

# Housing New Mexico Advisory Committee

# Meeting 5

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# Today's Agenda

Welcome back

What to Expect in June (10 minutes)

Strategy Discussion—Homelessness  
and Special Needs (45 minutes)

Strategy Discussion—  
Homeownership, Wealth Building,  
Manufactured Homes (60 minutes)

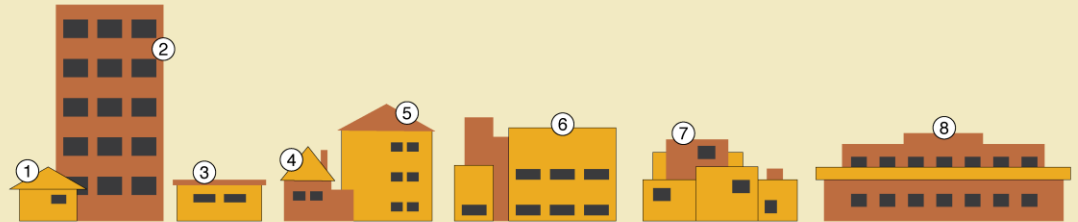
Wrap up

# Building the Strategy

...what the Plan means for all parts of the Housing Continuum

## The Housing New Mexico Strategic Plan at Work

- 1 Housing for Individuals Experiencing Homelessness, Unique Needs of Residents:**
  - PSH predevelopment funding
  - Property manager training and support
  - Supportive services funding
  - Rental assistance
  - Coordinated entry and behavioral health system changes
- 2 Rental Housing:**
  - Acquisition and re/development funding
  - Landlord incentives
  - Zoning and land use reform
  - Infrastructure funding
- 3 Manufactured Homes:**
  - Downpayment and closing cost assistance
  - Tailored financing for purchase
  - Infrastructure extensions/improvements
  - Emergency assistance for homeowners
- 4 Homeownership Housing:**
  - Regulatory efficiencies
  - Downpayment and closing cost assistance
  - Below market mortgage loans
  - Zoning and land use reform
  - Infrastructure funding
- 5 Preservation of Existing Housing:**
  - Targeted weatherization and rehabilitation funding
  - Public housing condition improvements
- 6 Rehabilitation of Vacant, Underutilized Properties:**
  - Toolkit training and technical assistance
  - Acquisition and redevelopment funding
- 7 Housing on Tribal Lands:**
  - Infrastructure funding
  - Tailored financing
- 8 Policy Leadership:**
  - Local government policy and program technical assistance



# Building the Strategy

...where we are and  
thinking ahead to  
June

“Finding the most effective way to  
direct and leverage resources”

“Deliberately choosing a different set of  
activities to deliver a unique mix of  
value”

“Directing resources to a more efficient  
outcome”

# Building the Strategy

...where we are and  
thinking ahead to  
June

We have been working toward those outcomes by:

- Defining the problems, or challenges, in housing provision and meeting housing needs
- Identifying the factors that contribute to the challenges
- Deciding what to address, and when
- Crafting a clear plan to address the problems (WE ARE HERE)

# Building the Strategy:

...thinking ahead to June



Actions that are a **Definite Yes** — require no more discussion to move forward



Actions that **Need More Thought**— for discussion and refinement

# Building the Strategy:

...thinking ahead to June \*

\* in-person, exact date TBD

How to ensure the most efficient meeting in June:

- Review the briefs we've sent if you haven't already, focusing on your areas of expertise. Send comments and questions to Sonja and Heidi **before May 27**. These will be chapters in the full report
- **Set aside 3 hours in early June** to review draft strategies in preparation for the June meeting. Vet these with your networks. Identify strategies that aren't quite there/you have concerns with AND those you really want to see move forward even if they are hard

# Homeless and Special Needs



# Homeless and Special Needs Challenges

## Problem Statements:

- 1) New Mexico needs a range of evidence-proven and housing+services models, tailored to local needs, to address homelessness
- 2) Urban areas need both site-based and scattered site models. Predevelopment funding, developer capacity, deeper subsidies, and adequate and consistent supportive services are needed to create successful exits from homelessness
- 3) Small (< 30 unit) housing+services developments are often the best solution in rural counties, yet funding favors larger developments. Rural areas need adequate and consistent supportive services for scattered site models

# Homeless and Special Needs Challenges

## Problem Statements:

- 4) Federal requirements and guidance for defining chronic homelessness and assessing needs through the Coordinated Entry System can be misaligned with local needs
- 5) Lack of a comprehensive behavioral health care system creates a “de facto response” for housing providers, including private sector property managers, who not equipped to address complex needs

# Homeless and Special Needs Strategies

## For consideration and discussion:

- Provide predevelopment funding to cultivate Permanent Supportive Housing development partners and build local developer and service capacity
- Increase collaboration between service providers and property managers through training and technical assistance to more effectively work with PSH clients
- Incentive landlords (“signing bonus”) to provide units to vulnerable renters

# Homeless and Special Needs Strategies

## For consideration and discussion:

- Boost recurrent funding for service provision to ensure adequate capacity and consistency in services
- Increase funding for security/damage deposits for housing providers who serve most vulnerable residents
- Continue rental assistance for renters with acute needs
- Advocate for modifications to the Coordinated Entry System to ensure that the most vulnerable households are prioritized
- Strengthen statewide behavioral health system including satellite care facilities

# Homeownership/Wealth Building

# Ownership/ Wealth Building Challenges

## Problem Statements:

- 1) Downpayment/closing cost assistance has not kept up with what is needed to attain homeownership
- 2) State residential inspection process delays completion of new homes and adds costs (\$150-\$500/day per unit); this is exacerbated by rapidly rising construction costs
- 3) Local zoning, land use regulations, and building codes present a variety of challenges to getting units built
- 4) Community resistance to all types of new construction—affordable and market rate—prevents needed units from being built or adds significant delays

# Ownership and Wealth Building Strategies

## For consideration and discussion:

### Modify MFA downpayment/closing cost/purchase prices

- MFA to examine policies to bring in closer alignment with current housing costs
- MFA to examine how products can be better utilized on tribal lands
- MFA to examine how products can be better utilized for manufactured homes

### Reform regulatory impediments to production

- Improve residential inspection processes to make the system more efficient, practical, and timely while preserving public health and safety objectives

### Fund infrastructure improvements and expansions to support new development

# Zoning and Land Use Solutions

## For consideration and discussion:

### Research:

- Convene a group of local industry experts to determine most effective land use policy and regulatory changes to facilitate production in New Mexico communities
- Fund local studies that assess infill opportunities for residential products that are typically more affordable; this could be part of the revitalization toolkit



# Zoning and Land Use Solutions

## For consideration and discussion:

### State Law:

- Require that planning commissions consider housing needs in regional housing needs assessments when approving residential developments, which would provide builders “standing” during an appeal when development is denied
- Require that economic development incentives include a workforce housing component for production and/or preservation

# Zoning and Land Use Solutions

## Peer state considerations for discussion:

- Require by right or administrative approval for developments with a significant share of affordable units including casitas/ADUs and plexes—example: City of Austin’s Affordability Unlocked program
- Require that communities allow for development of workforce housing and establish a mechanism for workforce housing builders to challenge zoning denials—State of New Hampshire
- Provide state funding for community revitalization, economic development, infrastructure expansions to jurisdictions that adopt zoning and land use policies that facilitate affordable and market rate production—Colorado Innovative Affordable Housing Strategies program

# Zoning and Land Use Solutions

## State Law, continued:

- Mandate that 4- to 8-plexes are not treated as commercial properties (for zoning, fire safety, etc)
- Modify state requirements on public hearing notices to be more practical, utilize technology
- Require density bonuses, fast track approval for homes that meet energy efficiency requirements (to offset higher costs of green building)

# Ownership Strategies Unique to Manufactured Homes

- Develop MFA manufactured home purchase program based on peer state programs that have been shown to be effective to reach buyers that private lenders may not be able to serve
- Examine how MFA downpayment assistance program can work better for manufactured homebuyers
- Fund infrastructure extensions for new (and improvements for existing) manufactured home communities/parks with affordability and lot lease requirements
- Create a permanent homeowner assistance fund for manufactured home park owners who face personal situations (job losses, injuries) that create challenges in paying lot leases
- At the state-level, standardize and streamline the process for converting chattel financing to mortgage financing

# A reminder for the June meeting:\*

\* in-person, exact date TBD

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