of Carlsbad
	Agency/Group/Organization Type	Services-Elderly Persons Services-Persons with Disabilities Services-Victims of Domestic Violence Services-homeless Other government - Local
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis

	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Consulted by responding to online stakeholder survey which helped to shape priority needs and strategies.
11	**Agency/Group/Organization**	Habit for Humanity of Espanola Valley
	Agency/Group/Organization Type	Housing Services - Housing Service-Fair Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Consulted by responding to online stakeholder survey which helped to shape priority needs and strategies.
12	**Agency/Group/Organization**	New Mexico Department of Finance and Administration
	Agency/Group/Organization Type	Other government - State Planning organization Business and Civic Leaders
	What section of the Plan was addressed by Consultation?	Economic Development Colonias Set-aside Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Consulted by responding to online stakeholder survey which helped to shape priority needs and strategies.
13	**Agency/Group/Organization**	Assurance Home Inc
	Agency/Group/Organization Type	Services-Persons with Disabilities Services-Victims of Domestic Violence Services-homeless Services-Health
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis

	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Consulted by responding to online stakeholder survey which helped to shape priority needs and strategies.
14	**Agency/Group/Organization**	Community Against Violence
	Agency/Group/Organization Type	Services-Victims of Domestic Violence
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Consulted by responding to online stakeholder survey which helped to shape priority needs and strategies.
15	**Agency/Group/Organization**	Enlace Comunitario
	Agency/Group/Organization Type	Services-Victims of Domestic Violence
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Consulted by responding to online stakeholder survey which helped to shape priority needs and strategies.
16	**Agency/Group/Organization**	JL Gray Company
	Agency/Group/Organization Type	Housing Services-Elderly Persons Services-Persons with Disabilities Multi-family Development
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Consulted by responding to online stakeholder survey which helped to shape priority needs and strategies.

17	**Agency/Group/Organization**	San Juan County Partnership
	Agency/Group/Organization Type	Services - Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Consulted by responding to online stakeholder survey which helped to shape priority needs and strategies.
18	**Agency/Group/Organization**	Mesilla Valley Community of Hope
	Agency/Group/Organization Type	Regional organization
	What section of the Plan was addressed by Consultation?	Supportive Services
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Consulted by responding to online stakeholder survey which helped to shape priority needs and strategies.
19	**Agency/Group/Organization**	Eastern Regional Housing Authority
	Agency/Group/Organization Type	Housing PHA Regional organization Persons, low income living in CDBG purposed area
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Market Analysis Housing and Social Services
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Consulted by responding to online stakeholder survey which helped to shape priority needs and strategies.
20	**Agency/Group/Organization**	El Camino Real Housing Authority
	Agency/Group/Organization Type	Housing PHA Persons, low income living in CDBG purposed areas

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Market Analysis Housing and Social Services
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Consulted by responding to online stakeholder survey which helped to shape priority needs and strategies.
21	**Agency/Group/Organization**	Pueblo of Acoma Housing Authority
	Agency/Group/Organization Type	Housing PHA Persons, low income living in CDBG purposed areas
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Consulted by responding to online stakeholder survey which helped to shape priority needs and strategies.
22	**Agency/Group/Organization**	New Mexico Department of Health
	Agency/Group/Organization Type	Services-Health Health Agency Child Welfare Agency Publicly Funded Institution/System of Care Other government - State
	What section of the Plan was addressed by Consultation?	Lead-based Paint Strategy Colonias Set-aside Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Consulted by responding to online stakeholder survey which helped to shape priority needs and strategies.

23	**Agency/Group/Organization**	New Mexico Department of Homeland Security & Emergency Management
	Agency/Group/Organization Type	Agency - Managing Flood Prone Areas Agency - Management of Public Land or Water Resources Agency - Emergency Management Other government - State Regional organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis Anti-poverty Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	DHSEM works to protect the people of New Mexico and the nation through a comprehensive and coordinated program of mitigating hazards, preparing for emergencies, preventing attacks, and recovering from disasters regardless of cause. The State consulted the DHSEM department 2023 State Hazard Mitigation Plan to inform the risk for wildfires, floods, thunderstorms, and drought in New Mexico.
24	**Agency/Group/Organization**	New Mexico Department of Information Technology
	Agency/Group/Organization Type	Services - Broadband Internet Service Providers Services - Narrowing the Digital Divide Other government - State
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis Economic Development
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	The Department of Information Technology was consulted on the broadband access and high-speed internet provider availability in the state. Maps were provided for the market analysis of the plan.

Identify any Agency Types not consulted and provide rationale for not consulting.

No organizations were intentionally left out of the public participation process. All comments and views were accepted and welcomed.

Describe other local/regional/state/federal planning efforts considered when preparing the Plan.

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	New Mexico Coalition to End Homelessness	This plan incorporates COC goals and strategies to reduce homelessness.

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
2023 New Mexico Affordable Housing Needs Assessment	Housing New Mexico|MFA	This report investigates housing needs in New Mexico.
New Mexico Housing Strategy	Housing New Mexico|MFA	This report is the first step in bringing together leaders from across the housing continuum to look at challenges and propose actionable strategies.
New Mexico Fair Housing Action Plan	Housing New Mexico|MFA	This Plan recommends actions to build on existing public policies and programs and offer new or expanded actions to stimulate residential investments and increase the supply of affordable housing in the state.
New Mexico 2023 State Hazard Mitigation Plan	NM Dept. of Homeland Security & Emergency Management	The 2023 State Hazard Mitigation Plan identified high risk for wildfires, floods, thunderstorms, and drought.

Narrative (optional):

N/A

AP-12 Participation – 91.105, 91.200(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation

Summarize citizen participation process and how it impacted goal setting.

Housing New Mexico|MFA and the Department of Finance and Administration, Infrastructure Division (DFA) held a public comment period on the 2026 Annual Action Plan Draft. A thirty-day public comment period began on April 6, 2026, and ended on May 6, 2026, with a hybrid (virtual/in person) public hearing held on April 14, 2026, at 10:00 a.m. The 2026 Annual Action Plan is the second annual implementation plan under the State of New Mexico 2025-2029 Consolidated Plan for Housing and Community Development.

The notice was published in statewide newspapers to include metro and rural areas in English and Spanish. In addition, the notice and draft document was posted on Housing New Mexico|MFA and DFA websites and available for download in a variety of formats to enhance public outreach and encourage participation. The virtual and in-person public hearing is to allow for enhanced participation for those who can attend based on proximity location or those throughout the state can log in virtually. To further enhance participation Housing New Mexico|MFA accepted written comments by email or mail for those who do not have access to virtual platforms for verbal comments or prefer alternative communication methods.

In attendance at the Public Hearing was Housing New Mexico|MFA staff and three public participants. There were no comments on the Annual Action Plan at the Public Hearing. Housing New Mexico|MFA would accept any further comments.

The 15-day public comment period for the Substantial Amendment was from August 19, 2026, through September 2, 2026. The hybrid (virtual/in person) public hearing was held on September 2, 2026, at 10:00 a.m. The notice was published in newspapers with statewide coverage and was posted on the Housing New Mexico | MFA and DFA websites. In attendance were Housing New Mexico | MFA staff. There were no comments on the Substantial Amendment at the public hearing. Housing New Mexico | MFA would accept any further comments.

Summarize citizen participation process and efforts made to broaden citizen participation in Colonias.

Housing New Mexico|MFA published notifications of the public comment period and public hearing in newspapers with statewide coverage including a newspaper that specifically targets the Colonias region. We allowed virtual attendance to the public hearing so as not to exclude participants who are not geographically located in Albuquerque.

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of Comments received	Summary of comments not accepted and reasons	URL (if applicable)
1	Public Hearing	Minorities Non-English Speaking (Spanish) Persons with disabilities Non-targeted/broad community Residents and Public Assisted Housing	In attendance were Housing New Mexico employees and three public participants.	There were no comments on the Annual Action Plan.	Comments were accepted; in addition, Housing New Mexico would accept any comments.	
2	Newspaper Ads	Minorities Non-English Speaking (Spanish) Non-targeted/broad community	In attendance were Housing New Mexico employees and three public participants.	There were no comments on the Annual Action Plan.	Comments were accepted; in addition, Housing New Mexico would accept any comments.	
3	Website – Housing New Mexico & DFA	Non-English Speaking (Spanish) Non-targeted/broad community Interested parties	In attendance were Housing New Mexico employees and three public participants.	There were no comments on the Annual Action Plan.	Comments were accepted; in addition, Housing New Mexico would accept any comments.	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of Comments received	Summary of comments not accepted and reasons	URL (if applicable)
1	Public Hearing	Minorities Non-English Speaking (Spanish) Persons with disabilities Non-targeted/broad community Residents and Public Assisted Housing			Comments were accepted; in addition, Housing New Mexico would accept any comments.	
2	Newspaper Ads	Minorities Non-English Speaking (Spanish) Non-targeted/broad community			Comments were accepted; in addition, Housing New Mexico would accept any comments.	
3	Website – Housing New Mexico & DFA	Non-English Speaking (Spanish) Non-targeted/broad community Interested parties			Comments were accepted; in addition, Housing New Mexico would accept any comments.	

SP-10 Geographic Priorities – 91.315 (a)(1)

Geographic Area

1	**Area Name:**	Low/Mod Block Group Tracts
	Area Type:	Local Target area
	Other Target Area Description:	
	HUD Approval Date:	
	% of Low/ Mod:	
	Revital Type:	Other
	Other Revital Description:	Other
	Identify the neighborhood boundaries for this target area.	Low/Mod Block Group Tracts located within the boundaries of the State of New Mexico (excluding Entitlement Cities). A low/mod block group tract is defined by HUD as an area that is primarily residential and where at least 51 percent of the residents are low- and moderate-income persons.
	Include specific housing and commercial characteristics of this target area.	A large portion of the housing stock is old in Non-Entitlement City areas as approximately 43% of all owner-occupied units and 51% of renter-occupied were built before 1980 (Source: 2018-2022 ACS). These housing units will naturally have higher concentrations of deferred maintenance, deteriorating conditions and a greater risk of lead-based paint hazards.
	How did your consultation and citizen participation process help you to identify this neighborhood as a target area?	The State consulted with a wide variety of agencies, organizations, and service providers to identify local housing and community development needs. Needs were determined through meetings with various stakeholder organizations and citizens throughout the State, as well as a public survey that was made available online. A public hearing and public comment period were given to allow citizens an opportunity to review and comment on the plan.

	Identify the needs in this target area.	Housing, public improvements, supportive services for special needs and addressing homelessness. There is a need to expand and improve public infrastructure as well as improve access to public facilities in the State Non-Entitlement City areas. Public infrastructure expansion and improvements in low/mod areas will revitalize areas that are underserved and invite other investments into the area. ADA improvements to public infrastructure will create access to special needs populations such as the elderly and persons with a disability. Public facilities are necessary in order to create a safer and more suitable living environment, particularly for low and moderate-income persons. Affordable housing development and preservation are one of the highest needs in the State. As reported in the NA-10, cost burden is one biggest housing issue in New Mexico. As the housing is very old, maintaining the affordable housing stock is also a priority. Homeless prevention and services for the homeless are a priority in New Mexico. According to the most recent 2023 PIT count, the Balance of State reports that there are 1,075 homeless households in the CoC area, and 565 are unsheltered. Within these households, there are 561 persons that are chronically homeless.
	What are the opportunities for improvement in this target area?	Investment towards Low/Mod Block Group Tracts and low and moderate-income persons will improve the quality of life for citizens in Non-Entitlement City Areas within the State of New Mexico.
	Are there barriers to improvement in this target area?	Lack of administrative capacity and financial resources serve as common barriers to improving low/mod tracts. Due to the size of the service area, investments must be prioritized annually.
2	**Area Name:**	COLONIAS NEIGHBORHOOD
	Area Type:	Local Target area
	Other Target Area Description:	
	HUD Approval Date:	
	% of Low/ Mod:	
	Revital Type:	Other
	Other Revital Description:	Infrastructure improvements, economic development, housing and planning.

	Identify the neighborhood boundaries for this target area.	The U.S. Department of Housing and Urban Development (HUD) defines Colonias as rural communities in close proximity to the U.S-Mexico border, lacking access to basic services such as water, sewer, or housing. Communities must be designated Colonias and be within 150 miles of the U.S./Mexico border. A goal of at least ten percent of regular CDBG funds will be set aside for the Colonias communities.
	Include specific housing and commercial characteristics of this target area.	Housing and commercial activities in these communities are generally underserved. Fluctuations in transitory residents are due to the volatility of the oil and gas industry and other economic factors.
	How did your consultation and citizen participation process help you to identify this neighborhood as a target area?	Although the need for housing and infrastructure is commonplace in Colonias, consultations and citizen participation confirmed these needs. A public hearing and public comment period were given to allow citizens an opportunity to review and comment on the plan.
	Identify the needs in this target area.	Housing, public improvements, supportive services for special needs and addressing homelessness. There is a need to expand and improve public infrastructure as well as improve access to public facilities in the State Non-Entitlement City areas. Public infrastructure expansion and improvements in low/mod areas will revitalize areas that are underserved and invite other investments into the area. ADA improvements to public infrastructure will create access to special needs populations such as the elderly and persons with a disability. Public facilities are necessary in order to create a safer and more suitable living environment, particularly for low and moderate-income persons. Affordable housing development and preservation are one of the highest needs in the State. As reported in the NA-10, cost burden is one biggest housing issue in New Mexico. As the housing is very old, maintaining the affordable housing stock is also a priority. Homeless prevention and services for the homeless are a priority in New Mexico. According to the most recent 2023 PIT count, the Balance of State reports that there are 1,075 homeless households in the CoC area, and 565 are unsheltered. Within these households, there are 561 persons that are chronically homeless.
	What are the opportunities for improvement in this target area?	Combining local, state and federal funding to create more impactful and meaningful projects.

	Are there barriers to improvement in this target area?	Lack of administrative capacity and financial resources serve as common barriers to improving this target area.

General Allocation Priorities

Describe the basis for allocating investments geographically within the state.

CDBG: A set-aside of ten percent of regular CDBG funds will be allocated for the Colonias communities. Regular State CDBG funds are not used on state tribal reservations, otherwise, all other funds are available statewide to eligible entities. The State does not necessarily prioritize CDBG funds geographically. Direct services such as public service activities must target eligible low-to moderate-income households rather than area benefit. However, improvements to public facilities and infrastructure have an areawide low/mod income benefit and the distribution of funds is targeted to low/mod block group tracts. To determine LMI tracts the State utilizes HUD's CDBG Low Mod Income Summary Data (LMISD) from the HUD Exchange website, which has defined the eligible block group tracts within the jurisdiction. The tracts can be at: https://www.hudexchange.info/programs/acs-low-mod-summary-data/.

HOME: All HOME funds are available statewide. HOME funds expended by a Participating Jurisdiction (PJ) must be invested in affordable housing for low- to moderate-income families, as defined at 24 CFR 92.2. Generally, this means families with incomes of 80 percent or less of the area median, as adjusted for family size. Benefits are based on income eligibility rather than area benefits.

ESG: All ESG funds are available statewide. For minimum eligibility criteria for ESG beneficiaries for services related to street outreach, see paragraph (1)(i) of the "homeless" definition under 24 CFR § 576.2. For emergency shelter, see definition in 24 CFR 576.2. Beneficiaries must be "homeless" and staying in an emergency shelter. For homelessness prevention assistance, see 24 CFR 576.103par. For rapid rehousing assistance, see 24 CFR 576.104. Further eligibility criteria may be established at the local level in accordance with 24 CFR 576.400(e). For more information on ESG program eligibility see: https://www.hudexchange.info/programs/esg/esg-requirements/

HOPWA: Housing New Mexico|MFA and the City of Albuquerque have signed a Memorandum of Understanding that allows for MFA to manage the City of Albuquerque funding received for the HOPWA program. These HOPWA funds will be used within the City of Albuquerque.

HTF: All HTF funds are available statewide. HTF funds are intended to produce and preserve affordable housing for extremely low- and very low-income households.

SP-25 Priority Needs – 91.315 (a)(2)

1	**Priority Need Name**	Public Infrastructure & Facilities
	Priority Level	High
	Population	Extremely Low Low Moderate Non-housing Community Development
	Geographic Areas Affected	COLONIAS NEIGHBORHOOD Low/Mod Block Group Tracts
	Associated Goals	1A. Expand/Improve Public Infrastructure/Facilities
	Description	There is a need to expand and improve public infrastructure in low/mod areas of Non-Entitlement City areas of the State. As noted in the NA-50, some of these needed activities include ADA compliance for curb ramps and sidewalks as well as improvements to streets and roads. There is also a need to improve access to public facilities that will benefit low/mod areas. Specific needs include improvements to facilities such as parks and community centers throughout the State.
	Basis for Relative Priority	Through community participation and consultation of local stakeholders the need for Public Facilities & Infrastructure Improvements was identified. The basis is to improve accessibility for all residents and create a suitable living environment.
2	**Priority Need Name**	Preserve & Develop Affordable Housing
	Priority Level	High
	Population	Extremely Low Low Moderate Families with Children Elderly
	Geographic Areas Affected	COLONIAS NEIGHBORHOOD Low/Mod Block Group Tracts

	Associated Goals	2A. Rehabilitate Owner-Occupied Housing 2B. Increase Homeownership Opportunities 2C. Develop Affordable Rental Housing 2D. Develop Housing for Vulnerable Populations 2E. Address Unmet Needs 2022 Wildfires/Flooding
	Description	Affordable housing is a priority need for low- to-moderate income (LMI) households in New Mexico. As reported in the NA-10, housing cost burden is the biggest housing problem in the State, and to compound the issue, LMI households risk losing their homes as they age and become more difficult to maintain. Due to this, there is a need for owner-occupied housing rehabilitation; an increase in homeownership opportunities; and an increase in affordable rental housing opportunities through rental units being constructed and rehabilitated.
	Basis for Relative Priority	Through community participation and consultation of local stakeholders the need to Preserve & Develop Affordable Housing was identified. The basis is to create or maintain affordable housing for LMI residents in Non-Entitlement City areas of New Mexico.
3	**Priority Need Name**	Housing Assistance for Vulnerable Populations
	Priority Level	High
	Population	Extremely Low Low Moderate Chronic Substance Abuse veterans Persons with HIV/AIDS Victims of Domestic Violence Unaccompanied Youth Non-housing Community Development
	Geographic Areas Affected	COLONIAS NEIGHBORHOOD Low/Mod Block Group Tracts
	Associated Goals	3A. Provide Assistance to Reduce Homelessness 3B. Provide Assistance for Shelters 3C. Provide Housing Assistance Persons w/ HIV/AIDS

	Description	Homeless prevention and services for the homeless are a priority in New Mexico. According to the most recent 2023 PIT count, the Balance of State reports that there are 1,075 homeless households in the CoC area, and 565 are unsheltered. Within these households, there are 561 persons that are chronically homeless. There is a need to address homelessness through homelessness prevention services and rental assistance for persons who are at risk of homelessness. rapid rehousing rental assistance activities are needed to help homeless individuals and families return to homelessness. Street outreach services and overnight emergency shelter programs are needed for emergency assistance. The HOPWA Program is the only Federal program dedicated to the housing needs of people living with HIV/AIDS. Under the HOPWA Program, funding will benefit low-income persons living with HIV/AIDS and their families. The needs of HOPWA clients are identified in the NA-45 and MA-35. These include housing subsidy programs and supportive services for the needs of individuals and their families living with the HIV/AIDS.
	Basis for Relative Priority	Through community participation and consultation of local stakeholder organizations the need for Housing Assistance for Vulnerable Populations such as the homeless and individuals and their families living with the HIV/AIDS was identified. The basis for this need is to provide accessibility and sustainability for persons experiencing homelessness and those with special needs.
4	**Priority Need Name**	Effective Program Management
	Priority Level	High
	Population	Extremely Low Low Moderate Non-housing Community Development
	Geographic Areas Affected	COLONIAS NEIGHBORHOOD Low/Mod Block Group Tracts
	Associated Goals	4A. Effective Program Management
	Description	Effective program management will include general administration of the CPD grant programs, monitoring subrecipients, and keeping strict grant-based accounting. Comprehensive planning requirements will include the development of AAPs, an evaluation of the performance of the programs through annual reports, and meeting citizen participation requirements.

	Basis for Relative Priority	There is a need to provide effective program management of HUD grant programs that will ensure compliance with each respective grant and their regulations and that programs meet their established objectives.

SP-45 Goals 91.315(a)(4)

Goal Name	Description	Category	Start/End Year	Outcome	Objective	Geographic Areas Included	Priority Needs Addressed	Funding Allocated (5 year)	Goal Outcome Indicator	Quantity	Unit of Measure
1A. Expand/Improve Public Infrastructure/Facilities	The State will focus on providing a suitable living environment through improvements to and creation of infrastructure and facilities in low/mod areas.	Non-housing Community Development	2025-2029	Availability Accessibility	Create suitable living environments	Low/Mod Block Group Tracts/Colonias Neighborhood	Public Infrastructure & Facilities	CDBG $52,590,975	Public facility or infrastructure activities other than low/moderate income housing benefit	150000	Persons Assisted
2A. Rehabilitate Owner-Occupied Housing	The state will provide funds to address the aging housing stock, and this goal can be addressed by facilitating housing rehabilitation and exploring funding for emergency repair, weatherization or accessibility improvements to owner-occupied units.	Affordable Housing	2025-2029	Affordability	Provide decent affordable housing	Low/Mod Block Group Tracts/Colonias Neighborhood	Preserve & Develop Affordable Housing	HOME $27,564,200	Homeowner Housing Rehabilitated	150	Household Housing Unit
2B. Increase Homeownership Opportunities	In New Mexico, many people wish to have the financial capability to be homeowners, and there remains a need to provide affordable new construction and acquisition and preservation for single-family homeownership, homebuyer financial assistance and homebuyer education.	Affordable Housing	2025-2029	Affordability	Provide decent affordable housing	Low/Mod Block Group Tracts/Colonias Neighborhood	Preserve & Develop Affordable Housing	HOME $5,011,840.04	Homeowner Housing Added	10	Household Housing Unit
2C. Develop Affordable Rental Housing	Because New Mexico's population is expanding in the more urban areas and a portion of this population may not be ready for homeownership, there remains a need to provide affordable new construction rental opportunities. Furthermore, in areas of static, or potentially declining populations, there remain opportunities to develop and redevelop sites with desirable rental housing, thereby assisting to resuscitate communities in New Mexico. In addition, throughout the state, there is a need for rehabilitation of aging rental properties.	Affordable Housing	2025-2029	Affordability	Provide decent affordable housing	Low/Mod Block Group Tracts/Colonias Neighborhood	Preserve & Develop Affordable Housing	HOME $16,110,378	Rental units constructed/Rental units rehabilitated	75/50	Household Housing Unit

2D. Develop Housing for Vulnerable Populations	The State will provide funds for new construction or rehabilitation of rental units targeted to vulnerable populations, to address the housing challenges of households with extremely low incomes, including those experiencing homelessness and those with special needs.	Affordable Housing	2025-2029	Affordability	Provide decent affordable housing	Low/Mod Block Group Tracts/Colonias Neighborhood	Preserve & Develop Affordable Housing	HTF $15,021,866.75	Rental units constructed/Rental units rehabilitated	25/25	Household Housing Unit
2E. Address Unmet Needs 2022 Wildfires/Flooding	Funding from the CDBG-DR program will be used to address unmet needs from DR-4652-NM: New Mexico Wildfires, Flooding, Mudflow, and straight-line Winds.	Affordable Housing Non-housing Community Development	2025-2029	Affordability	Provide decent affordable housing	Low/Mod Block Group Tracts/Colonias Neighborhood	Preserve & Develop Affordable Housing	CDBG-DR $4,131,000	Other	125	Other
3A. Provide Assistance to Reduce Homelessness	The State will provide funds for the provision of homelessness prevention for those at risk of homelessness and rapid re-housing assistance for the homeless to avoid returning to homelessness.	Homeless	2025-2029	Availability Accessibility	Create suitable living environments	Low/Mod Block Group Tracts/Colonias Neighborhood	Housing Assistance for Vulnerable Populations	ESG $2,157,165	Tenant-based rental assistance/Rapid rehousing & Homeless Prevention	500/500	Households assisted/ Persons assisted
3B. Provide Assistance to Shelters	The State will provide assistance for emergency shelter operations and services.	Homeless	2025-2029	Availability Accessibility	Create suitable living environments	Low/Mod Block Group Tracts/Colonias Neighborhood	Housing Assistance for Vulnerable Populations	ESG $3,388,640	Homeless Person Overnight Shelter	15000	Persons Assisted
3C. Provide Housing Assistance to Persons w/HIV/AIDS	The State will provide funds for the provision of short-term rent, mortgage and utility payments, continued rental assistance for low-income households, and permanent housing placement assistance for individuals who are HIV-positive and/or are living with AIDS.	Non-Homeless Special Needs	2025-2029	Availability Accessibility	Create suitable living environments	Low/Mod Block Group Tracts/Colonias Neighborhood	Housing Assistance for Vulnerable Populations	HOPWA $6,709,640	Tenant-based rental assistance/Rapid rehousing & Homeless Prevention	450/1215	Households assisted Persons assisted
4A. Effective Program Management	Effective program management of HUD grant programs will ensure compliance with each respective grant and their regulations and that programs meet their established objectives.	Non-housing Community Development	2025-2029	Availability Accessibility	Create suitable living environments	Low/Mod Block Group Tracts/Colonias Neighborhood	Effective Program Management	CDBG $2,139,610 HOME $3,517,620 HOPWA $207,515 ESG $449,655 HTF $650,000.05	Other	5	Other

Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.315(b)(2).

The estimated number is 3855.

AP-15 Expected Resources – 91.320(c)(1,2)

Introduction

As a State Entitlement Grantee, Federal housing and community development resources are expected to be available to the State of New Mexico through the U.S. Department of Housing and Urban Development under several federal block grant programs. These grants include the Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME), Emergency Solutions Grant (ESG), Housing Opportunities for Persons Living with HIV/AIDS (HOPWA) and the Housing Trust Fund (HTF) programs. The CDBG program provides much-needed infrastructure improvements and planning grants. The HOME program provides affordable housing for low- to moderate-income families. ESG funds are provided for activities that prevent and serve those who are experiencing homelessness. HOPWA funds provide housing subsidies and supportive services for individuals and their families who are living with HIV/AIDS. HTF funds will help to produce and preserve affordable housing for extremely low- and very low-income households.

Housing New Mexico|MFA is the lead State department for the administration of the Consolidated Plan and administers the HOME, ESG, HOPWA and HTF programs. The New Mexico Department of Finance and Administration, Infrastructure Division (DFA), administers the CDBG program and is responsible for overseeing that the communities meet all CDBG citizen participation requirements.

PY 2026 is the second year of the 2025-2029 Consolidated Plan, and there are three more years remaining in the plan period. Housing New Mexico| MFA expects the remainder of the Consolidated Planning period CDBG, HOME and ESG allocation funds to remain approximately the same.

Expected Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 2				Expected Amount Available Reminder of ConPlan $	Narrative Description
			Annual Allocation: $	Program Income: $	Prior Year Resources: $	Total: $		
CDBG	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	10,845,396.00	0.00	0.00	10,845,396.00	32,536,188.00	PY 2026 is the second year of the ConPlan. The expected amount available for the remainder of the ConPlan is 3x more year of the annual allocation.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 2				Expected Amount Available Reminder of ConPlan $	Narrative Description
			Annual Allocation: $	Program Income: $	Prior Year Resources: $	Total: $		
HOME	public - federal	Acquisition Admin & Planning Economic Development Housing Public Improvements Public Services	5,064,585.10	4,906,031.00	8,492,474.00	18,463,090.10	15,193,755.30	PY 2026 is the second year of the ConPlan. The expected amount available for the remainder of the ConPlan is 3x more year of the annual allocation.
HOPWA	public - federal	Permanent housing in facilities Permanent housing placement Short term or transitional housing facilities STRMU Supportive services TBRA	1,566,019.00	0.00	0.00	1,566,019.00	4,698,057.00	PY 2026 is the second year of the ConPlan. The expected amount available for the remainder of the ConPlan is 3x more year of the annual allocation.
ESG	public - federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	1,203,227.00	0.00	0.00	1,203,227.00	3,609,681.00	PY 2026 is the second year of the ConPlan. The expected amount available for the remainder of the ConPlan is 3x more year of the annual allocation.
HTF	public - federal	Acquisition Admin and Planning Homebuyer assistance Multifamily rental new construction Multifamily rental rehab New construction for ownership	3,311,933.19	2,562.04	0.00	3,314,495.23	9,935,799.57	PY 2026 is the second year of the ConPlan. The expected amount available for the remainder of the ConPlan is 3x more year of the annual allocation.
Other CDBG-DR	public - federal	Admin and Planning Economic Development Housing Public Improvements	4,131,000.00	0.00	0.00	4,131,000.00	0.00	CDBG-DR funds are a one-time award to support long-term disaster recovery in communities impacted by DR-4652-NM.

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied.

CDBG funds do not require a match for rural communities with limited resources to contribute towards their projects. Non-rural communities are required to contribute 10% of the grant award from state legislative appropriations or local funding sources.

HOME has a 25% match. Match requirements of the HOME program will be met by three primary sources: 1) Resources committed by grantees and local governments; 2) Proceeds from mortgage revenue bonds; and 3) Housing New Mexico|MFA general fund interest subsidy. Eligible forms of HOME match are documented by Housing New Mexico|MFA and reported to HUD as part of the Consolidated Annual Performance and Evaluation Report (CAPER) each year.

HOME and HTF funds are leveraged with HUD's Veterans Housing Rehabilitation and Modification Program, SHOP, USDA Section 502 Program, FHA loan programs, Mortgage Revenue Bonds (MRBs), LIHTC available from the IRS, HUD 542(c) Risk Sharing Program, USDA programs (i.e. Section 538, USDA Preservation Revolving Loan Fund), HUD Section 8 Project-Based Rental Assistance, the FHLB Affordable Housing Program, the state's General Fund, the New Mexico Housing Trust Fund, the New Mexico Affordable Housing Tax Credit, the Primero Fund, the Ventana Fund, and a variety of private and local funding sources.

ESG has a 100% dollar-for-dollar match requirement with the exception of the first $100,000 for states. Matching funds must be contributed to the ESG program and expended for the subrecipient's allowable ESG costs. Emergency Homeless Assistance program (EHAP) subrecipients shall be required to provide matching funds in an amount at least equal to their approved ESG funding amounts for eligible program activities. Eligible match sources include cash; the value or fair rental value of any donated material or building; the value of any lease on a building; any salary paid to staff to carry out the program of the recipient and the value of the time and services contributed by volunteers to carry out the program of the subrecipient at a current rate of $5 per hour. Volunteers providing professional services such as medical or legal services are valued at a reasonable or customary rate in the community. Match requirements for the Rapid Rehousing/Homeless Prevention Program are met by the Housing New Mexico|MFA legislative appropriations for the State Homeless Program. ESG funds also provide leverage and include appropriations from the state legislature and is used in conjunction with VOCA, FEMA, New Mexico Children, Youth & Families Department funding, New Mexico Healthcare Authority funding, local government contributions, United Way funding and private donations. Cash, non-cash, and program income must meet the requirements of § 576.201.

HOPWA funds do not have a match requirement.

If appropriate, describe publicly owned land or property located within the state that may be used to address the needs identified in the plan.

Not applicable. Housing New Mexico|MFA and DFA do not have any publicly owned land that is used to address the needs in the plan.

Discussion

Housing New Mexico|MFA and its partner agencies may compete for additional resources under the Supportive Housing Program, Shelter Plus Care, Section 811 Housing, Section 202 Housing, Rural Innovation Fund, Housing Counseling or other types of programs. Many partners leverage their resources with other funding sources that they directly receive such as Self-Help Homeownership Opportunity Program (SHOP) and Native American Housing Assistance and Self Determination Act (NAHASDA) funding.

Additional federal resources utilized by Housing New Mexico|MFA, DFA and their partners will include HUD's Recovery Housing Program, Victims of Crime Act grants, assistance from the Federal Emergency Management Agency, HUD Veterans Housing Rehabilitation Program, USDA Section 502 Program, FHA loan programs, Mortgage Revenue Bonds (MRBs), Low Income Housing Tax Credits (LIHTC) available from the Internal Revenue Service (IRS), HUD 542(c) Risk Sharing Program, United States Department of Agriculture (USDA) programs (i.e. Section 538, USDA Preservation Revolving Loan Fund), HUD Section 8 Project-Based Rental Assistance, HUD Section 811 Project Rental Assistance and the Federal Home Loan Bank (FHLB) Affordable Housing Program.

Other nonfederal resources that could be available to Housing New Mexico|MFA, DFA and their partners include resources from State legislative allocations, New Mexico Human Services Department funding, New Mexico Children, Youth & Families Department funding, the New Mexico Housing Trust Fund, the Affordable Housing Charitable Trust, the Housing New Mexico|MFA Primero Fund and the New Mexico Affordable Housing Tax Credit. Further, local governments may provide resources, and private support may be available from organizations such as the United Way and the Ventana Fund (a Community Development Financial Institution), or from developer contributions (e.g. - land, deferred developer fee, loans) and private donations.

CDBG-DR: In compliance with HUD requirements, the State of New Mexico has included the State's CDBG-Disaster Recovery (DR) funds and activities in response to the long-term disaster recovery needs of New Mexico communities impacted by the unprecedented 2022 wildfire season and noticed in DR-4652-NM: New Mexico Wildfires, Flooding, Mudflow, and straight-line Winds. The State received an appropriation of $4,131,000 in CDBG-DR to ensure maximum assistance to the LMI households who sustained damage from the disaster. The New Mexico Department of Homeland Security and Emergency Management (NMDHSEM) has been appointed by the State of New Mexico Office of the Governor to manage the CDBG-DR program. Complete details of the CDBG-DR Action Plan and program summary are located at the NMDHSE website at: https://www.dhsem.nm.gov/hermits-peak-calf-canyon-resources/community-development-block-grant/. The program will also publish regular updates from the webpage including any future citizen participation efforts and amendments to the CDBG-DR Action Plan.

Annual Goals and Objectives

AP-20 Annual Goals and Objectives – 91.320(c)(3)&(e)

Goals Summary Information

Goal Name	Category	Start/End Year	Outcome	Objective	Geographic Areas Included	Priority Needs Addressed	Funding Allocated (annual)	Goal Outcome Indicator	Quantity (annual)	Unit of Measure
1A. Expand/Improve Public Infrastructure/Facilities	Non-housing Community Development	2025-2029	Availability Accessibility	Create suitable living environments	Low/Mod Block Group Tracts/Colonias Neighborhood	Public Infrastructure & Facilities	CDBG $10,420,034.12	Public facility or infrastructure activities other than low/moderate income housing benefit	15000	Persons Assisted
2A. Rehabilitate Owner-Occupied Housing	Affordable Housing	2025-2029	Affordability	Provide decent affordable housing	Low/Mod Block Group Tracts/Colonias Neighborhood	Preserve & Develop Affordable Housing	HOME $6,006,497.00	Homeowner Housing Rehabilitated	30	Household Housing Unit
2B. Increase Homeownership Opportunities	Affordable Housing	2025-2029	Affordability	Provide decent affordable housing	Low/Mod Block Group Tracts/Colonias Neighborhood	Preserve & Develop Affordable Housing	HOME $0.00	Homeowner Housing Added	0	Household Housing Unit
2C. Develop Affordable Rental Housing	Affordable Housing	2025-2029	Affordability	Provide decent affordable housing	Low/Mod Block Group Tracts/Colonias Neighborhood	Preserve & Develop Affordable Housing	HOME $11,493,170	Rental units constructed/Rental units rehabilitated	15/10	Household Housing Unit
2D. Develop Housing for Vulnerable Populations	Affordable Housing	2025-2029	Affordability	Provide decent affordable housing	Low/Mod Block Group Tracts/Colonias Neighborhood	Preserve & Develop Affordable Housing	HTF $3,184,495.18	Rental units constructed/Rental units rehabilitated	5/5	Household Housing Unit
2E. Address Unmet Needs 2022 Wildfires/Flooding	Affordable Housing Non-housing Community Development	2025-2029	Affordability	Provide decent affordable housing	Low/Mod Block Group Tracts/Colonias Neighborhood	Preserve & Develop Affordable Housing	CDBG-DR $4,131,000	Other	25	Other
3A. Provide Assistance to Reduce Homelessness	Homeless	2025-2029	Availability Accessibility	Create suitable living environments	Low/Mod Block Group Tracts/Colonias Neighborhood	Housing Assistance for Vulnerable Populations	ESG $435,256.90	Tenant-based rental assistance/Rapid rehousing & Homeless Prevention	120/390	Households assisted/Persons assisted

3B. Provide Assistance to Shelters	Homeless	2025-2029	Availability Accessibility	Create suitable living environments	Low/Mod Block Group Tracts/Colonias Neighborhood	Housing Assistance for Vulnerable Populations	ESG $677,728.07	Homeless Person Overnight Shelter	3000	Persons Assisted
3C. Provide Housing Assistance to Persons w/HIV/AIDS	Non-Homeless Special Needs	2025-2029	Availability Accessibility	Create suitable living environments	Low/Mod Block Group Tracts/Colonias Neighborhood	Housing Assistance for Vulnerable Populations	HOPWA $1,412,705.74	Tenant-based rental assistance/Rapid rehousing & Homeless Prevention	90/190	Households assisted/Persons assisted
4A. Effective Program Management	Non-housing Community Development	2025-2029	Availability Accessibility	Create suitable living environments	Low/Mod Block Group Tracts/Colonias Neighborhood	Effective Program Management	CDBG $425,361.88 HOME $963,423 HOPWA $153,313.26 ESG $90,242.03 HTF $130,000.05	Other	5	Other

Estimate the number of extremely low income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.215(b).

The estimated number is 3855.

AP-25 Allocation Priorities – 91.320(d)

Introduction:

The following section describes the allocation priorities by goals in this plan.

Funding Allocation Priorities

	1A. Expand/Improve Public Infrastructure/ Facilities (%)	2A. Rehabilitate Owner-Occupied Housing (%)	2B. Increase Homeownership Opportunities (%)	2C. Develop Affordable Rental Housing (%)	2D. Develop Housing for Vulnerable Populations (%)	2E. Address Unmet Needs 2022 Wildfires/ Flooding (%)	3A. Provide Assistance to Reduce Homelessness (%)	3B. Provide Assistance for Shelters	3C. Provide Housing Assistance Persons w/ HIV/AIDS (%)	4A. Effective Program Management (%)	Colonias Set-Aside (%)	Total (%)
CDBG	86	0	0	0	0	0	0	0	0	4	10	100
HOME	0	33	0	62	0	0	0	0	0	5		100
HOPWA	0	0	0	0	0	0	0	0	90	10		100
ESG	0	0	0	0	0	0	36	56	0	8		100
HTF	0	0	0	0	96	0	0	0	0	4		100
OTHER CDBG-DR	0	0	0	0	0	100	0	0	0	0	0	100

Reason for Allocation Priorities

Through comprehensive data analysis in the Consolidated Plan, input from citizens and consultation to stakeholder agencies, the allocation priorities for CDBG, HOME, HOPWA, ESG and HTF have been identified as noted above. These priorities reflect the estimated amount of funds necessary to meet the goals set forth in this Plan and address the priority needs identified by the State. HUD funds are targeted to priority housing and community development needs, including owner-occupied rehabilitation, homeownership opportunities, affordable rental housing, addressing homelessness, rapid rehousing, and public infrastructure needs. These funds will be used as leverage for other local, state and federal funds.

CDBG funds are primarily targeted towards LMI and special need groups statewide. The allocation percentages are based on totals given the demand-driven nature of the program and HUD regulation. The CDBG application process is competitive in nature and can vary from year to year based on the number and nature of projects awarded. This competitive process prioritizes funding in part to applicants that describe and document significant need. This need-based review prevents DFA from predicting the ultimate geographic distribution of assistance, as areas of need can change over the course of a year. This method of distribution ensures that the funding is allocated to eligible, non-entitlement, low-income areas with demonstrated need and capacity.

HOME funds are targeted towards LMI households statewide. Funds are allocated to activities as indicated above on an annual basis, after Housing New Mexico|MFA learns the amount of funding from HUD for the upcoming year. Applications for HOME funds for multifamily developments can be made through the competitive LIHTC process. HOME multifamily funding applications without LIHTC can be submitted at any time.

HTF funds are intended to produce and preserve affordable housing for extremely low- and very low-income households. HTF funds will be allocated to applicants selected based on the criteria described in the HTF Allocation Plan and the Notice of Funding Availability issued by Housing New Mexico|MFA.

ESG funds are allocated to the Emergency Homeless Assistance Program (EHAP) and the Rapid Rehousing and Homeless Prevention Program (RR/HP). EHAP funds are provided to emergency shelters that assist homeless individuals as well as those fleeing domestic violence. Shelters receiving EHAP funds through regular ESG are selected through a competitive process that includes a number of criteria, such as the shelter's capacity and previous performance. These criteria ensure that the highest number of individuals will be served by shelters that are most qualified to serve them. RR/HP funds are awarded to agencies providing rapid rehousing and homeless prevention services. These agencies are selected through a competitive process that includes criteria such as agency experience and level of need in the agency's service area. Annual funding allocations received by these agencies are determined through a combination of factors, including past performance and poverty levels in the geographic areas served. These criteria ensure that services are targeted according to need and are provided by agencies that are qualified and experienced.

HOPWA funds are used for housing assistance for persons with HIV/AIDS and are allocated to agencies selected through a competitive process that includes criteria such as the agency's capacity and experience. Annual funding amounts received by these agencies are proportional to the numbers of persons at or below the federal poverty level who are diagnosed with HIV/AIDS in the counties served by each agency. These criteria ensure that services are targeted according to need and are provided by agencies that are qualified and experienced.

How will the proposed distribution of funds address the priority needs and specific objectives described in the Consolidated Plan?

The proposed distribution of funds will address the priority needs of the plan by meeting the goals and objectives designed to meet those needs. The funds allocated to each different goal are designed to effectively meet needs across the State as distributed through the various methods of distribution. See the PR-25 of the Strategic Plan for more details on each priority need identified in the plan. The AP-20 describes each goal that will address these needs, and provides a description, estimated funding amounts and specific outcomes for each goal.

AP-30 Methods of Distribution – 91.320(d)&(k)

Introduction:

New Mexico has designed its Method of Distribution (MOD) according to the State's vision of how CDBG funds and other formula grants should be distributed within the State, consistent with State program requirements and HUD Notice CPD-06-11. The MOD only summarizes selection criteria in this section of the Consolidated Plan because details are promulgated in official state publications that are widely disseminated to eligible applicants. This includes criteria used to select applications for funding including relative importance of the criteria. The MOD also includes, where appropriate, a description of how all resources will be allocated among funding categories and the threshold factors and grant size limits that are to be applied, including funding thresholds, number of applications allowed per grantee, as well as any grant limits that the State has imposed.

Distribution Methods

1	**State Program Name:**	CDBG Program Colonias
	Funding Sources:	CDBG
	Describe the state program addressed by the Method of Distribution.	DFA uses CDBG funds to address local community development needs. DFA provides assistance and oversight to local officials with the implementation of needed infrastructure, public facilities, planning and other critical projects.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	The Community Development Council (CDC) and DFA have developed rating and ranking criteria for evaluation of all regular CDBG projects with 10 percent being allocated for Colonias projects. The selection criteria in the rating and ranking system will give priority to projects that firmly demonstrate the following: need, appropriateness, project readiness, uniform grant guidance (risk assessment) and impact and benefit to low- and moderate-income persons. These criteria are outlined in the State's rules and regulations in the New Mexico Administrative Code (NMAC 2.110.2). All regular CDBG applicants are rated and ranked on these criteria, with preference given to Colonias for the set-aside. In order to qualify as a Colonias project, the project must be located within 150 miles of the US/Mexico border, be designated as a Colonias and address lack of potable water supply or lack of adequate sewage systems.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	The CDBG Implementation manual and other CDBG application information for regular CDBG funds can be found at https://www.nmdfa.state.nm.us/infrastructure-planning-and-development-division/cdbg-information/ and https://www.nmdfa.state.nm.us/infrastructure-planning-and-development-division/cdbg-implementation-manual/

	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	N/A
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	N/A
	Describe how resources will be allocated among funding categories.	Regular CDBG funding is not allocated among the funding categories until after applications are received, rated/ranked and allocation awards are made.
	Describe threshold factors and grant size limits.	Threshold factors for the Colonias are exactly the same as other non-entitlement communities outside the Colonias.
	What are the outcome measures expected as a result of the method of distribution?	Outcome indicators: Public Facility or Infrastructure Activities (persons assisted within the Colonias)
2	**State Program Name:**	CDBG Program Statewide
	Funding Sources:	CDBG
	Describe the state program addressed by the Method of Distribution.	DFA uses CDBG funds to address local community development needs. DFA provides assistance and oversight to local officials and other eligible applicants with the implementation of needed infrastructure, public buildings, planning and other critical projects. Ten percent of each regular CDBG allocation is set aside for activities in the Colonias.

	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	DFA determines areas of CDBG funding based on need, readiness to proceed, uniform grant guidance and other current ranking criteria identified in the CDBG Rules and Regulations (NMAC 2.110.2). DFA has created a vetting process to ensure that set-aside funds for supplementing CDBG projects are efficiently utilized. Subrecipients are given an application and set-aside funds (if available) are awarded once DFA has determined that the project is eligible, supplemental funding is needed to complete the project, and the project has a low degree of risk. This process is designed to save time and eliminate unnecessary work.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	DFA maintains CDBG applications, manuals and other necessary information on the website at https://www.nmdfa.state.nm.us/infrastructure-planning-and-development-division/cdbg-information/
	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	N/A
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	N/A
	Describe how resources will be allocated among funding categories.	Under CDBG program, eligible applicants can apply for one of the following categories, contingent on funding availability: community infrastructure, public facility capital outlay, public services or planning. Any of the funding categories above may be used in the Colonias.

	Describe threshold factors and grant size limits.	CDBG threshold factors and grant size limits: Eligible applicants may apply for regular CDBG planning funds throughout the year, as long as funds are available.
	What are the outcome measures expected as a result of the method of distribution?	Outcome indicator: Public Facility or Infrastructure Activities: 15,000 Persons Assisted
3	**State Program Name:**	CDBG-DR Program
	Funding Sources:	CDBG-DR
	Describe the state program addressed by the Method of Distribution.	The CDBG-Disaster Recovery (DR) funds are intended to respond and address the long-term unmet disaster recovery needs of New Mexico communities impacted by the unprecedented 2022 wildfire season and noticed in DR-4652-NM: New Mexico Wildfires, Flooding, Mudflow, and straight-line Winds. The State received an appropriation of $4,131,000 in CDBG-DR to ensure maximum assistance to the LMI households who sustained damage from the disaster, and the New Mexico Department of Homeland Security and Emergency (NMDHSE) will administer the program.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	The CDBG-DR Action Plan will be focused on funding a Building Resiliency Center in San Miguel County, to coordinate resilient housing resources for residents, both renters and homeowners, in State-identified most-impacted and distressed burn scar areas (Mora, San Miguel and Lincoln counties. The budget was influenced in part, as specified in the Federal Register Notice, that $2,544,000 of the funds awarded must be spent for mitigation activities which increase community resilience to disasters and reduce or eliminate long-term risk to life and property.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Complete details of the CDBG-DR Action Plan and program summary are located at the NMDHSE website at: https://www.dhsem.nm.gov/hermits-peak-calf-canyon-resources/community-development-block-grant/.

	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	N/A
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	N/A
	Describe how resources will be allocated among funding categories.	The proposed allocation of resources is: 5% towards admin, 2% towards planning, and the remaining balance towards Housing Programs & Mitigation.
	Describe threshold factors and grant size limits.	CDBG-DR is a one-time grant and will be used to address unmet needs from DR-4652-NM: New Mexico Wildfires, Flooding, Mudflow, and straight-line Winds.
	What are the outcome measures expected as a result of the method of distribution?	Outcome Indicator: Homeowner Housing Rehabilitated: 25 Household Housing Unit
4	**State Program Name:**	Emergency Homeless Assistance Program (EHAP)
	Funding Sources:	ESG
	Describe the state program addressed by the Method of Distribution.	The Emergency Homeless Assistance Program (EHAP) provides funding for emergency shelter operations, essential services, and data collection using HMIS or Osnium.

	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	Regular ESG Funds Applicants are selected based on community need, past performance and agency experience and capacity, including financial management capacity. These criteria are described in detail in a Request for Proposals (RFP) issued by Housing New Mexico|MFA. Individuals qualifying for assistance must meet HUD's definition of homelessness.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	N/A
	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	EHAP funds are currently available to subrecipients through an RFP process. Nonprofit 501(C)(3) organizations and units of general-purpose local government are eligible to apply. Selected subrecipients are eligible to receive funds for up to 5 years on an annual basis if the renewal criteria are met each year. Additionally, Housing New Mexico|MFA may reissue the RFP during those 5 years for any new areas to be served if additional funding becomes available after initial awards are made.
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	N/A
	Describe how resources will be allocated among funding categories.	Resources were allocated on a competitive basis in accordance with the scoring criteria described in the RFP issued by Housing New Mexico|MFA. Up to 7.5 percent of Housing New Mexico|MFA's ESG allocation will be used for eligible administrative costs incurred by Housing New Mexico|MFA.

	Describe threshold factors and grant size limits.	Annual funding allocations received by subrecipients are determined through a combination of factors, including past performance, number of exits to permanent housing, experience and capacity of subrecipient staff, most recent audit results, and compliance with program requirements.
	What are the outcome measures expected as a result of the method of distribution?	Outcome indicator: Homeless Person Overnight Shelter: 3000 Persons Assisted
5	**State Program Name:**	HOME Rental Development
	Funding Sources:	HOME

	Describe the state program addressed by the Method of Distribution.	The HOME Rental Development program provides below-market-rate loans to developers to finance the production, acquisition and/or rehabilitation of rental units for households whose incomes do not exceed 60 percent of Area Median Income (AMI). Forgivable loans may be awarded for projects targeting 30 percent AMI. HOME Rental activities may give preference to a particular segment of the extremely low- or very Low-income population to serve any unmet need as identified in its Consolidated Plan and/or Annual Action Plan. Any limitation or preference must not violate nondiscrimination requirements in 24 CFR 92.253, and the grantee must not limit or give preferences to students. The grantee may permit rental housing owners to limit tenants or give a preference in accordance with § 24 CFR 92.253 only if such limitation or preference is described in the Annual Action Plan. HOME Rental Development funding applicants are permitted to provide preference to the following population(s): •Individuals with disabilities •While not required to provide preference to the population(s) described above, owners of HOME-assisted projects who do, must do so in accordance with 24 CFR 92.253. The intent is merely to allow owners of HOME-assisted projects to provide preference to population(s) identified within this section as well as the priority housing needs identified in the New Mexico Consolidated Plan. Any preference must not violate nondiscrimination requirements. Federal fair housing requirements, including the duty to affirmatively further fair housing, are applicable to the HOME program. A preference does not violate nondiscrimination requirements if the project also receives funding from a federal program that limits eligibility to a particular segment of the population (e.g., Housing Opportunity for Persons Living with AIDS program, the Section 202 and Section 811 programs) or the Housing for Older Persons Act.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	Projects must have demonstrated financial feasibility and will be subject to underwriting standards that, among other criteria, verify that HOME funds are needed and will enhance affordability. This assessment includes a subsidy layering review. Market studies, or other evidence of market need, are required at Housing New Mexico|MFA's discretion. Projects using HOME funds in conjunction with Low Income Housing Tax Credits (LIHTCs) must meet all conditions and requirements set forth in the application LIHTC Qualified Allocation Plan.

	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	N/A
	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	N/A
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	N/A
	Describe how resources will be allocated among funding categories.	Projects intending to use HOME funds in conjunction with 9 percent LIHTCs must meet all the conditions and requirements set forth in the applicable QAP. Projects receiving LIHTC awards will be awarded HOME funds simultaneously. Award amounts and payment structures will be determined by the debt capacity of the individual project and must meet the standards adopted for the LIHTC and HOME programs. Applications for HOME funds for all projects outside of the 9 percent LIHTC round will be accepted and reviewed on a first-come, first-served basis. Housing New Mexico|MFA will conduct outreach to Community Housing Development Organizations (CHDOs) to encourage them to apply.

	Describe threshold factors and grant size limits.	Awards of HOME funds to projects that receive 9 percent LIHTCs are generally limited to the lowest of (a) $1,250,000 per project for CHDOs/$500,000 for non-CHDOs or (b) 80 percent of the project's total development cost. Awards of HOME funds to all other projects are generally limited to (a)$1,250,000 per project for CHDOs/$1,000,000 for non-CHDOs, or (b) 80 percent of the project's total development cost. However, depending on fund availability, higher awards may be allowed, at Housing New Mexico|MFA's discretion.
	What are the outcome measures expected as a result of the method of distribution?	Outcome indicators: Rental units constructed: 15 Household Housing Unit Rental units rehabilitated: 10 Household Housing Unit
6	**State Program Name:**	HOME Single Family Development Program
	Funding Sources:	HOME
	Describe the state program addressed by the Method of Distribution.	The HOME Single Family Development Program provides below-market-rate loans to developers for land purchase, infrastructure development and construction of single-family homes for purchase by low-income households. Developers receiving such loans may also apply for grant funding for principal reduction of single-family mortgages obtained by purchasers of the constructed homes. Developers of new construction will be made aware of the construction accessibility requirements of both the federal Fair Housing Act and Section 504 of the Rehabilitation Act of 1973.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	HOME single-family development loans and any associated principal reduction grants are provided on a first-come, first-served basis, provided that the project meets Housing New Mexico|MFA's underwriting criteria.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	N/A

	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	N/A
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	N/A
	Describe how resources will be allocated among funding categories.	Resources will be allocated on a first-come, first-served basis for development activities and developers receiving loan awards are eligible to receive grants for principal reduction of homebuyers' mortgages. Housing New Mexico|MFA conducts outreach to CHDOs to encourage application.
	Describe threshold factors and grant size limits.	Underwriting will take place to ensure that homebuyers are not over-subsidized; grant amounts will vary based on financial need.
	What are the outcome measures expected as a result of the method of distribution?	Outcome indicators: Homeowner Housing Added: 0 Household Housing Unit Direct Financial Assistance (down payment assistance): 0 Household Housing Unit
	State Program Name:	Homeowner Rehabilitation Program
	Funding Sources:	HOME

	Describe the state program addressed by the Method of Distribution.	The HOME Homeowner Rehabilitation Program provides financial assistance to low-income homeowners to correct health, safety, accessibility, and code compliance issues in their primary residence. Administered at the state level, the program operates through both direct implementation and partnerships with subrecipients, depending on the service area. Eligible activities include structural rehabilitation, hazard mitigation, and accessibility improvements. Assistance is typically provided as a 0% interest, conditionally forgivable loan. Projects must meet all applicable HOME requirements, including property standards and long-term affordability. Distribution of funds considers geographic need, project readiness, and organizational capacity to ensure efficient use of resources, particularly in rural and underserved areas.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	Applications for HOME Homeowner Rehabilitation funding are primarily selected on a first-come, first-qualified basis, determined by the application submission date and eligibility confirmation. To promote equity, the subrecipient may also prioritize applications based on the following criteria: 1. Health hazards in the home 2. Presence of children 3. Presence of a disabled household member 4. Presence of an elderly household member 5. Presence of a pregnant household member 6. Application date In addition to selection order, the following criteria must be met before funding is committed: 1. Eligibility Determination – The applicant must meet income limits as well as own and occupy the home as a primary residence. 2. Readiness to Proceed – Projects must have a completed environmental review (if required), a defined scope of work, and cost estimates. 3. Program Compliance – Projects must meet all applicable HOME regulations, including property standards and long-term affordability requirements.

	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	N/A
	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	N/A
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	N/A
	Describe how resources will be allocated among funding categories.	All funds for this activity are dedicated to assisting low-income homeowners with the rehabilitation of their primary residences. 95% of funds are allocated to direct homeowner rehabilitation activities, including construction, hazard abatement, and necessary soft and project delivery costs. The remaining 5% is allocated to program administration, covering staffing, compliance monitoring, reporting, and overall program management to ensure effective and compliant implementation.

<table>
<tr><td></td><td>Describe threshold factors and grant size limits.</td><td>To qualify for HOME Homeowner Rehabilitation funding, applicants must meet key threshold factors, including:
Income at or below 80% of Area Median Income (AMI)
Ownership and occupancy of the home as a primary residence
Demonstrated need for rehabilitation to address health, safety, accessibility, or code compliance issues
Compliance with after-rehabilitation value limits (not exceeding 95% of area median purchase price)
Completion of environmental review and submission of a complete, ready-to-proceed application
Grant size limits include:
A maximum award of $200,000 per unit and a minimum of $1,000
Compliance with HUD’s per-unit subsidy limits
Allowance for change orders in cases of unforeseen conditions, subject to approval and cost reasonableness
All project costs are reviewed to ensure they are necessary, reasonable, and in line with local market conditions
This structure ensures that HOME funds are used effectively while maintaining compliance with federal regulations.</td></tr>
<tr><td></td><td>What are the outcome measures expected as a result of the method of distribution?</td><td>Outcome indicator:
Homeowner Housing Rehabilitated: 30 Household Housing Unit</td></tr>
<tr><td>8</td><td>State Program Name:</td><td>Housing Opportunities for Persons with AIDS (HOPWA)</td></tr>
<tr><td></td><td>Funding Sources:</td><td>HOPWA</td></tr>
</table>

	Describe the state program addressed by the Method of Distribution.	The HOPWA program provides tenant-based rental assistance; short-term rent, mortgage, and utilities payments (STRMU); permanent housing placement assistance; and supportive services, to income-eligible individuals who have medical documentation of a diagnosis of HIV/AIDS and their families. An individual or family is income-eligible if their total household income does not exceed 80 percent of the area median income as determined by HUD. Housing New Mexico|MFA administers both the City of Albuquerque allocation and the New Mexico Balance of State allocation.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	Subrecipient applicants are selected based on organizational capacity, including financial management capacity, housing experience and plans for proposed areas to be served. These criteria are described in detail in a Request for Proposals (RFP) issued by Housing New Mexico|MFA. Recipients of assistance must be income-eligible individuals who have medical documentation of a diagnosis of HIV/AIDS and their families. An individual or family is income-eligible if their total household income does not exceed 80 percent of the area median income as determined by HUD.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	N/A
	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	N/A

	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	Project sponsors are selected through a competitive RFP process that evaluates organizational capacity, including financial management capacity, housing experience and plans for proposed areas to be served. Nonprofit organizations, including grassroots and community-based organizations, may be eligible to apply.
	Describe how resources will be allocated among funding categories.	Resources will be allocated on a competitive basis in accordance with the scoring criteria described in the RFP issued by Housing New Mexico|MFA. Up to 3 percent of Housing New Mexico|MFA's HOPWA allocation was used for eligible administrative costs incurred by Housing New Mexico|MFA. The project sponsor may use not more than 7 percent of its HOPWA grant for administrative costs and up to 35 percent of the total HOPWA award, per project sponsor, may be used for supportive services.
	Describe threshold factors and grant size limits.	The HOPWA award for the City of Albuquerque allocation is limited to the allocation less administrative costs incurred by Housing New Mexico|MFA. Award limits for the Balance of State are based on need, or the percentage of persons with HIV/AIDS that are below the federal poverty level in the region to be served.
	What are the outcome measures expected as a result of the method of distribution?	Outcome indicators: Tenant-based rental assistance/Rapid Rehousing: 90 Households Assisted STRMU/Homeless Prevention: 190 households assisted
9	**State Program Name:**	National Housing Trust Fund (HTF)
	Funding Sources:	HTF
	Describe the state program addressed by the Method of Distribution.	The HTF program provides non-interest-bearing loans to developers to finance the production, acquisition and/or rehabilitation of rental units for households whose incomes do not exceed the greater of 30 percent Area Median Income (AMI) or the federal poverty line.

	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	All projects must meet the following threshold criteria: • NHTF-assisted units must provide permanent rental housing for ELI households; • NHTF-assisted units must remain affordable to ELI households for at least 30 years; • The applicant must certify that NHTF-assisted units will comply with all NHTF requirements; • The project must be financially feasible; • NHTF-assisted rehabilitation projects must comply with the rehabilitation standards found in Attachment A: National Housing Trust Fund Rehabilitation Standards; • The project must include at least four (4) rental units. All projects that meet the threshold criteria will be evaluated according to the following criteria: 1. Geographic diversity No other Low Income Housing Tax Credit, public housing, or federally subsidized housing projects within: • ¼ mile radius = 3 points • ½ mile radius = 5 points 2. Duration of the affordability period beyond the required 30 years Projects committed to an additional five or more years 3. Energy efficiency Home Energy Rating System (HERS) score exceeds a sufficient HERS rating as stipulated in the then-current Housing New Mexico Design Standards 4. Organization type Developer/general partner is a New Mexico nonprofit organization, a Tribal Designated Housing Entity (TDHE), or a public housing authority 5. Absence of project-based rental assistance Projects without project-based rental assistance or projects that have or will have project-based rental assistance covering less than or equal to 25% of the total units

		6. Transit-oriented development Projects within 1/2-mile walking distance of public transportation Public transportation must be established and provided on a fixed route with scheduled service. Alternative forms of transportation may be acceptable, provided sufficient documentation is submitted that establishes the alternative form of transportation is acceptable to Housing New Mexico. A future promise to provide service does not satisfy this scoring criterion. 7. Tribal or Rural location Tribal or Rural Housing projects, defined as follows: A. Tribal – Projects located on tribal lands, or B. Rural – Projects located outside of the boundaries of Bernalillo County, the City of Rio Rancho, the City of Las Cruces, or the City of Santa Fe. 8. Creation of new units serving ELI households, through new construction, adaptive reuse or conversion of market-rate units Each new ELI unit = 1 points (Capped at 10 points) 9. Readiness Applicant's ability to obligate NHTF funds and undertake eligible activities in a timely manner Projects that have (1) evidence of site control =5 points (2) evidence that the current zoning of the proposed site does not prohibit multifamily housing = 5 points (3) evidence of all other non-Housing New Mexico funding sources a.) letters of interest from all other non-Housing New Mexico funding = 5 points b.) commitment letters from all other non-Housing New Mexico funding sources = 10 points 10. Leverage Use of state, local and private funding sources Projects that have funding sources outside of federal funding sources, low-income housing tax credits, bond financing, and Housing New Mexico funding sources, as follows:

		10% of NHTF funds requested = 4 points 20% of NHTF funds requested = 8 points 30% of NHTF funds requested = 12 points 40% of NHTF funds requested = 16 points 50% of NHTF funds requested = 20 points 11. Extent to which the project meets any of the following priority housing needs identified in the NM Consolidated Plan: housing for the elderly and frail elderly, housing for persons with severe mental illness, housing for persons with disabilities, housing for persons with alcohol or other addictions, housing for persons with HIV/AIDS, housing for victims of domestic violence, housing for individuals or households experiencing homelessness, as follows: 10% of NHTF units targeted to any priority housing need = 4 points 20% of NHTF units targeted to any priority housing need = 8 points 30% of NHTF units targeted to any priority housing need = 12 points 40% of NHTF units targeted to any priority housing need = 16 points 50% of NHTF units targeted to any priority housing need = 20 points
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	N/A

	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	N/A
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	N/A
	Describe how resources will be allocated among funding categories.	Resources will be allocated on a competitive basis in accordance with the scoring criteria described in the Notice of Funding Availability issued by Housing New Mexico|MFA, which elaborates on the guidelines described in Housing New Mexico|MFA's HTF Allocation Plan. Up to 10 percent of Housing New Mexico|MFA's allocation and future program income will be used for eligible administrative and planning costs, in accordance with 24 CFR 93.202.
	Describe threshold factors and grant size limits.	All awards are limited by the maximum per-unit subsidy limits described in Housing New Mexico|MFA's HTF Allocation Plan and by Housing New Mexico|MFA's underwriting guidelines. Awards of HTF funds are generally limited to $400,000 per project; however, depending on program demand, participation, and fund availability, higher awards may be allowed, at Housing New Mexico|MFA Board of Director's discretion. Projects that will include accommodations for individuals with disabilities are likely to have higher development costs. Projects will be evaluated separately for cost-efficiency.
	What are the outcome measures expected as a result of the method of distribution?	Outcome indicators: Rental units constructed: 5 Household Housing Unit Rental units rehabilitated: 5 Household Housing Unit

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	State Program Name:	Rental Assistance Program (RR/HP)
	Funding Sources:	ESG
	Describe the state program addressed by the Method of Distribution.	The Rental Assistance Program (RR/HP) provides funds to subrecipients across the state who deliver emergency assistance to individuals and households experiencing homelessness or at risk of becoming homeless. Assistance can be used for essential services for individuals and families receiving rapid rehousing and homeless prevention assistance as rent, rental arrears, landlord incentives, renter's insurance, security deposits, application fees, housing relocation and stabilization services, housing search and placement, utilities, utility arrears, training, legal services, and is intended to restore stability for a specific time period.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	Subrecipient applicants are selected based on community need, past performance and agency experience and capacity, including financial management capacity. These criteria are described in detail in any procurement process issued by Housing New Mexico|MFA. Beneficiaries of rapid rehousing assistance must meet the definition of homelessness set forth in 24 CFR §576.104. Beneficiaries of homelessness prevention assistance must have incomes below 30 percent AMI and have documentation that meet the HUD definition for "At risk of homelessness" as outlined in 24 CFR §576.2 (1). Households deemed eligible for ESG rapid rehousing or homelessness prevention assistance would need to provide one of the following: 1. For rapid rehousing, certification by the individual or head of household that no subsequent residence has been identified, OR 2. For homelessness prevention, self-certification or other written documentation that the individual or head of household lacks the financial resources and support networks to obtain other housing.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	N/A

	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	RR/HP funds are currently available to subrecipients through an RFP process. Nonprofit 501(c)(3) organizations and units of general-purpose local government are eligible to apply. Selected subrecipients are eligible to receive funds for up to 5 years on an annual basis if the renewal criteria are met each year.
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	N/A
	Describe how resources will be allocated among funding categories.	Resources were allocated on a competitive basis in accordance with the scoring criteria described in the RFP issued by Housing New Mexico|MFA. Up to 7.5 percent of Housing New Mexico|MFA's allocation is used for eligible administrative costs incurred by Housing New Mexico|MFA.
	Describe threshold factors and grant size limits.	Annual funding allocations received by subrecipients are determined through a combination of factors, including past performance and population of the counties served.
	What are the outcome measures expected as a result of the method of distribution?	Outcome indicators: Tenant-based rental assistance / Rapid Rehousing: 120 Households Assisted Homelessness Prevention: 390 Persons Assisted

AP-35 Projects – (Optional)

Introduction:

Housing New Mexico|MFA and DFA wait to allocate funding on the project level until HUD has published FY formula allocations. At this time, project-level detail is not required for a state grantee's Annual Action Plan. As per HUD guidance, once a state grantee has allocated funding via its Method of Distribution, the state grantee will use the Projects submenu in IDIS Online to add its projects for the program year.

DFA follows HUD guidelines for the allocation/funding decision process after receiving notice from HUD, and only after will enter projects into IDIS through AP-35 screen by DFA. Likewise, Housing New Mexico|MFA will follow normal allocation/funding decision processes after receiving notice from HUD. Projects will also be entered into IDIS through AP-35 screen by Housing New Mexico|MFA. This is the normal process and does not cause a substantial amendment to the Action Plan and no further public notice is required.

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs:

The Housing New Mexico|MFA funded projects will address the housing and community development needs as identified in the Consolidated Plan's five-year Strategic Plan. The following needs were identified in the Consolidated Plan and are categorized by priority.

Public facilities and infrastructure improvements have been identified as a high need in New Mexico, specifically in low- and moderate-income areas and in the Colonias. Public improvements are addressed through CDBG funds and will only target low/mod areas as identified by HUD LMISD data. For more details on low/mod target areas, see the AP-50.

The development of new affordable housing and preservation of existing affordable housing units, for both owners and renters, remains one of the highest priorities in the State. These needs are addressed by HOME and HTF funds as eligible under each grant guideline. Activities include new housing construction, direct financial assistance, rental housing construction, existing homeowner and rental housing rehab, CHDO funded housing development activities and other affordable housing opportunities. HTF funds are intended to produce and preserve affordable housing for the most vulnerable groups in the State, which include extremely low- and very low-income households.

Housing New Mexico|MFA has also identified addressing homelessness as a priority. Homeless housing and supportive services that work to end homelessness in New Mexico remain a high priority and this need is addressed through the ESG program. Housing New Mexico|MFA will fund programs that help with homeless prevention and rapid rehousing rental activities to help families avoid homelessness, as well as emergency shelter services for persons experiencing homelessness. Other activities include data collection (HMIS) and administration of the program.

Persons and their families who are living with HIV/AIDS are particularly threatened by housing instability due to their unique needs and supportive care needs. HOPWA funds provide housing subsidies and supportive services for individuals and their families who are living with HIV/AIDS.

In summary, the projects developed by the Housing New Mexico|MFA and DFA will be selected from proposals received in accordance with their consistency with the priorities established in the Consolidated Plan. These projects will meet the needs identified in the Needs Assessment/Market Analysis of the Consolidated Plan and citizen and community prioritization to the extent that funding is available. The use of these funds is consistent with the priorities and goals identified in the five-year Strategic Plan.

AP-40 Section 108 Loan Guarantee – 91.320(k)(1)(ii)

Will the state help non-entitlement units of general local government to apply for Section 108 loan funds?

No

Describe available grant amounts.

N/A. There are no plans to help non-entitlement units of government within New Mexico to apply for Section 108 loans.

Describe how applications will be accepted.

N/A

AP-45 Community Revitalization Strategies – 91.320(k)(1)(ii)

Will the state allow units of general local government to carry out community revitalization strategies?

Yes

Describe the state's process and criteria for approving local government revitalization strategies.

Depending on funding availability and the Housing New Mexico|MFA's ability to support the request, Housing New Mexico|MFA will choose eligible applicants to carry out community revitalization strategies as long as the strategy is in accordance with eligible applicant's Comprehensive Plan, Infrastructure Capital Improvement Plan (ICIP) and meets the low-to-moderate income requirement described in this plan. See the AP-50 Geographic Distribution to see how Housing New Mexico|MFA will determine eligible low/mod income areas for public improvements.

AP-48 Method of Distribution for Colonias Set-aside – 91.320(d)&(k)

Distribution Methods

1	**State Program Name:**	CDBG Program Colonias
	Funding Sources:	CDBG
	Describe the state program addressed by the Method of Distribution.	DFA uses CDBG funds to address local community development needs. DFA provides assistance and oversight to local officials with the implementation of needed infrastructure, public facilities, planning and other critical projects.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	The Community Development Council (CDC) and DFA have developed rating and ranking criteria for evaluation of all regular CDBG projects with 10 percent being allocated for Colonias projects. The selection criteria in the rating and ranking system will give priority to projects that firmly demonstrate the following: need, appropriateness, project readiness, uniform grant guidance (risk assessment) and impact and benefit to low- and moderate-income persons. These criteria are outlined in the State's rules and regulations in the New Mexico Administrative Code (NMAC 2.110.2). All regular CDBG applicants are rated and ranked on these criteria, with preference given to Colonias for the set-aside. In order to qualify as a Colonias project, the project must be located within 150 miles of the US/Mexico border, be designated as a Colonias and address lack of potable water supply or lack of adequate sewage systems.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	The CDBG Implementation manual and other CDBG application information for regular CDBG funds can be found at https://www.nmdfa.state.nm.us/infrastructure-planning-and-development-division/cdbg-information/and https://www.nmdfa.state.nm.us/infrastructure-planning-and-development-division/cdbg-implementation-manual/
	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	N/A

	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	N/A
	Describe how resources will be allocated among funding categories.	Regular CDBG funding is not allocated among the funding categories until after applications are received, rated/ranked and allocation awards are made.
	Describe threshold factors and grant size limits.	Threshold factors for the Colonias are exactly the same as other non-entitlement communities outside the Colonias.
	What are the outcome measures expected as a result of the method of distribution?	Outcome indicators: Public Facility or Infrastructure Activities (persons assisted within the Colonias)
2	**State Program Name:**	CDBG Program Statewide
	Funding Sources:	CDBG
	Describe the state program addressed by the Method of Distribution.	DFA uses CDBG funds to address local community development needs. DFA provides assistance and oversight to local officials and other eligible applicants with the implementation of needed infrastructure, public buildings, planning and other critical projects. Ten percent of each regular CDBG allocation is set aside for activities in the Colonias.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	DFA determines areas of CDBG funding based on need, readiness to proceed, uniform grant guidance and other current ranking criteria identified in the CDBG Rules and Regulations (NMAC 2.110.2). DFA has created a vetting process to ensure that set-aside funds for supplementing CDBG projects are efficiently utilized. Subrecipients are given an application and set-aside funds (if available) are awarded once DFA has determined that the project is eligible, supplemental funding is needed to complete the project, and the project has a low degree of risk. This process is designed to save time and eliminate unnecessary work.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	DFA maintains CDBG applications, manuals and other necessary information on the website at https://www.nmdfa.state.nm.us/infrastructure-planning-and-development-division/cdbg-information/

	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	
	Describe how resources will be allocated among funding categories.	Under CDBG program, eligible applicants can apply for one of the following categories, contingent on funding availability: community infrastructure, public facility capital outlay, public services or planning. Any of the funding categories above may be used in the Colonias.
	Describe threshold factors and grant size limits.	CDBG threshold factors and grant size limits: Eligible applicants may apply for regular CDBG planning funds throughout the year, as long as funds are available.
	What are the outcome measures expected as a result of the method of distribution?	Outcome indicator: Public Facility or Infrastructure Activities: 15,000 Persons Assisted
3	**State Program Name:**	CDBG-DR Program
	Funding Sources:	CDBG-DR
	Describe the state program addressed by the Method of Distribution.	The CDBG-Disaster Recovery (DR) funds are intended to respond and address the long-term unmet disaster recovery needs of New Mexico communities impacted by the unprecedented 2022 wildfire season and noticed in DR-4652-NM: New Mexico Wildfires, Flooding, Mudflow, and straight-line Winds. The State received an appropriation of $4,131,000 in CDBG-DR to ensure maximum assistance to the LMI households who sustained damage from the disaster, and the New Mexico Department of Homeland Security and Emergency (NMDHSE) will administer the program.

	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	The CDBG-DR Action Plan will be focused on funding a Building Resiliency Center in San Miguel County, to coordinate resilient housing resources for residents, both renters and homeowners, in State-identified most-impacted and distressed burn scar areas (Mora, San Miguel and Lincoln counties. The budget was influenced in part, as specified in the Federal Register Notice, that $2,544,000 of the funds awarded must be spent for mitigation activities which increase community resilience to disasters and reduce or eliminate long-term risk to life and property.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Complete details of the CDBG-DR Action Plan and program summary are located at the NMDHSE website at: https://www.dhsem.nm.gov/hermits-peak-calf-canyon-resources/community-development-block-grant/.
	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	N/A
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	N/A
	Describe how resources will be allocated among funding categories.	The proposed allocation of resources is: 5% towards admin, 2% towards planning, and the remaining balance towards Housing Programs & Mitigation.
	Describe threshold factors and grant size limits.	CDBG-DR is a one-time grant and will be used to address unmet needs from DR-4652-NM: New Mexico Wildfires, Flooding, Mudflow, and straight-line Winds.

	What are the outcome measures expected as a result of the method of distribution?	Outcome Indicator: Homeowner Housing Rehabilitated: 25 Household Housing Unit
	Describe how resources will be allocated among funding categories.	Projects intending to use HOME funds in conjunction with 9 percent LIHTCs must meet all the conditions and requirements set forth in the applicable QAP. Projects receiving LIHTC awards will be awarded HOME funds simultaneously. Award amounts and payment structures will be determined by the debt capacity of the individual project and must meet the standards adopted for the LIHTC and HOME programs. Applications for HOME funds for all projects outside of the 9 percent LIHTC round will be accepted and reviewed on a first-come, first-served basis. Housing New Mexico|MFA will conduct outreach to Community Housing Development Organizations (CHDOs) to encourage them to apply.
	Describe threshold factors and grant size limits.	Awards of HOME funds to projects that receive 9 percent LIHTCs are generally limited to the lowest of (a) $1,250,000 per project for CHDOs/$500,000 for non-CHDOs or (b) 80 percent of the project's total development cost. Awards of HOME funds to all other projects are generally limited to (a)$1,250,000 per project for CHDOs/$1,000,000 for non-CHDOs, or (b) 80 percent of the project's total development cost. However, depending on fund availability, higher awards may be allowed, at Housing New Mexico|MFA's discretion.
	What are the outcome measures expected as a result of the method of distribution?	Outcome indicators: Rental units constructed: 15 Household Housing Unit Rental units rehabilitated: 10 Household Housing Unit

Discussion:

DFA will set aside 10 percent of CDBG funding for the Colonias. Counties with Colonias can apply for funding directly to problem areas in the Colonias. In general, all HUD CPD grant programs in this plan are also available to eligible households and low/mod income areas as applicable in the Colonias.

AP-50 Geographic Distribution – 91.320(f)

Description of the geographic areas of the state (including areas of low-income and minority concentration) where assistance will be directed

The State of New Mexico has two target geographic areas: Low/Mod Block Group Tracts and the Colonias Neighborhood. These target areas are specific to the CDBG program as HOME, ESG, HOPWA and HTF funds are directed to income-eligible program participants state-wide. DFA will target public infrastructure and facility improvements to Low/Mod Block Group Tracts as defined by HUD's Low/Mod Summary Data and will set aside 10 percent of CDBG funds for Colonias neighborhoods.

Specific to HOPWA, pursuant to a memorandum of understanding, the State administers the City of Albuquerque's HOPWA funds, and those funds must be used within the City of Albuquerque. These funds are administered on behalf of the City and are not direct allocations to the State, they are not included in the percentage distributions for State allocations below. The table below represents regular CDBG funds only.

See further below on how the State will determine Low/Mod Block Group Tracts and Colonias Neighborhoods.

Geographic Distribution

Target Area	Percentage of Funds
Colonias Neighborhood	10
Low/Mod Block Group Tracts	90

Rationale for the priorities for allocating investments geographically

Determining priorities for spending the State's federal block grant is based on multiple forms of analysis and input. Data analysis was made through review of the housing needs and the housing market in the Consolidated Plan. In addition, extensive efforts were made to include community input throughout the development and planning process. Community input was obtained through public hearings, a public review and comment period for the plan, consultation from stakeholder organizations, and an online survey.

Housing New Mexico|MFA and DFA do not allocate funding solely based on geographic requirements. When the activities are intended to directly serve individuals or households, those individuals or households must meet income and residency qualifications to receive assistance from the program. In these instances, Housing New Mexico|MFA or DFA staff and/or one of its subrecipient agencies will complete an in-take and eligibility status review of the applicant individual or household before the activity is initiated.

Infrastructure and public facility improvement activities will serve a community or neighborhood and are said to have an "area-wide" benefit. Per HUD requirements, these areas must be within an eligible Census Block Group Tract, as defined by HUD-CDBG regulations, whereby the majority of the residents are low- to moderate-income (or 51%).

To determine these Tracts the DFA will be utilizing HUD CDBG Low Mod Income Summary Data (LMISD) from the HUD Exchange website, which has defined the eligible tracts within the State. The identified census block group tracts within the State that are considered low-moderate income can be found on the HUD Exchange website at: https://www.hudexchange.info/programs/acs-low-mod-summary-data/

A set-aside of ten percent of annual CDBG funds will be allocated for Colonias Neighborhoods. HUD defines Colonias as rural communities in close proximity to the U.S-Mexico border, lacking access to basic services such as water or sewer. Communities must be designated Colonias and be within 150 miles of the U.S./Mexico border. Funded activities must address lack of potable water supply or lack of adequate sewage systems.

Discussion

Low-Income Households

Households earning less than 80% of the area median income (AMI) are considered low income. To be considered a tract with a concentration of low-income households, the tract's median household income is less than 80% of the AMI.

Areas of the State not including Non-Entitlement Cities have an AMI of $55,303 and at 80%, low-income is estimated at $44,242. Tracts with a concentration of low-income tracts are scattered across rural areas of the State.

Minority Concentrations:

For the purposes of this analysis, a concentration is any census tract where the racial or ethnic minority group makes up 10% more than the Statewide average. More information about race/ethnicity concentrations in New Mexico can be found in the MA-50. Data was taken from the most recent 2018-2022 ACS.

Native American/Alaskan Natives is the largest non-Hispanic minority group in New Mexico at 8.5%, and a tract with a concentration would be 18.5% or more. The largest group of tracts with a concentration are located in the northwest part of the State northwest of Albuquerque and Los Alamos. There is also a tract with a concentration north of Alamogordo and north halfway between Santa Fe and the northern border of the State.

Non-Hispanic Black and African Americans comprise of about 1.8% of the population in New Mexico, and a tract with a concentration would be 11.8% or more. There are two tracts with a concentration of the minority group, one west of Albuquerque (35006974702) and one southwest of Alamogordo (35035000601).

Asians (non-Hispanic) make up 1.5% of the State population and a tract with a concentration would be 11.5% or more. There is one tract with a concentration of the minority group south of Los Alamos

(35028000400).

Likewise, the Hispanic population, which makes up 49.8% of the total population of New Mexico would make a tract with a concentration at 59.8% or more. Tracts with a concentration of this ethnic group are scattered across the State. A map of the Concentration of the Hispanic Population is located in the MA-50.

Affordable Housing

AP-55 Affordable Housing – 24 CFR 91.320(g)

Introduction:

The tables below reflect one-year goals for the State's HOME and HTF funds.

Housing New Mexico|MFA will use HOME funds to construct new affordable rental housing, rehabilitate existing housing units, and provide direct financial assistance to eligible homebuyers. Housing New Mexico|MFA will also fund CHDOs to add affordable homeowner housing in New Mexico. The annual goals for the number of households to be supported through these activities are summarized in the tables below.

Housing Trust Funds (HTF) grant funds are awarded to states to develop and preserve affordable housing for extremely low- and very low-income households. A State must use at least 80 percent of each annual grant for rental housing; up to 10 percent for homeownership; and up to 10 percent for the grantee's reasonable administrative and planning costs. HTF funds may be used for the production or preservation of affordable housing through acquisition, new construction, and/or rehabilitation.

Housing New Mexico|MFA will report the goals and outcomes for affordable housing assistance for non-homeless households. Affordable housing will meet the terms that are defined in 24 CFR 92.252 for rental housing and 24 CFR 92.254 for homeownership as applicable to the select activities.

One Year Goals for the Number of Households to be Supported	
Homeless	0
Non-Homeless	65
Special-Needs	0
Total	**65**

One Year Goals for the Number of Households Supported Through:	
Rental Assistance	0
The Production of New Units	20
Rehab of Existing Units	45
Acquisition of Existing Units	0
Total	**65**

Discussion:

Housing New Mexico|MFA estimates that HOME and HTF funds will target LMI households with the following affordable housing activities:

HOME Program:
Homeowner Housing Rehabilitated: 30 Household Housing Unit
Homeowner Housing Added: 0 Household Housing Unit
Rental units constructed: 15 Household Housing Unit
Rental units rehabilitated: 10 Household Housing Unit

HTF (extremely low- and very low-income households):
Rental units constructed: 5 Household Housing Unit
Rental units rehabilitated: 5 Household Housing Unit

AP-60 Public Housing - 24 CFR 91.320(j)

Introduction:

The State of New Mexico has 17 public housing authorities (PHAs) within the jurisdiction of the State Consolidated Plan. DFA nor Housing New Mexico|MFA operate public housing, therefore, neither agency directly plans resident initiatives for public housing and Housing Choice Voucher (HCV) residents.

There are three PHAs in New Mexico that are not among the PHAs listed in this plan: City of Albuquerque Housing Authority, Housing Authority of the City of Las Cruces and Santa Fe Civic Housing Authority. All three PHAs are from HUD entitlement communities and plan public housing strategies within their grantee's jurisdiction. This plan does not include information from these public housing authorities.

Tribal Housing Authorities are also not among the PHAs listed in this plan and are not included in the State's public housing strategy. The 20 Tribal Housing Authorities operate independently within sovereign nations. This plan does not include information from Tribal Housing Authorities.

Actions planned during the next year to address the needs to public housing:

As mentioned above, the DFA nor Housing New Mexico|MFA operate public housing, therefore, neither agency directly plans resident initiatives for public housing and HCV residents. However, efforts to collaborate more extensively with PHAs are underway through the State's three (3) Regional Housing Authorities (RHAs), which Housing New Mexico|MFA oversees on behalf of the State. These RHAs are Northern Regional, Western Regional and Eastern Regional. To the extent possible, Housing New Mexico|MFA will make funding available to PHAs pursuing the redevelopment or rehabilitation of low-income properties for public housing that may be available through various Housing New Mexico|MFA funding sources.

Actions to encourage public housing residents to become more involved in management and participate in homeownership:

Housing New Mexico|MFA nor DFA operate public housing, therefore, neither agency directly plans resident initiatives. Local administrators are responsible for these activities. However, Housing New Mexico|MFA is aware that some PHAs provide opportunities for residents to participate in homeownership, including first-time homebuyer counseling.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

Not applicable to the State directly, however, within the State of New Mexico, Northern Regional Housing Authority (NRHA) has been designated as "troubled" by HUD. While not directly responsible for the activities and performance of this housing authority, the State is committed to supporting NRHA in improving its operations. The State will assist by providing oversight, training and technical assistance to support the housing authority in its effort to remove the troubled designation. NRHA has provided documentation to exhibit improved operational performance, however the "troubled" status cannot be changed until their Audited Financial Statements have been completed and approved by HUD. NRHA provided an update on the status of its audit on February 4, 2026, indicating that the audit remains in progress. NRHA reported that follow-ups with the audit firm are occurring regularly; however, an estimated completion date has not yet been provided. NRHA has also reached out to the HUD Field Office for guidance regarding the resolution of its troubled status.

Discussion:

N/A

AP-65 Homeless and Other Special Needs Activities – 91.320(h)

Introduction

The State aims to reduce homelessness and address the housing needs of individuals with special needs through the following overall strategies:

ESG funds allow Housing New Mexico|MFA to provide emergency assistance as well as rental assistance and in-house case management to ensure efficient client transition from homelessness to self-sustainability. HOPWA funds allow Housing New Mexico|MFA to provide housing assistance for people living with HIV/AIDS.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including:

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs:

As a member of the governing boards of the Albuquerque and Balance of State (NMCEH) CoCs, Housing New Mexico|MFA contributes to the CoCs' outreach planning. Furthermore, Housing New Mexico|MFA requires that outreach be conducted by service providers receiving ESG funds under Housing New Mexico|MFA's Rapid Rehousing/Homeless Prevention Program (RR/HP), which provides housing assistance to those that are homeless or at-risk of homelessness. These outreach efforts may also include street outreach, outreach at shelters, outreach to clients receiving services targeted toward those experiencing homelessness and outreach to clients of behavioral health providers. Housing New Mexico|MFA serves on the Balance of State CoC, the CES governance committees and the Albuquerque Strategic Collaborative (ASC) board which acts as both the CoC and CES governance committees for Albuquerque which meet quarterly to address issues and strategies for the NMCES.

The NM BOS CoC NMCES supports dedicated administration for both Domestic Violence and Youth subpopulations. The NMCES has identified and assessed over 75,000 individuals since its inception (appx. 27,800 of these have been prioritized and entered in HMIS), using the Vulnerability Index - Service Prioritization Decision Assistance Tool (VI-SPDAT), which helps to determine each applicant's acuity, relative need for housing and the type of housing that would be most appropriate to assist their needs. The assessments are done at the NMCEH as well as CoC and ESG-funded agencies, health centers, veteran programs, correctional facilities and during street outreach, including youth-focused projects in northern New Mexico and domestic violence programs statewide. The majority of Housing New Mexico|MFA's RR/HP and EHAP providers are trained in the use of the NM Coordinated Entry System. Ongoing training for new staff members and new agencies is conducted yearly.

Housing New Mexico|MFA provides ESG funds for emergency shelter and street outreach services that link unsheltered homeless to shelters. Specific activities include shelter operating costs; hotel/motel vouchers when shelter beds are unavailable; and essential services to those in shelters such as case management, childcare, education services, employment assistance and job training, outpatient health services, legal services, life skills training, mental health services, substance abuse treatment services and transportation.

Housing New Mexico|MFA uses ESG funding to support shelter operations, provide essential services for those residing in shelters, homelessness prevention assistance and rapid rehousing assistance throughout the State. DFA continues to use CDBG-CV funding to serve number of persons with homelessness prevention assistance. The goals for the ESG funds are to:

- Serve over 3,000 persons with overnight shelter and essential services;
- Serve over 1,500 persons with homelessness prevention and rapid rehousing

Note: Goals may be modified upon receipt of allocations as the amount of funding will affect the number of persons that can be served.

Addressing the emergency shelter and transitional housing needs of homeless persons.

Housing New Mexico|MFA provides ESG funds for emergency shelter and street outreach services that link unsheltered homeless to shelters. Specific activities include shelter operating costs; hotel/motel vouchers when shelter beds are unavailable; and essential services to those in shelters such as case management, childcare, education services, employment assistance and job training, outpatient health services, legal services, life skills training, mental health services, substance abuse treatment services and transportation.

NMCEH and Housing New Mexico|MFA are working together to find ways to implement a program of diversion as part of the crisis response system in order to lessen the burden on shelters and help some people avoid homelessness all together. NMCEH and Housing New Mexico|MFA are also working on a plan to link the crisis response system more effectively to the system of permanent housing using coordinated entry.

As of the 2025 Housing Inventory Count, reported to HUD annually, NMCEH reports 12 different emergency shelter providers in the CoCs with approximately 2,400 total beds between them in the State. There are also 11 transitional housing providers in the CoCs with approximately 830 total beds.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again:

Housing New Mexico|MFA provides ESG funds for rapid rehousing rental activities for persons experiencing homelessness to avoid becoming homeless again, and homeless prevention assistance for persons that are at-risk of becoming homeless. These activities include financial assistance with costs such as rental application fees, security deposits, moving costs, utility deposits, rental arrears, and training; housing search and placement services; case management to assess, arrange, coordinate and monitor delivery of services to facilitate housing stability; and short- to medium-term rental assistance.

NMCEH and partner agencies are working in the three largest communities of Santa Fe, Albuquerque and Las Cruces to use the by-name lists created through coordinated entry along with regular case conferencing meetings to house chronically homeless persons as quickly as possible and to determine what changes need to be made in existing programs to shorten or facilitate the time between identification of a chronically homeless household and placement into appropriate housing. Likewise, the community of Taos is participating in regular by-name list conferencing with the focus on services to homeless youth.

NMCEH is working with programs to lower any artificial barriers that lengthen the time it takes to get housed. They use the by-name lists to help communities plan for additional permanent supportive housing to meet the need. For many years NMCEH has been helping programs adopt a housing first approach that serves to keep people housed by avoiding unhelpful evictions from programs.

NMCEH reports 11 organizations operating 19 different transitional housing facilities that offer homeless services to unaccompanied and housing units to help them move towards successful independent living situations. These service providers are DreamTree Project, St. Elizabeth Shelter, Pecos Valley Counseling, San Juan Catholic Charities, New Mexico Veterans Integration Centers, A New Day Inc., New Mexico Dream Center, CasaQ, HopeWorks, Youth Development Inc., and Youth Shelters and Family Services.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.

Housing New Mexico|MFA provides ESG funds for homelessness prevention activities, including financial assistance with costs such as rental application fees, security deposits, moving costs, utility deposits, training; housing search and placement services; essential services and case management to assess, arrange, coordinate and monitor delivery of services to facilitate housing stability for families and individuals receiving assistance; and short- to medium-term rental assistance. These services are aimed at helping those at-risk of homelessness to maintain stable housing.

NMCEH works with the State Housing Leadership group, a committee staffed by the New Mexico Human Services Department that includes other state departments. This group looks at what the State response should be to meet the housing needs of people with behavioral health diagnoses, people exiting the correctional system, those exiting foster care and other populations.

New Mexico has a coordinated entry system that refers homeless individuals to specific and unique homeless assistance programs, such as those who were formerly incarcerated and seeking housing. The coordinated entry system provides a uniform housing assessment for these individuals seeing re-entry into the community and directs them to the most appropriate housing intervention. Coordinated entry helps to ensure that no one is passed over for housing and that all housing resources are utilized efficiently.

Discussion

The 2025 Point In Time (PIT) count for the Balance of State was 1723 which reflected an 8.9% decrease in total homelessness from the 2024 PIT count of 1891 however, this was still a 34.3% increase relative to the 2022 PIT count of 1283. These counts include both sheltered and unsheltered homeless individuals. While survey counts have been difficult due to the rural nature of the survey and the vast amount of area needed to be covered, this still remains a worrying trend.

AP-70 HOPWA Goals – 91.320(k)(4)

One-year goals for the number of households to be provided housing through the use of HOPWA for:	
Short-term rent, mortgage, and utility assistance payments	190
Tenant-based rental assistance	70
Units provided in permanent housing facilities developed, leased, or operated with HOPWA funds	20
Units provided in transitional short-term housing facilities developed, leased, or operated with HOPWA funds	0
Total	**280**

AP-75 Action Plan Barriers to Affordable Housing – 91.320(i)

Introduction:

Public policies are intended to address the overall needs of all residents across the State of New Mexico. Housing New Mexico|MFA has an outstanding record of policies and programs that promote affordable housing, including excellent public outreach, financial assistance to first time home, state tax credits for affordable housing development, home buying counseling services, weatherization grants program, home rehabilitation to income eligible homeowners, and others. Despite these efforts, there are still barriers to affordable housing. A few of the identified challenges include:

- **Urban-Rural Housing Disparities:** Population growth varies significantly between urban/semi-urban and rural/semi-rural counties in New Mexico. Urban and semi-urban areas are experiencing rapid growth, attracting more housing and employment investments, while rural and semi-rural counties face population declines and struggle to attract similar investments. This imbalance necessitates tailored housing policies to address the differing needs across regions.
- **Elevated Poverty Levels:** New Mexico's median household income ($53,992) is substantially lower than the national average ($69,717), resulting in a higher state poverty rate of 18.4% compared to the national average of 12.8%.
- **Insufficient Funding for Affordable Housing**: New Mexico faces a significant shortfall in affordable housing, with an estimated deficit of 32,000 rental units for very low-income households. In fiscal year 2024, only 940 units were financed. This lack of investment hampers necessary housing and infrastructure developments, contributing to economic and social decline in many communities.
- **Scarcity of Multifamily Housing:** New Mexico has a notably lower percentage of multifamily housing units (15.1%) compared to the national average (55%). This shortage limits housing options for renter households unable to purchase homes, restricting their ability to find suitable and affordable housing alternatives.
- **Uneven Housing Development Across Regions:** Housing development in New Mexico is predominantly concentrated in urban areas, leaving rural counties with aging housing stock and a high prevalence of mobile homes (15.2% vs. 5.2% nationally). Nearly 40% of mobile home residents report their homes as fair or poor. Additionally, new housing tends to target high-end markets, making it unaffordable for low and moderate-income residents, especially in Santa Fe, Taos, and Lincoln Counties where vacation homes exacerbate local housing shortages.
- **High-Cost Burden Among Renters:** While only 21% of New Mexico homeowners are cost-burdened, a significant 43% of renters face cost burdens, with 22% severely burdened. Furthermore, 78% of renters aspire to become homeowners within the next five years but are hindered by financial barriers such as insufficient down payments, poor credit, and high debt levels.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment:

The State of New Mexico recognizes that there are important steps to mitigate barriers to affordable housing, including a combination of planning, legal and financial tools. These recommended actions will not only build on existing public policies and programs but offer new or expanded actions to stimulate residential investments and increase the supply of affordable housing in the state.

The following actions will further this objective:

Action 1: Enact Affordable Housing Goals.

Specific quantifiable goals can serve to focus actions and generate better results. For example, the State of Colorado has tied access to affordable housing funds to each city and county meeting a set affordable housing goals based on their existing affordable housing inventory. New Mexico should quantify the needs by each local jurisdiction and tribal council and establish specific targets for communities to address their affordable housing needs. Certain future funding from Housing New Mexico|MFA may be prioritized based on the progress a community is actively meeting its targeted housing needs. These goals will serve to help address the disproportionate housing problems for minorities, persons with disabilities, and the elderly.

Action 2: Expand Development Financing.

The success of new housing development is heavily dependent on available financing. Financing resources include not only banks and the federal government but also the state government. One of the most successful federal programs for generating new affordable housing is the Low-Income Housing Tax Credit program. However, there are routinely more project applications than there are federal tax credits available. Supplementing the Low-Income Housing Tax Credit program with additional state funds by offering state or local tax credits can expand the number of projects and affordable housing units. This is an expansion of the Housing New Mexico|MFA charitable tax credit program to assist with actual financing. This can be especially valuable to small scale residential developers or developers in non-urban areas of the state and serve to address disparities in obtaining development financing.

Action 3: Inventory State Surplus Land for Affordable Housing.

Many state agencies acquire property for a range of public services and infrastructure, especially the New Mexico Department of Transportation. An assessment of available state lands that have been acquired by the Department but not required for transportation projects should be conducted. These lands may be reprogrammed for affordable housing projects by local housing authorities to offer for resale to prospective affordable housing developers. Such surplus lands may also be available from state public universities and community colleges and other state public agencies. These parcels should be incorporated into the Housing New Mexico|MFA affordable properties list and be actively marketed on an on-going basis to the real estate and construction industries.

Action 4: Promote and Establish Workforce Training Partnerships in the Construction Industry.

There is a labor shortage with many of the skills needed for the construction industry, including home building. The state should evaluate, leverage and prioritize workforce training and apprenticeship programs that promote careers in residential building and trades, including selling higher paying jobs within the industry to younger job seekers. Housing New Mexico|MFA in cooperation with the State Department of Work Solutions, community and technical colleges should leverage partnerships for students to secure more apprenticeships and related work experiences with practical training.

Action 5: Actively Educate State Legislators on Affordable Housing Needs.

Members of the state legislature play a critical role in supporting and funding various housing programs in New Mexico. Therefore, it is recommended that Housing New Mexico|MFA staff expand their meeting time with Senators and House members to continually educate them on the various affordable housing needs especially those who lack knowledge of affordable housing issues. This interaction enables the Senators and Representatives to better understand the need for, as well as the impact of, affordable housing in their areas. This in turn not only helps them discuss the positives of affordable housing but can lead to potentially allocating increased funding to address these needs.

Discussion:

N/A

AP-80 Colonias Actions – 91.320(j)

Introduction:

A qualified Colonias is a rural community with a population of 25,000 or less located within 150 miles of the US-Mexico border that has been designated as a Colonias by the county or municipality due to:

According to HUD, there are about 150 Colonias have been identified as eligible for one or more of the different colonias funding sources. Many Colonias in New Mexico are not units of local government. As such, these communities do not have the capacity to apply for and implement funding on their own accord. County and local governments that contain Colonias communities are able to apply for funding that can be directed towards needs in these communities.

DFA will target regular CDBG funds for Colonias communities to help ensure that low-income households have access to adequate infrastructure and services. As an advisory member to the Colonias Infrastructure Board (CIB), Housing New Mexico|MFA will continue to advise the CIB on best uses for CIB funds to assist Colonias residents in gaining access to housing infrastructure. County and local governments will be able to apply for funds that will be directed to serve the needs of Colonias.

Actions the state plans to take to address obstacles to meeting underserved needs:

The greatest obstacle to meeting underserved need in the Colonias is the lack of capacity to apply for and implement funding. In order to meet the needs of Colonias, the State will call upon cities, counties and other eligible entities to assist in aligning and administering funds. These eligible entities will be able to apply for funds that will be directed to serve the needs of Colonias.

Actions the state plans to take to reduce the number of poverty-level families:

Colonias communities have a high concentration of low-income households as well as a variety of infrastructure and public service needs. DFA will set aside regular CDBG funds for Colonias to help ensure that low-income households have access to adequate infrastructure and services.

As an advisory member to the Colonias Infrastructure Board (CIB), Housing New Mexico|MFA will continue to advise the CIB on best uses for CIB funds to assist Colonias residents in gaining access to housing infrastructure.

Actions the state plans to take to develop the institutional structure:

In order to facilitate a system that will meet the needs of the Colonias, the State will work with cities and counties that contain Colonias communities to administer funding. This will develop the responsiveness of the counties to meet the needs of the Colonias.

Oftentimes, the Colonias lack the capacity to be able to apply for or implement funding due to a lack of local governments and resources. The State has three experienced providers for the Colonias (Tierra del Sol, Southwestern Regional Housing and Community Development Corporation and White Sands Habitat for Humanity.) Of the three providers mentioned, all three provide housing rehabilitation. While all three are able to deliver new housing development, only one has been able to deliver on a subdivision scale. Unfortunately, not all Colonias are covered by these organizations, and the State would need additional providers or providers to expand their service area to meet those needs. Providers are stretched thin and capacity is a challenge. The State has a need for additional funding, but the current delivery system would not be able to execute too much more additional funding due to the limited number of providers.

Specific actions the state plans to take to enhance coordination between public and private house and social service agencies:

Housing New Mexico|MFA will prioritize funding to entities (public, for-profit private and non-profit private) that serve those of lower incomes and coordinate and leverage services and resources. These include the three service providers that DFA fund in Colonias (Tierra del Sol, Southwestern Regional Housing and Community Development Corporation and White Sands Habitat for Humanity.)

Discussion:

DFA will target 10 percent of its regular CDBG allocation for Colonias communities to help ensure that low-income households have access to adequate infrastructure and services. As an advisory member to the Colonias Infrastructure Board (CIB), Housing New Mexico|MFA will continue to advise the CIB on best uses for CIB funds to assist Colonias residents in gaining access to housing infrastructure.

AP-85 Other Actions – 91.320(j)

Introduction:

The greatest obstacle to meeting underserved needs in New Mexico is the lack of funding. The State will continue to seek additional sources of funding to expand the scope of activities and implement other improvements as described below. Several of the sources are listed in the AP-15. The need is far greater than the resources available.

Actions planned to address obstacles to meeting underserved needs:

In New Mexico, some communities outside of the metropolitan areas lack service providers to administer a full range of affordable housing and infrastructure improvement programs. This is compounded by the fact that many of the communities are located far from population centers that have the resources to serve the needs of residents.

Partners often request resources and training to build capacity in addressing the local needs of underserved communities. As DFA and Housing New Mexico|MFA allocate and prioritize funds for underserved areas, Housing New Mexico|MFA will seek to apply for additional funds, leverage resources when possible, and ensure funds that are available are used efficiently. As part of program management, Housing New Mexico|MFA and DFA will provide training workshops during the year and technical assistance on a one-to-one basis to organizations working in underserved areas. Additionally, Housing New Mexico|MFA and DFA will use funds, if available, to provide capacity building via training, operational funding and awards of federal funds.

Actions planned to foster and maintain affordable housing:

Housing New Mexico|MFA will continue to fund efforts to create and maintain affordable housing through dedicating HOME rental development, single-family development combined with homeownership assistance and rehabilitation of owner-occupied housing. Housing New Mexico|MFA will also target HTF funds toward rental development activities for extremely low and very-low-income households. HTF funds are intended to help the most vulnerable households with affordable housing and eliminate housing instability that may result in homelessness. The goals for these programs are described in CR-55 Affordable Housing.

Actions planned to reduce lead-based paint hazards:

Housing New Mexico|MFA and DFA will continue to meet all applicable HUD lead-based paint abatement standards in its CDBG, HOME and HTF rehabilitation programs. Through financing new construction of rental units under its HOME and HTF programs, Housing New Mexico|MFA will continue to expand the stock of lead-safe housing units. Housing New Mexico|MFA will also continue to train partners throughout the State in the Lead-Safe Housing Rule and encourage sub-grantees and professionals statewide to receive formal training and any applicable lead-based paint certifications. In addition, continue to seek funding as it becomes available to provide training, educational awareness, testing and abatement of lead-based paint hazards.

As part of its HOME-funded owner-occupied rehabilitation program, Housing New Mexico|MFA allocates a portion of its HOME funds to eligible LBP assessment and remediation activities. This program targets some of the oldest housing stock in the State, which are typically in the worst condition and have a high risk of lead-based paint hazards. To the extent that lead-based paint hazards are found in the older housing stock, this program addresses the issue directly.

Actions planned to reduce the number of poverty-level families:

The activities described in this plan will work directly to reduce poverty for families in New Mexico. Affordable housing programs are designed to reduce poverty by making housing affordable for lower-income households, and rehab activities will maintain housing conditions that may otherwise lead to homelessness. Public facilities and infrastructure improvement will aid in neighborhood revitalizations in LMI areas and invite investments into the area.

In creating additional affordable housing options and community development opportunities throughout the State, Housing New Mexico|MFA will be a part of the larger network that supports families on the road to self-sufficiency. The State has a variety of programs available to poverty-level families, and the funds administered in this Plan will continue to support efforts to create affordable housing, suitable living environments and economic opportunities for those households. Housing New Mexico|MFA will continue to coordinate and collaborate with other Participating Jurisdictions (PJs) to focus efforts in assisting those with the most need.

Actions planned to develop institutional structure:

Housing New Mexico|MFA plans to hold bi-annual housing summits which bring providers across the full housing continuum to include private, public and social service agencies. This summit is the preeminent housing summit in the State and serves as a venue to coordinate and collaborate on housing programs and services. Additionally, Housing New Mexico|MFA regularly holds meetings on various programs to get feedback on how programs can be improved and to highlight best practices among providers. As a result of the COVID-19 pandemic and state public health orders, Housing New Mexico|MFA created virtual training and outreach to potential service providers.

Actions planned to enhance coordination between public and private housing and social service agencies:

As part of its biannual Housing Summit, Housing New Mexico|MFA will bring together both public, private housing and social service agencies to collaborate and participate in workshops together. In the fall of 2027, Housing New Mexico|MFA will hold another Housing Summit, which will include sessions on the newest committee and association of statewide housing strategy.

Discussion:

New Mexico lacks funding to meet all needs of underserved populations; the State is committed to seeking additional funding and implementing other improvements.

Program Specific Requirements

AP-90 Program Specific Requirements – 91.320(k)(1,2,3)

Introduction:

In implementation of programs and activities under the 2026 AAP, Housing New Mexico|MFA and DFA will follow all HUD regulations concerning the use of program income, forms of investment, overall low- and moderate-income benefit for the CDBG program, recapture requirements for the HOME program, ESG performance standards, HOPWA project goals and HTF evaluation criteria. Housing New Mexico|MFA certifies that it will pursue all resources indicated in this Plan and will not willingly or knowingly hinder the implementation of any planned activities. Grant-specific CDBG, HOME, ESG, and HTF requirements are addressed on the following pages.

Community Development Block Grant Program (CDBG)
Reference 24 CFR 91.320(k)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.	Amount
1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	0
2. The amount of proceeds from Section 108 loan guarantees that it will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan.	0
5. The amount of income from float-funded activities	0
Total Program Income:	**0**

Other CDBG Requirements	
1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	0

HOME Investment Partnership Program (HOME)
Reference 24 CFR 91.320(k)(2)

The jurisdiction must describe activities planned with HOME funds expected to be available during the year. All such activities should be included in the Projects screen. In addition, the following information should be supplied:

1. **A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:**

   HOME funding is not being used for any form of investment other than those identified in Section 92.205.

2. **A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:**

   Housing New Mexico|MFA's recapture and affordability guidelines are included in the Grantee Unique Appendices (Part F).

3. **A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:**

   Housing New Mexico|MFA's recapture and affordability guidelines are included in the Grantee Unique Appendices (Part F).

4. **Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:**

   Housing New Mexico|MFA may, at its discretion, use HOME funds for refinancing only when needed in order to permit or continue affordability of rental units when rehabilitation is the primary activity. Rehabilitation expenditures must be at least $7,100 per unit being rehabilitated, indexed annually for inflation. Such investments are permitted to maintain current affordable units, create additional affordable units, or both. Housing New Mexico|MFA’s underwriting standards for an initial investment of HOME funds would apply, which include adequacy of management and owner, feasibility of project to meet operational and debt service requirements, consistency with market and review of total development costs and sources available to meet these needs. In addition, Housing New Mexico|MFA will review management practices to demonstrate that disinvestment in the property has not occurred, that the long-term needs of the project can be met and that the feasibility of serving the targeted population over an extended affordability period can be demonstrated. The required period of affordability will be at least fifteen years. HOME funds for this purpose may be used statewide. However, HOME funds cannot be used to refinance multifamily loans made or insured by any federal program, including CDBG. Any unpaid balance of these loans is due in full at maturity or upon the sale or transfer to an ineligible party.

5. **If applicable to a planned HOME TBRA activity, a description of the preference for persons with special needs or disabilities. (See 24 CFR 92.209(c)(2)(i) and CFR 91.220(l)(2)(vii)).**

   N/A. Housing New Mexico|MFA does not utilize HOME funds for Tenant Based Rental Assistance.

6. **If applicable to a planned HOME TBRA activity, a description of how the preference for a specific category of individuals with disabilities (e.g., persons with HIV/AIDS or chronic mental illness) will narrow the gap in benefits and the preference is needed to narrow the gap in benefits and services received by such persons. (See 24 CFR 92.209(c)(2)(ii) and 91.220(l)(2)(vii)).**

   N/A. Housing New Mexico|MFA does not utilize HOME funds for Tenant Based Rental Assistance.

7. **If applicable, a description of any preference or limitation for rental housing projects. (See 24 CFR 92.253(d)(3) and CFR 91.220(l)(2)(vii)). Note: Preferences cannot be administered in a manner that limits the opportunities of persons on any basis prohibited by the laws listed under 24 CFR 5.105(a).**

   No preference is given to any particular segment of the population with rental housing projects funded by the State HOME program funds. Pursuant to 24 CFR 92.253(d)(3), an owner of a rental housing project assisted with HOME funds must comply with the affirmative marketing requirements established by the State of New Mexico in accordance with 24 CFR 92.351(a). The owner of the rental housing project must adopt and follow the written tenant selection policies and criteria, which include that it may give a preference to a particular segment of the population if permitted in its written agreement with the PJ, such as persons with a disability or other special needs. Currently, there is no preference for persons with a disability or special needs groups. However, HOME funds must target low- to moderate-income households.

Emergency Solutions Grant (ESG)
Reference 91.320(k)(3)

1. **Include written standards for providing ESG assistance (may include as attachment)**

   Housing New Mexico|MFA's ESG Written Standards can be found in the Grantee Unique Appendices (Part G).

2. **If the Continuum of Care has established centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system.**

   The New Mexico Coalition to End Homelessness (NMCEH) launched a statewide coordinated assessment project, the New Mexico Coordinated Entry System (NMCES), has identified and assessed over 75,000 individuals since then. The NMCES uses the Vulnerability Index - Service Prioritization Decision Assistance Tool (VI-SPDAT), which helps to determine each applicant's acuity, relative need for housing and the type of housing that would be most appropriate to assist their needs. Assessments are done at the NMCEH as well as CoC- and ESG-funded agencies, health centers, veteran programs, in correctional facilities and during street outreach. The majority of Housing New Mexico|MFA's RR/HP and EHAP providers are trained in the use of NMCES. Ongoing training for new staff members and new agencies is conducted annually**.**

3. **Identify the process for making sub-awards and describe how the ESG allocation is available to private nonprofit organizations (including community and faith-based organizations).**

   Regular ESG funds are made available to subrecipients through a competitive RFP process. Nonprofit 501(c)(3) organizations are eligible to apply. Selected subrecipients are eligible to receive funds for up to 5 years on an annual basis if the renewal criteria are met each year.

   ESG administrative costs are capped at and will not exceed 7.5% of the FY grant total. Shelter and street outreach services are also capped at and will not exceed 60% of the FY allocation.

4. **If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG.**

   This requirement does not apply to states.

5. **Describe performance standards for evaluating ESG.**

   Housing New Mexico|MFA's performance standards include the number of individuals placed into permanent housing, services provided, number of individuals assisted, and efficient utilization of funds. General performance standards that are being reported include the number of unduplicated persons or households who avoided homelessness or were rapidly rehoused and the unduplicated number of those exiting homeless shelters into permanent housing.

Housing Trust Fund (HTF)
Reference 24 CFR 91.320(k)(5)

1. How will the grantee distribute its HTF funds? Select all that apply:

✓☐ Applications submitted by eligible recipients
☐ Subgrantees that are State Agencies
☐ Subgrantees that are HUD-CPD entitlement grantees

2. If distributing HTF funds through grants to subgrantees, describe the method for distributing HTF funds through grants to subgrantees and how those funds will be made available to state agencies and/or units of general local government. If not distributing funds through grants to subgrantees, enter "N/A".

N/A

3. If distributing HTF funds by selecting applications submitted by eligible recipients,

a. Describe the eligibility requirements for recipients of HTF funds (as defined in 24 CFR § 93.2). If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

Eligible recipients include nonprofit entities, for-profit entities, public housing agencies, and tribally designated housing entities. Participating recipients must be approved by Housing New Mexico and must have demonstrated experience and capacity to conduct eligible activities that meet the requirements of 24 CFR 93.200.

b. Describe the grantee's application requirements for eligible recipients to apply for HTF funds. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

Entities seeking HTF dollars for eligible projects may submit Housing New Mexico|MFA's Rental Development Project Application to Housing New Mexico|MFA, which is posted on the Housing New Mexico|MFA website.

Applications must be received no later than 60 days prior to a regularly scheduled meeting of the Housing New Mexico|MFA Board of Directors in order to be considered at that meeting. Meetings of the Housing New Mexico|MFA Board of Directors are generally held every third Wednesday of the month. All applications submitted by the deadline for a particular Housing New Mexico|MFA Board of Directors meeting will be treated as one funding round and evaluated concurrently. Subject to fund availability, final funding decisions will be made by the Housing New Mexico|MFA Board of Directors. If sufficient funds are not available to fund all applications that meet the requirements outlined in this NOFA, the application receiving the highest score will be recommended to Housing New Mexico|MFA Board of Directors for approval, followed by the next highest scoring application, etc., until the remaining funds are no longer sufficient to fulfill the next highest scoring application's requested loan amount.

If funds remain following the initial funding round, Housing New Mexico|MFA will post an announcement on its website stating the amount of funds still available to be awarded. Thereafter, applications must be received no later than 60 days prior to a regularly scheduled meeting of Housing New Mexico|MFA's Board of Directors in order to be considered at that meeting.

Application forms will be provided electronically and may be downloaded from Housing New Mexico|MFA's website at http://www.housingnm.org/developers.

c. Describe the selection criteria that the grantee will use to select applications submitted by eligible recipients. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

All projects must meet the following threshold criteria:

Refer to full scoring criteria in (Part I) Annual Action Plan for full narrative.

d. Describe the grantee's required priority for funding based on geographic diversity (as defined by the grantee in the consolidated plan). If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

Points within this scoring criterion are given based on the project's distance from another Low-Income Housing Tax Credit, public housing, or federally subsidized housing project. This scoring criterion falls within the Low Priority category.

e. Describe the grantee's required priority for funding based on the applicant's ability to obligate HTF funds and undertake eligible activities in a timely manner. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

Applicant's ability to obligate HTF funds and undertake eligible activities in a timely manner are awarded points based on the following readiness criteria:

(1) Evidence of site control

(2) Evidence that the current zoning of the proposed site does not prohibit multifamily housing

(3) Evidence of all other non-Housing New Mexico|MFA funding sources, such as:

- a. Letters of interest from all other non-Housing New Mexico|MFA funding
- b. Commitment letters from all other non-Housing New Mexico|MFA funding sources

This scoring criterion falls within the High Priority category.

f. Describe the grantee's required priority for funding based on the extent to which the rental project has Federal, State, or local project-based rental assistance so that rents are affordable to extremely low-income families. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

Applicants are awarded points for projects that either do not have project-based rental assistance or projects that have or will have project-based rental assistance cover less than or equal to 25 percent of the total units. This scoring criterion falls within the Low Priority category.

g. Describe the grantee's required priority for funding based on the financial feasibility of the project beyond the required 30-year period. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

Applicants are awarded points if the duration of the affordability period beyond the required 30 years is an additional five (5) years or more. This scoring criterion falls within the Low Priority category.

h. Describe the grantee's required priority for funding based on the merits of the application in meeting the priority housing needs of the grantee (such as housing that is accessible to transit or employment centers, housing that includes green building and sustainable development features, or housing that serves special needs populations). If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

One of the State's priority housing needs, as described in SP-25, is to preserve and develop affordable housing. Applications selected to receive HTF funding will meet this priority housing need and will specifically fulfill the State's goal, associated with that priority need, of developing housing for vulnerable populations.

i. Describe the grantee's required priority for funding based on the extent to which the application makes use of non-federal funding sources. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

Applicants whose projects have funding sources outside of federal funding sources, Low Income Housing Tax Credits, bond financing and Housing New Mexico|MFA funding sources are awarded points.

4. Does the grantee's application require the applicant to include a description of the eligible activities to be conducted with HTF funds? If not distributing funds by selecting applications submitted by eligible recipients, select "N/A".

Yes

5. Does the grantee's application require that each eligible recipient certify that housing units assisted with HTF funds will comply with HTF requirements? If not distributing funds by selecting applications submitted by eligible recipients, select "N/A".

Yes

6. Performance Goals and Benchmarks. The grantee has met the requirement to provide for performance goals and benchmarks against which the grantee will measure its progress, consistent with the grantee's goals established under 24 CFR 91.315(b)(2), by including HTF in its housing goals in the housing table on the SP-45 Goals and AP-20 Annual Goals and Objectives screens.

Yes

7. Maximum Per-unit Development Subsidy Amount for Housing Assisted with HTF Funds. Enter or attach the grantee's maximum per-unit development subsidy limits for housing assisted with HTF funds. The limits must be adjusted for the number of bedrooms and the geographic location of the project. The limits must also be reasonable and based on actual costs of developing non-luxury housing in the area. If the grantee will use existing limits developed for other federal programs such as the Low Income Housing Tax Credit (LIHTC) per unit cost limits, HOME's maximum per-unit subsidy amounts, and/or Public Housing Development Cost Limits (TDCs), it must include a description of how the HTF maximum per-unit development subsidy limits were established or a description of how existing limits developed for another program and being adopted for HTF meet the HTF requirements specified above.

If the grantee will use existing limits developed for other federal programs such as the Low Income Housing Tax Credit (LIHTC) per unit cost limits, HOME's maximum per-unit subsidy amounts, and/or Public Housing Development Cost Limits (TDCs), it must include a description of how the HTF maximum per-unit development subsidy limits were established or a description of how existing limits developed for another program and being adopted for HTF meet the HTF requirements specified above.

Housing New Mexico|MFA will use the maximum per-unit subsidy limits for HUD's HOME program in effect at the time of commitment of HTF funds.

Housing New Mexico|MFA examined the development cost budgets of recent Housing New Mexico|MFA-funded projects and determined that all were well within these subsidy limits, and that these limits would allow cost premiums that may be necessary in developing housing for certain ELI populations.

8. Rehabilitation Standards. The grantee must establish rehabilitation standards for all HTF-assisted housing rehabilitation activities that set forth the requirements that the housing must meet upon project completion. The grantee's description of its standards must be in sufficient detail to determine the required rehabilitation work including methods and materials. The standards may refer to applicable codes, or they may establish requirements that exceed the minimum requirements of the codes. The grantee must attach its rehabilitation standards below.

In addition, the rehabilitation standards must address each of the following: health and safety; major systems; lead-based paint; accessibility; disaster mitigation (where relevant); state and local codes, ordinances, and zoning requirements; Uniform Physical Condition Standards; Capital Needs Assessments (if applicable); and broadband infrastructure (if applicable).

See attached *HTF Allocation Plan* in the Grantee Unique Appendices (Part D) for the HTF rehabilitation standards.

9. Resale or Recapture Guidelines. Below, the grantee must enter (or attach) a description of the guidelines that will be used for resale or recapture of HTF funds when used to assist first-time homebuyers. If the grantee will not use HTF funds to assist first-time homebuyers, enter "N/A".

N/A

10. HTF Affordable Homeownership Limits. If the grantee intends to use HTF funds for homebuyer assistance and does not use the HTF affordable homeownership limits for the area provided by HUD, it must determine 95 percent of the median area purchase price and set forth the information in accordance with §93.305. If the grantee will not use HTF funds to assist first-time homebuyers, enter "N/A".

N/A

11. Grantee Limited Beneficiaries or Preferences. Describe how the grantee will limit the beneficiaries or give preferences to a particular segment of the extremely low- or very low-income population to serve unmet needs identified in its consolidated plan or annual action plan. If the grantee will not limit the beneficiaries or give preferences to a particular segment of the extremely low- or very low-income population, enter "N/A."

N/A

Any limitation or preference must not violate nondiscrimination requirements in § 93.350, and the grantee must not limit or give preferences to students. The grantee may permit rental housing owners to limit tenants or give a preference in accordance with § 93.303(d)(3) only if such limitation or preference is described in the action plan.

12. Refinancing of Existing Debt. Enter or attach the grantee's refinancing guidelines below. The guidelines describe the conditions under which the grantee will refinance existing debt. The grantee's refinancing guidelines must, at minimum, demonstrate that rehabilitation is the primary eligible activity and ensure that this requirement is met by establishing a minimum level of rehabilitation per unit or a required ratio between rehabilitation and refinancing. If the grantee will not refinance existing debt, enter "N/A."

Housing New Mexico|MFA may, at its discretion, use HTF funds for refinancing only when needed in order to permit or continue affordability of rental units when (1) rehabilitation is the primary activity, (2) the use of HTF funds is proportional to the number of HTF-assisted units in the project, and (3) the rehabilitation cost attributable to the HTF units is greater than the amount of debt to be refinanced that is attributed to the HTF units. To ensure that refinancing of existing debt with HTF funds meets the requirements of 24 CFR 93.201(b)(1), the rehabilitation cost proportional to the number of HTF-assisted units in the rental project must be greater than the amount of refinanced debt proportional to the number of HTF-assisted units. Rehabilitation expenditures must be at least $7,100 per unit being rehabilitated, indexed annually for inflation. Housing New Mexico|MFA's minimum affordability period and underwriting standards for an initial investment of HTF funds would apply, which include adequacy of management and owner, feasibility of project to meet operational and debt service requirements, consistency with the market and review of total development costs and sources available to meet these needs. HTF funds for this purpose may be used statewide.

Discussion:

Please see the HTF Allocation Plan (Part D) in the Grantee Unique Appendices.

Appendix

1	**Data Source Name** 2018-2022 ACS
	List the name of the organization or individual who originated the data set. US Census Bureau
	Provide a brief summary of the data set. The American Community Survey (ACS) is an ongoing survey that provides data every year -- giving communities the current information they need to plan investments and services. Information from the survey generates data that helps determine how more than $400 billion in federal and state funds are distributed each year. The ACS is accessed through the Census website, which provides data about the United States, Puerto Rico and the Island Areas.
	What was the purpose for developing this data set? Information from the ACS help determine how more than $400 billion in federal and state funds are distributed each year to help communities, state governments, and federal programs.
	How comprehensive is the coverage of this administrative data? Is data collection concentrated in one geographic area or among a certain population? The State of New Mexico
	What time period (provide the year, and optionally month, or month and day) is covered by this data set? 2018-2022 ACS
	What is the status of the data set (complete, in progress, or planned)? Complete
2	**Data Source Name** 2016-2020 CHAS
	List the name of the organization or individual who originated the data set. US Census Bureau, American Community Survey (ACS) and U.S. Department of Housing and Urban Development (HUD)
	Provide a brief summary of the data set. Each year, the U.S. Department of Housing and Urban Development (HUD) receives custom tabulations of American Community Survey (ACS) data from the U.S. Census Bureau. These data, known as the "CHAS" data (Comprehensive Housing Affordability Strategy), demonstrate the extent of housing problems and housing needs, particularly for low-income households.
	What was the purpose for developing this data set? CHAS data is used by local governments to plan how to spend HUD funds and may also be used by HUD to distribute grant funds.

	How comprehensive is the coverage of this administrative data? Is data collection concentrated in one geographic area or among a certain population? The State of New Mexico
	What time period (provide the year, and optionally month, or month and day) is covered by this data set? 2016-2020 CHAS
	What is the status of the data set (complete, in progress, or planned)? Complete
3	**Data Source Name** 2008-2012 ACS, 2018-2022 ACS
	List the name of the organization or individual who originated the data set. US Census Bureau
	Provide a brief summary of the data set. The American Community Survey (ACS**)** is an ongoing survey that provides data every year -- giving communities the current information they need to plan investments and services. Information from the survey generates data that helps determine how more than $400 billion in federal and state funds are distributed each year. The ACS is accessed through the Census website, which provides data about the United States, Puerto Rico and the Island Areas.
	What was the purpose for developing this data set? Information from the ACS help determine how more than $400 billion in federal and state funds are distributed each year to help communities, state governments, and federal programs.
	How comprehensive is the coverage of this administrative data? Is data collection concentrated in one geographic area or among a certain population? The State of New Mexico
	What time period (provide the year, and optionally month, or month and day) is covered by this data set? 2008-2012 ACS, 2018-2022 ACS 5-Year Estimates
	What is the status of the data set (complete, in progress, or planned)? Complete
4	**Data Source Name** 2017-2021 ACS (Workers), 2021 LEHD (Jobs)
	List the name of the organization or individual who originated the data set. ACS and Longitudinal Employee-Household Dynamics: United States Census Bureau

	Provide a brief summary of the data set. The American Community Survey (ACS)is an ongoing survey that provides data every year -- giving communities the current information they need to plan investments and services. Information from the survey generates data that helps determine how more than $400 billion in federal and state funds are distributed each year. The ACS is accessed through the Census website, which provides data about the United States, Puerto Rico and the Island Areas. The Longitudinal Employer-Household Dynamics (LEHD)program is part of the Center for Economic Studies at the U.S. Census Bureau. The LEHD program produces new, cost effective, public-use information combining federal, state and Census Bureau data on employers and employees under the Local Employment Dynamics (LED) Partnership.
	What was the purpose for developing this data set? ACS: Information from the ACS help determine how more than $400 billion in federal and state funds are distributed each year to help communities, state governments, and federal programs. LEHD: Information from the LEHD helps state and local authorities who increasingly need detailed local information about their economies to make informed decisions. The LEHD Partnership works to fill critical data gaps and provide indicators needed by state and local authorities. LEHD's mission is to provide new dynamic information on workers, employers, and jobs with state-of-the-art confidentiality protections and no additional data collection burden.
	How comprehensive is the coverage of this administrative data? Is data collection concentrated in one geographic area or among a certain population? The State of New Mexico
	What time period (provide the year, and optionally month, or month and day) is covered by this data set? 2017-2021 ACS (Workers), 2021 LEHD (Jobs)
	What is the status of the data set (complete, in progress, or planned)? Complete
5	**Data Source Name** 2024 PIT
	List the name of the organization or individual who originated the data set. The New Mexico Coalition to End Homelessness (NMCEH)
	Provide a brief summary of the data set. The PIT Count is a survey that provides a snapshot of the homeless population at any given night in the area.
	What was the purpose for developing this data set? PIT Count survey data helps to inform policymakers and service providers the needs of the homeless population in the area. Data collected includes the number of persons who are homeless, chronic homelessness, homeless population demographics and those that are homeless and sheltered or not sheltered.

	How comprehensive is the coverage of this administrative data? Is data collection concentrated in one geographic area or among a certain population? State of New Mexico
	What time period (provide the year, and optionally month, or month and day) is covered by this data set? 2024
	What is the status of the data set (complete, in progress, or planned)? Complete
6	**Data Source Name** NM HIV Surveillance & Epidemiology Program
	List the name of the organization or individual who originated the data set. New Mexico Department of Health
	Provide a brief summary of the data set. The New Mexico Department of Health's HIV Surveillance & Epidemiology Program collects, analyzes, and disseminates surveillance data on HIV infection in New Mexico. This data is collected into an HIV surveillance annual report and includes HIV infection population counts, characteristics, regional impacts and yearly trends.
	What was the purpose for developing this data set? The annual surveillance report summarizes information about diagnosed HIV infections of which this information is used by the New Mexico Department of Health's partners including other agencies, health departments, nonprofits, academic institutions and healthcare providers to help optimize efforts, plan services, allocate resources, develop policy and monitor trends in HIV infection.
	How comprehensive is the coverage of this administrative data? Is data collection concentrated in one geographic area or among a certain population? The State of New Mexico
	What time period (provide the year, and optionally month, or month and day) is covered by this data set? 2016
	What is the status of the data set (complete, in progress, or planned)? Complete
7	**Data Source Name** HOPWA CAPER
	List the name of the organization or individual who originated the data set. Housing New Mexico|MFA Community Development Department

	Provide a brief summary of the data set. The 2018 HOPWA CAPER is an annual report providing program accomplishments for serving persons with HIV/AIDS and is part of the 2018 Consolidated Annual Performance and Evaluation Report that is submitted to HUD 90 days following the end of the program year. The HOPWA CAPER provides beneficiary counts and demographic and economic characteristics.
	What was the purpose for developing this data set? The 2018 HOPWA CAPER provides annual information on program accomplishments that supports program evaluation and the ability to measure program beneficiary outcomes as related to maintaining housing stability, preventing homelessness and improve access to care and support for persons with HIV/AIDS.
	How comprehensive is the coverage of this administrative data? Is data collection concentrated in one geographic area or among a certain population? The State of New Mexico
	What time period (provide the year, and optionally month, or month and day) is covered by this data set? 2018
	What is the status of the data set (complete, in progress, or planned)? Complete
8	**Data Source Name** 2024 HUD FMR and HOME Rents
	List the name of the organization or individual who originated the data set. US Department of Housing and Urban Development (HUD)
	Provide a brief summary of the data set. Fair Market Rents (FMRs) are set by HUD and used to determine payment standard amounts for HUD Programs. HUD annually estimates FMRs for the Office of Management and Budget (OMB) defined metropolitan areas, some HUD defined subdivisions of OMB metropolitan areas and each nonmetropolitan county. HOME Rents Limits are based on FMRs published by HUD. HOME Rent Limits are set to determine the rent in HOME-assisted rental units and are applicable to new HOME leases.
	What was the purpose for developing this data set? Fair Market Rents (FMRs) are used to determine payment standard amounts for HUD Programs. HOME Rent Limits are the maximum amount that may be charged for rent in HOME-assisted rental units and are applicable to new HOME leases.
	How comprehensive is the coverage of this administrative data? Is data collection concentrated in one geographic area or among a certain population? The State of New Mexico

	What time period (provide the year, and optionally month, or month and day) is covered by this data set? 2024
	What is the status of the data set (complete, in progress, or planned)? Complete
9	**Data Source Name** 2024 Housing Inventory Count (HIC)
	List the name of the organization or individual who originated the data set. HUD 2024 HIC Report for State of New Mexico
	Provide a brief summary of the data set. The Housing Inventory Count Reports provide a snapshot of a CoC's HIC, an inventory of housing conducted annually during the last ten days in January, and are available at the national and state level, as well as for each CoC. The reports tally the number of beds and units available on the night designated for the count by program type, and include beds dedicated to serve persons who are homeless as well as persons in Permanent Supportive Housing.
	What was the purpose for developing this data set? HIC provides the inventory of housing conducted annually during the last ten days in January. The reports tally the number of beds and units available on the night designated for the count by program type, and include beds dedicated to serve persons who are homeless.
	How comprehensive is the coverage of this administrative data? Is data collection concentrated in one geographic area or among a certain population? The State of New Mexico
	What time period (provide the year, and optionally month, or month and day) is covered by this data set? 2024
	What is the status of the data set (complete, in progress, or planned)? Complete
10	**Data Source Name** PIC (PIH Information Center)
	List the name of the organization or individual who originated the data set. US Department of Housing and Urban Development (HUD)
	Provide a brief summary of the data set. IMS/PIC is responsible for maintaining and gathering data about all of PIH's inventories of HAs, Developments, Buildings, Units, HA Officials, HUD Offices and Field Staff and IMS/PIC Users.

	What was the purpose for developing this data set? IMS/PIC PIH's inventories of HAs, Developments, Buildings, Units, HA Officials, HUD Offices and Field Staff and IMS/PIC Users help housing authorities and local government agencies to determine the needs of the users and identify gaps in the system of service delivery.
	How comprehensive is the coverage of this administrative data? Is data collection concentrated in one geographic area or among a certain population? State of New Mexico
	What time period (provide the year, and optionally month, or month and day) is covered by this data set? 2024
	What is the status of the data set (complete, in progress, or planned)? Complete
11	**Data Source Name** Bureau of Labor Statistics (BLS)
	List the name of the organization or individual who originated the data set. Bureau of Labor Statistics (BLS)
	Provide a brief summary of the data set. BLS unemployment rates are from the BLS Local Area Unemployment Statistics (LAUS). This program produces monthly and annual employment, unemployment, and labor force data for Census regions and divisions, States, counties, metropolitan areas, and many cities, by place of residence.
	What was the purpose for developing this data set? The purpose of the BLS data is to collect, analyze, and disseminate essential economic information to support public and private decision making.
	How comprehensive is the coverage of this administrative data? Is data collection concentrated in one geographic area or among a certain population? State of New Mexico
	What time period (provide the year, and optionally month, or month and day) is covered by this data set? 2010-2024 BLS
	What is the status of the data set (complete, in progress, or planned)? Complete