

MEMORANDUM

To: Housing New Mexico Advisory Committee
From: Heidi Aggeler and Avilia Bueno
Re: **Notes from Meeting 4**
Date: March 15, 2022

Meeting Agenda

Legislative Updates

Resident Survey Update

Complete strategy discussion for Production and Preservation

Stakeholder Findings and Prioritization

Homeownership and Wealth Building

Legislative and related Updates

- Reoccurring funding for HTF passed and will generate \$24 to \$28 million annually (funds allow a little more discretion but still need to go to low and moderate income households). Plan is to have a portion go to weatherization and to make mobile homes weatherization ready.
- Also received \$9 million in capital outlay funds and \$10 million on ARPA funds. These are one time appropriations. Capital outlay funds have to go to capital outlay projects.
- Funding for the Linkages program was increased. The state also received funding for increased shelter services.
- Service funding was increased by \$3 million to improve delivery and quality of services (recurring), and \$2.5 million in one-time, immediate funding.

Preliminary Survey Results

1,395 responses. Bernalillo accounts for 40% of responses, followed by Luna and Doña Ana (8% each).

Strong renter representation, around 40%.

Other special populations:

- 170 large households;
- 480 households with children;
- 220 households with a senior resident;
- 220 single parent households;
- 400 households with income below \$30,000; and
- 530 households with a member with a disability.

Priscilla requested potential analysis of Colonias in the survey.

Additional Discussion on Preservation and Production

- Housing Trust Fund (HTF): Allocation is being considered by the MFA Board and will be distributed among gap financing, weatherization (for homes on the wait list, to bring them up to “weatherization ready”), emerging needs/flexible projects (MFA will issue NOFAs and partners can come with ideas).
- HTF should be available to fund different housing products and manufactured and modular homes.
- We should focus efforts on redevelopment and repurposing of buildings that already have infrastructure.
- We have an opportunity to consider different housing types including mobile home communities and housing trusts.

Advisory Committee Member Discussion on Stakeholder Focus Group Findings and Recommended Solutions

- It is important to find a balance between vouchers and site development. We can combine vouchers with case management but given the low vacancy rates, we may need to develop more site projects.
- It is becoming increasingly difficult to make scattered site permanent supportive housing work.

- Most providers do not have the development capacity to do PSH properly. If we expand single site developments they need to learn how to develop and how to manage the property.
- Many members expressed concerns about recent rent control legislation. Some expressed rent control as “counterproductive” and feared that rental units will be lost.
- Others expressed concern about eviction reform and continued rental assistance. While some believe ERAP can make tenants less likely to pay rent, unintended consequences should be considered—such as small landlords not being able to make mortgage payments when renters are awaiting assistance. Others noted that rental assistance was slow during the pandemic but getting the landlord paid and having them avoid having a vacant unit while they find another tenant is more cost efficient. AC members agreed that what didn't work well was an eviction moratorium with a lag in rental assistance.
- Regarding homeownership: MFA has done a good job with their programs but a lot of people don't know about them. There is a lack of knowledge among young people about the programs and benefits available. More education about programs is needed as well as more lender willing to participate, especially in rural areas.

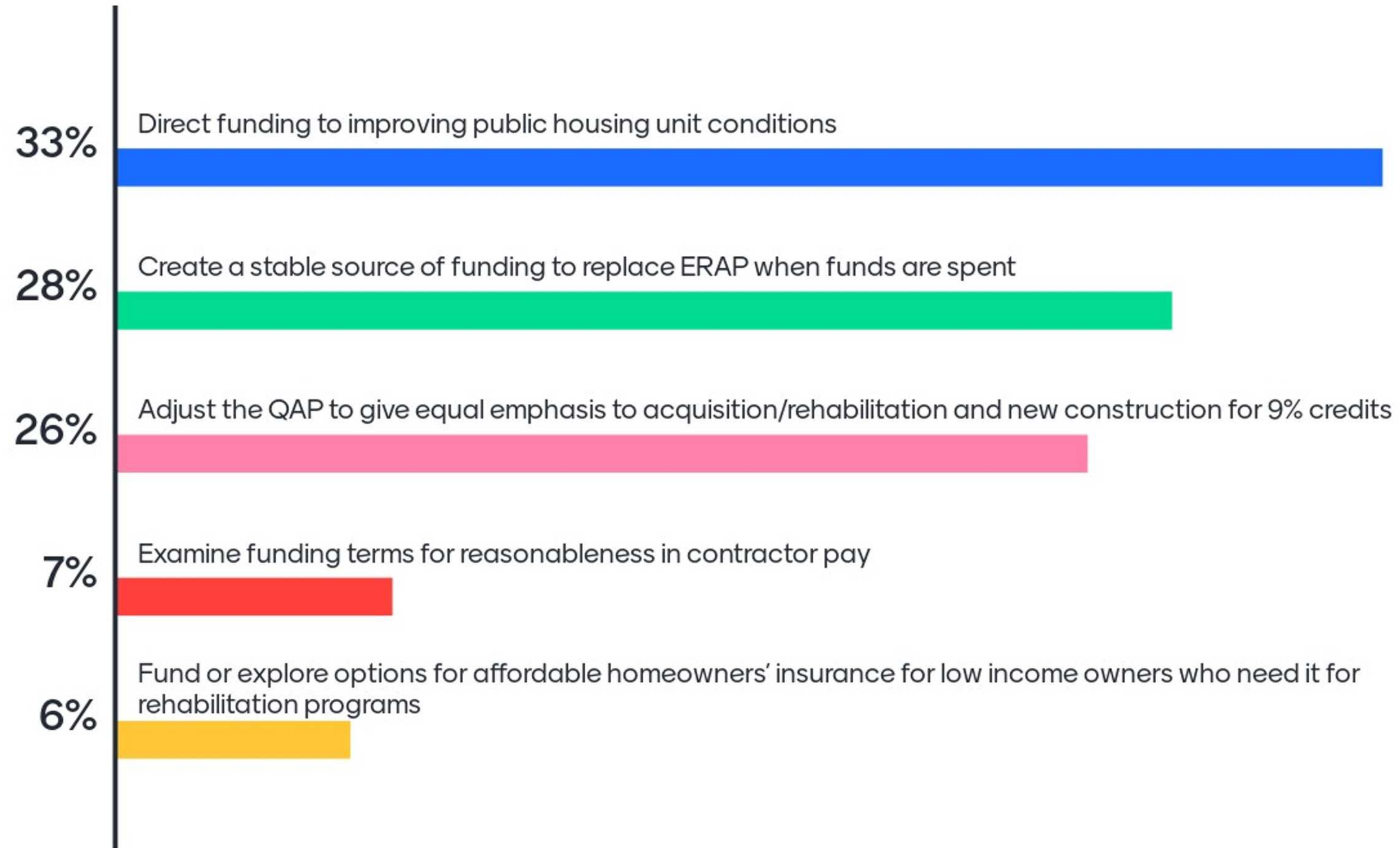
Advisory Committee Reactions to Stakeholder Recommended Solutions

Advisory Committee members participated in an exercise to prioritize the range of solutions that stakeholders offered during January 2022 focus groups and interviews. The results of that exercise are attached.

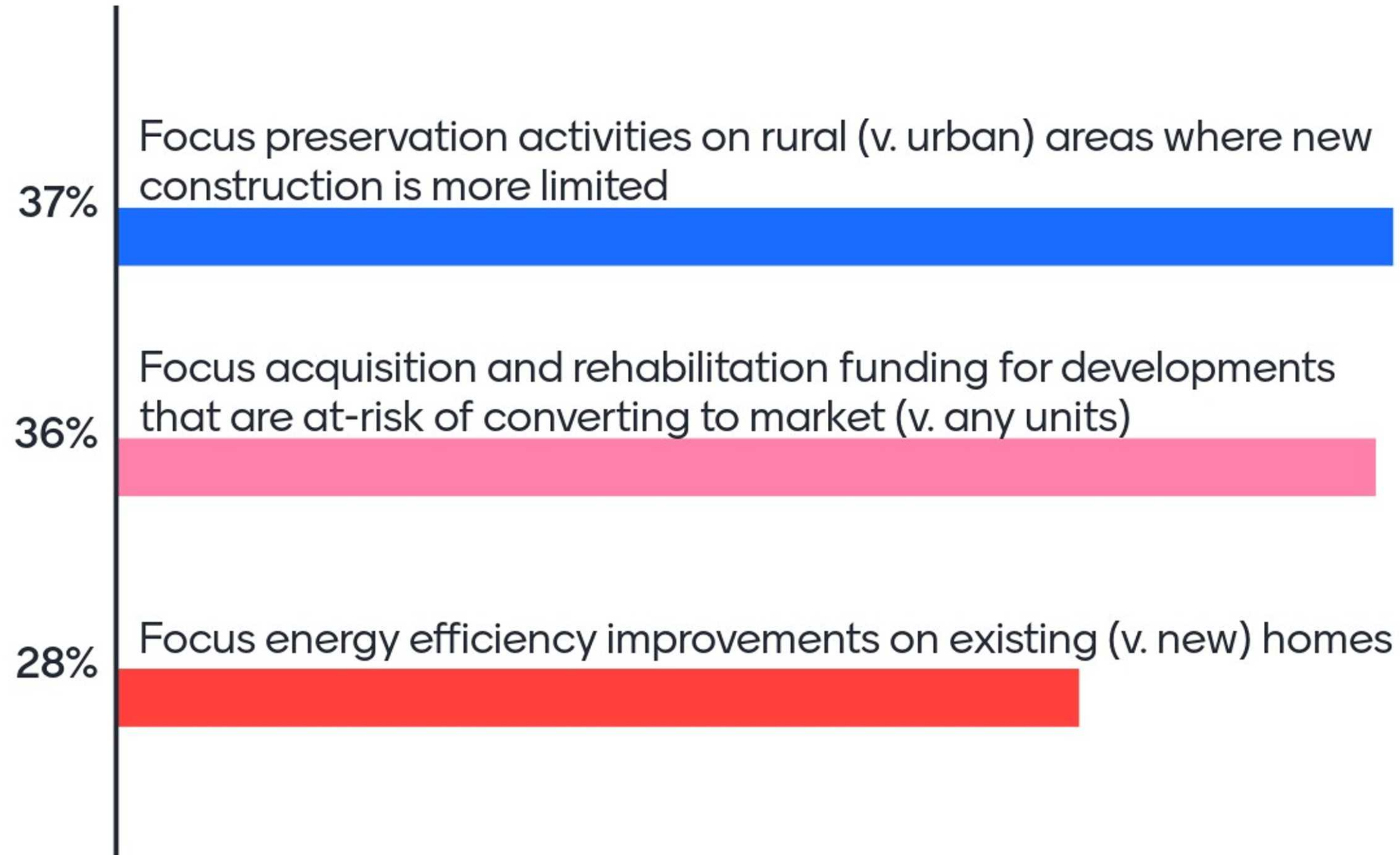
Of the following potential strategies, which should the state prioritize?



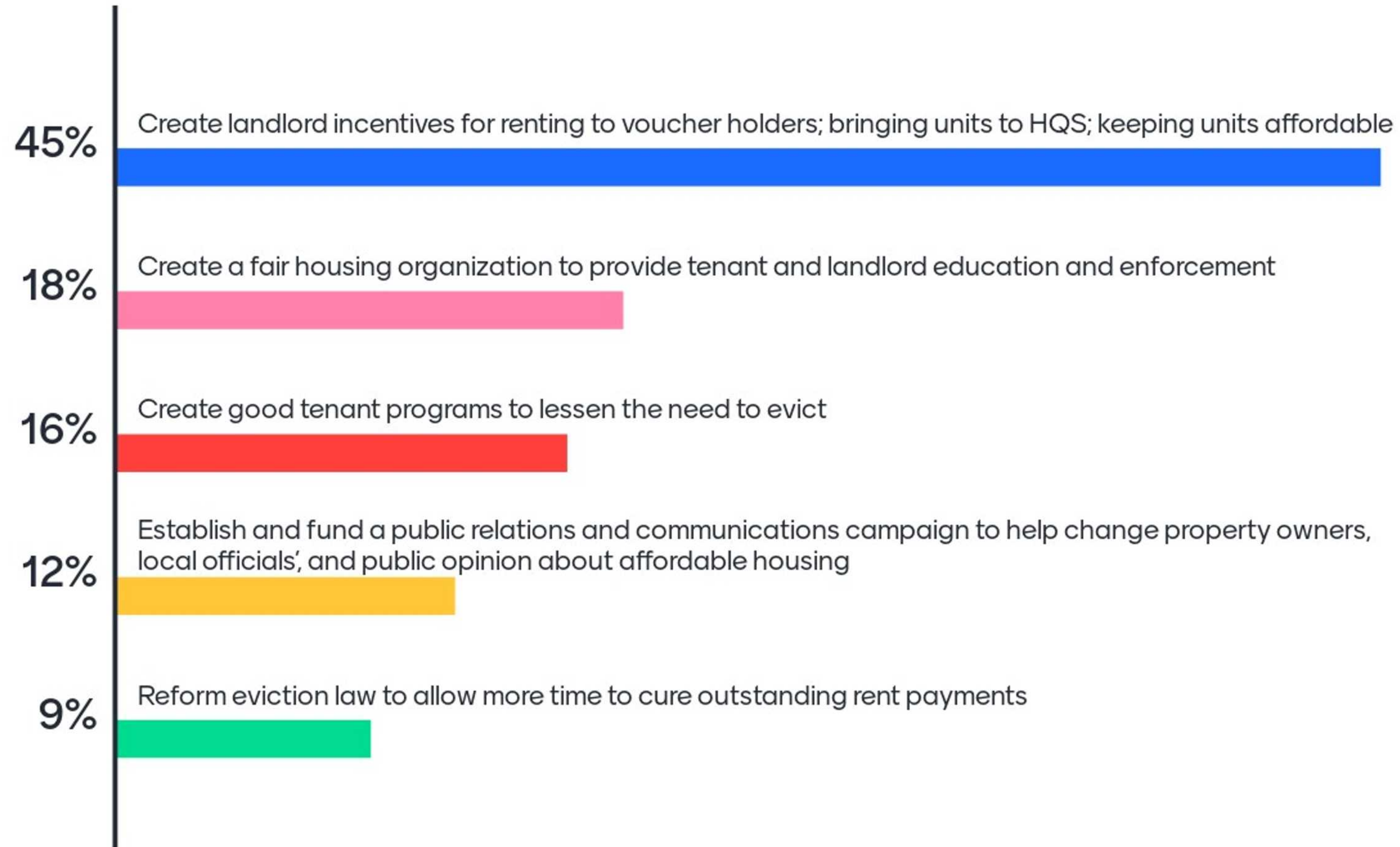
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