

# Housing New Mexico Advisory Committee

# Meeting 2

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# Today's Agenda

Welcome back and October 6  
Recap (10 minutes)

Legislative Update and Priorities  
(20 minutes)

Housing Needs & Q&A (35 minutes)

Strategy Framework (15 minutes)

Wrap up, next steps

# Meeting Logistics

- Meetings will be virtual for now
- Meeting minutes will summarize main themes
- Wear what is comfortable for you and feel free to have snacks/tea/coffee
- Keep your video on unless you need to “leave” the room
- We will take one 10 minute break about halfway through longer meeting
- Prefer use of raise hand v. chat
- Please email [sunrau@housingnm.org](mailto:sunrau@housingnm.org) with any accommodations, concerns, thoughts

# October Meeting Recap

# Advisory Committee

The Housing New Mexico Advisory Committee is a group of visionaries and deep thinkers, steeped in the complexities of housing policy, and close to the challenges faced by New Mexico residents.

MFA is asking you to:

- Engage in collaborative, complex problem solving
- Coalesce around housing priorities for New Mexico
- Provide policy guidance

# MFA's Hopes for this Process

- Spur innovation
- Improve the work of state agencies
- Create a “roadmap” for all partners to address the continuum of housing needs
- Be a common source of communication for housing partners, residents, and state leaders about the state’s goals and intentions
- Ultimately, provide stable housing for more New Mexicans

# Your Expectations and Hopes for this Process

- Break down silos between agencies, align direction, build partnerships, create efficiencies
- Gain credibility with the legislature
- Develop a preservation strategy
- Get closer to ending homelessness
- Create more funding for housing; address capacity gaps
- Protect locals from getting priced out
- Address housing needs along the continuum with a focus on economic mobility

# Best Practices to Explore and Consider

- Permanent supportive housing funding in Denver
- Colorado Housing and Finance Authority prioritizing public housing and LIHTC redevelopment
- Source of Income discrimination
- Manufactured housing
- Housing funding: Washington, Oregon
- Zoning reform: California, Oregon

**Do you have others?**



# Legislative Update

# 2022 MFA Legislative Agenda

- \$70 million New Mexico Housing Trust Fund (NMHTF) appropriation
- NMHTF Recurring Funding- 3.5% of Severance Tax Bond Capacity
- Expansion of Linkages Program
- \$500,000 for Regional Housing Authority Oversight
- \$250,000 for Affordable Housing Act Oversight

# AC Members' Legislative Agenda

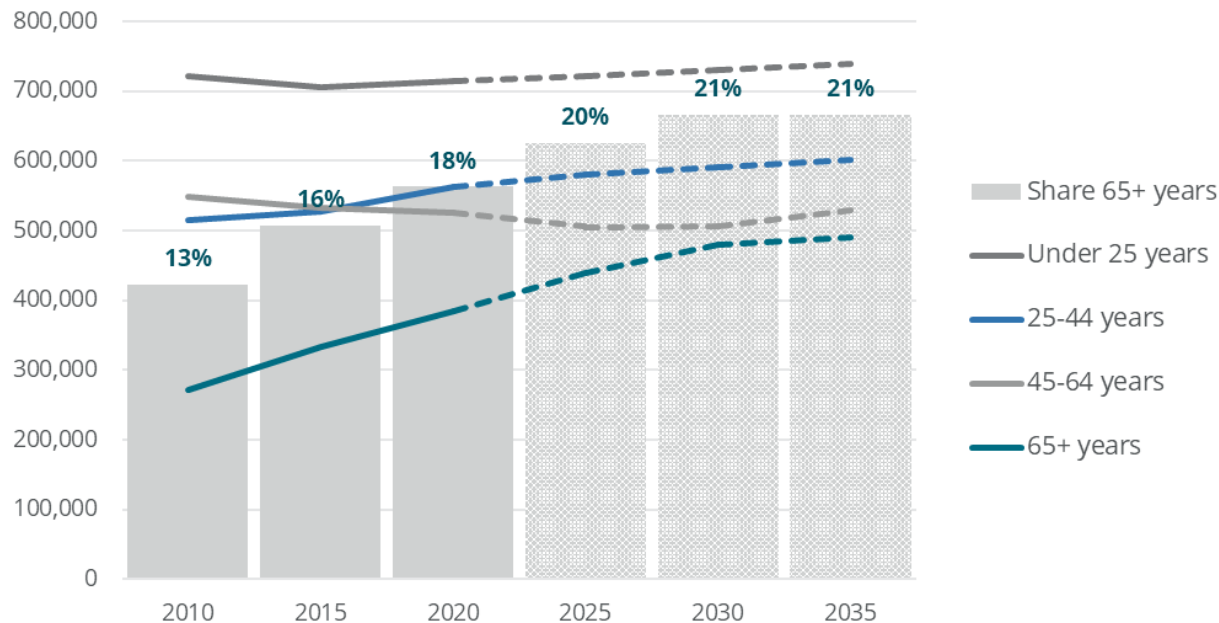
- What legislation are you following or endorsing?
- What are your legislative priorities?
- Is there legislation you are concerned about?

# Housing Needs Forecast

# Population Changes

- Seniors will grow to 21% of residents by 2030 and then stabilize
- Residents < 25 years will increase slowly but consistently and make up the largest share of residents at 31% by 2035
- Residents of core working ages will plateau

## Population Projections by Age, 2035

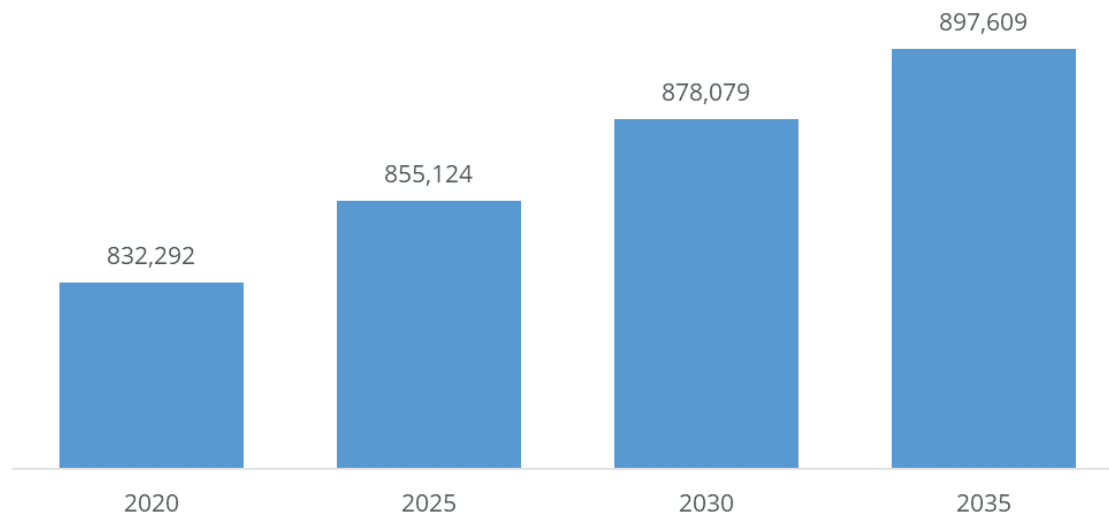


Source: The University of New Mexico Geospatial and Population Studies, and Root Policy Research.

# Household Growth

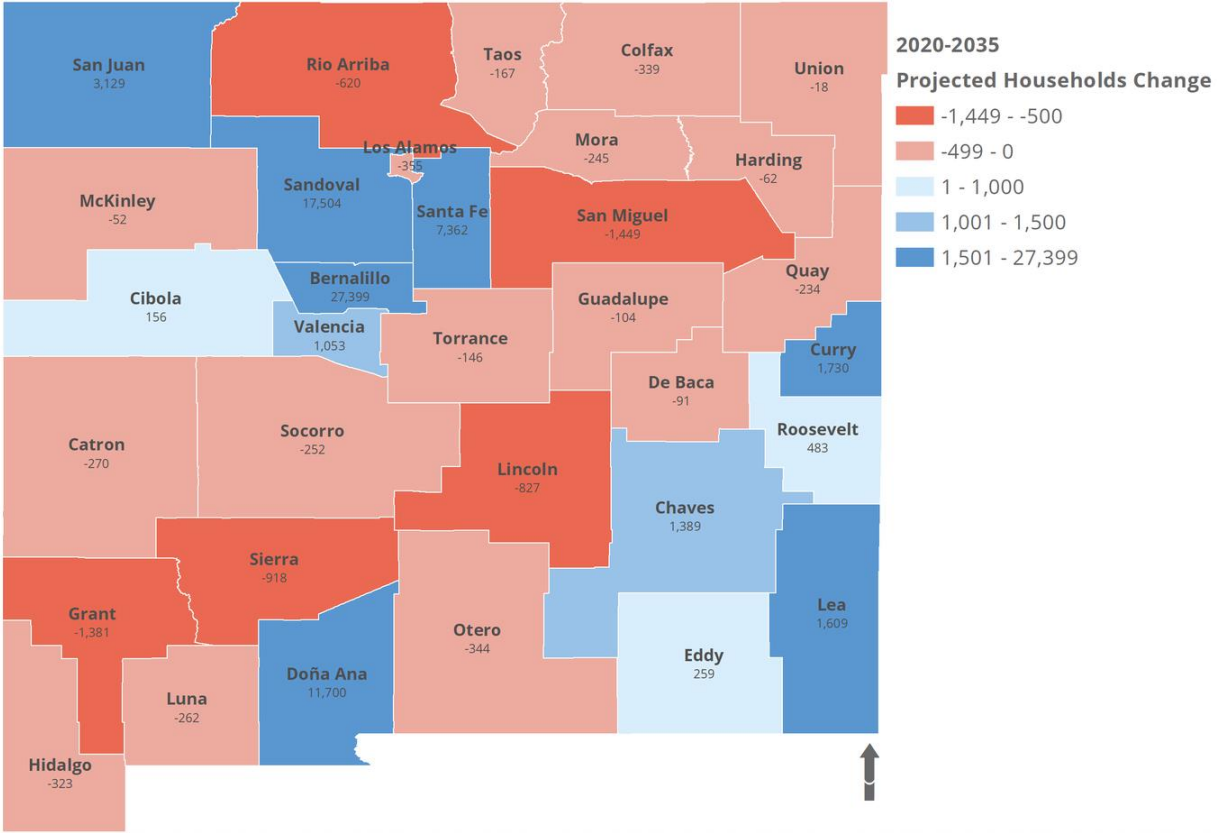
- New households between now and 2025 = 22,832
- New households between now and 2035 = 65,317

## Household Projections, 2035



Source: The University of New Mexico Geospatial and Population Studies, and Root Policy Research.

# Projected Household Change by County, 2020-2035



Source: The University of New Mexico Geospatial and Population Studies, and Root Policy Research.

# What Projected Growth Means for Housing Needs

An average of **5,100 housing units per year** are needed to accommodate growth to 2025

An average of **5,140 housing units per year** are needed to accommodate growth between 2025 and 2030

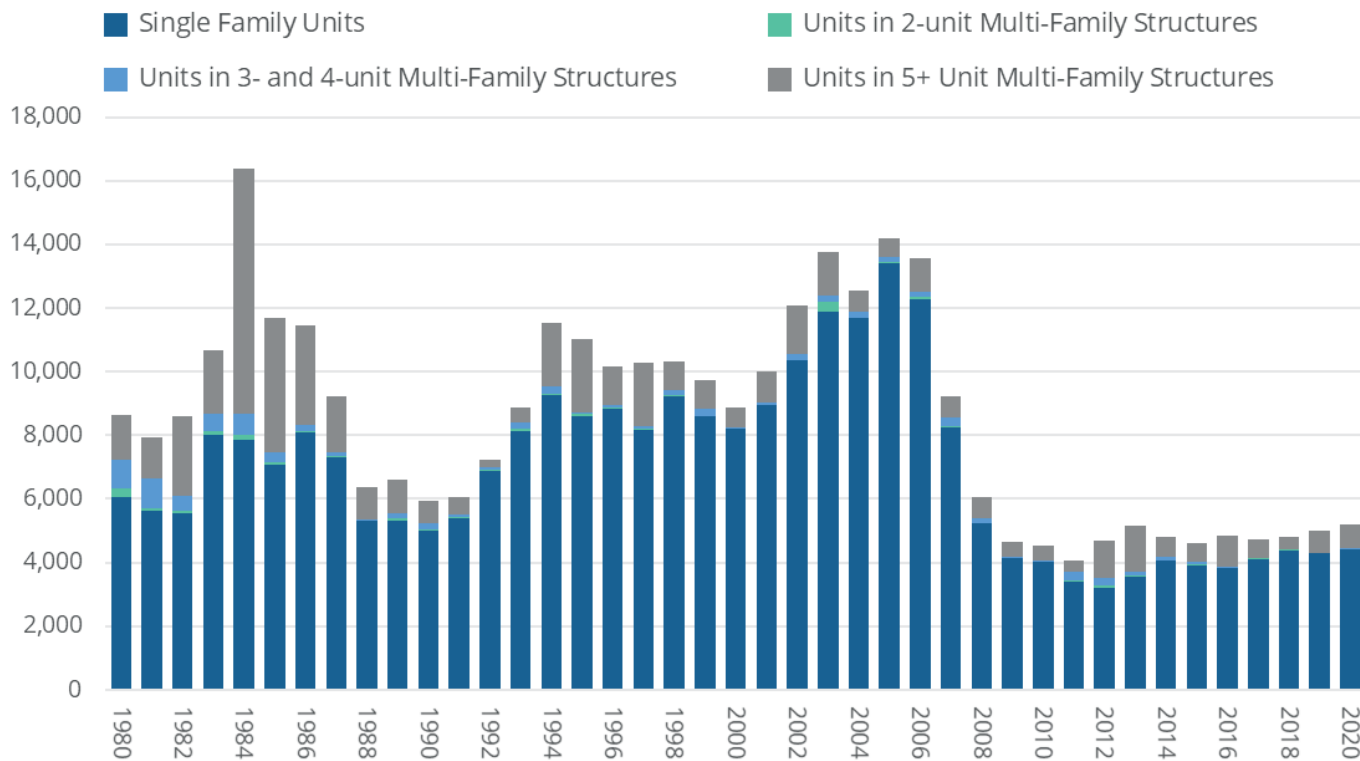
This compares to past 10 year average annual permits of:

- **3,291 housing units in growth counties**
- **4,771 housing units for New Mexico overall**



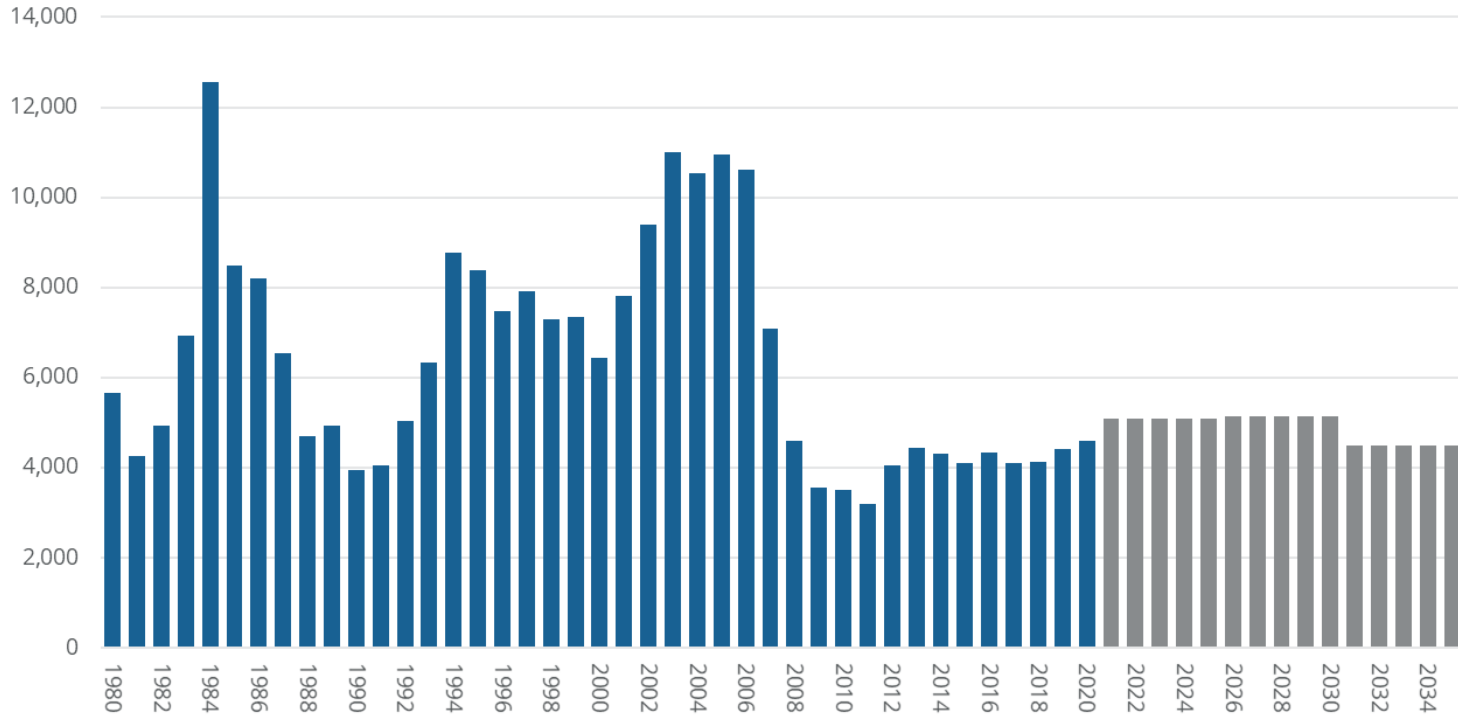
# The volume of new housing should slightly accelerate in the next decade to meet demand...

## Historical Building Permit Volume by Unit Type, 1980-2020



Source: U.S. Census, 2019 Building Permit Survey, and Root Policy Research.

# Total Units and Projected Units Needed in Counties with Projected Growth, 2020-2035

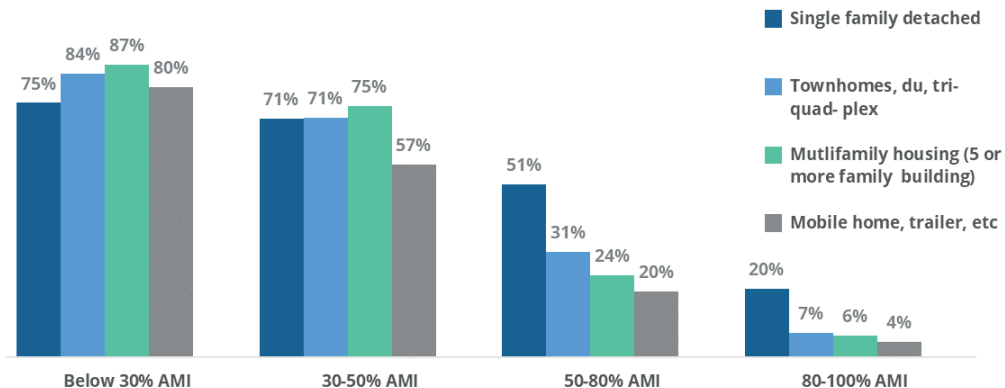


Source: U.S. Census, 2019 Building Permit Survey, and Root Policy Research.

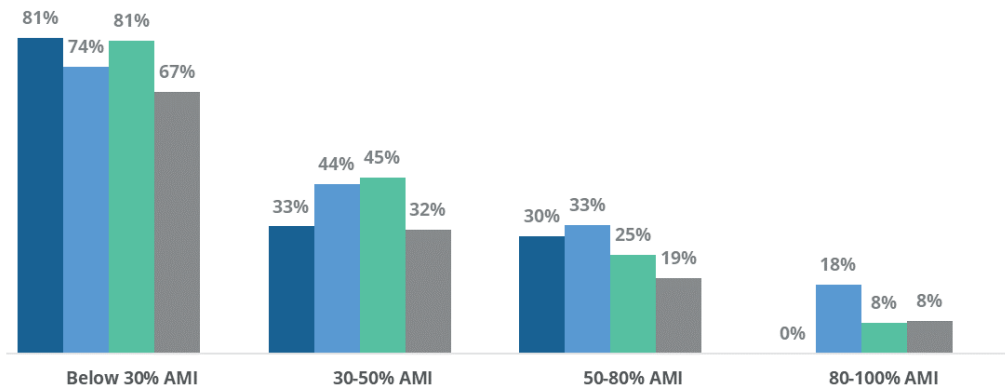
# Cost Burden by Unit Type and AMI, 2019

Increased production is needed—but must be paired with programs and policies to ensure a portion of new units meet affordability needs

## Renters



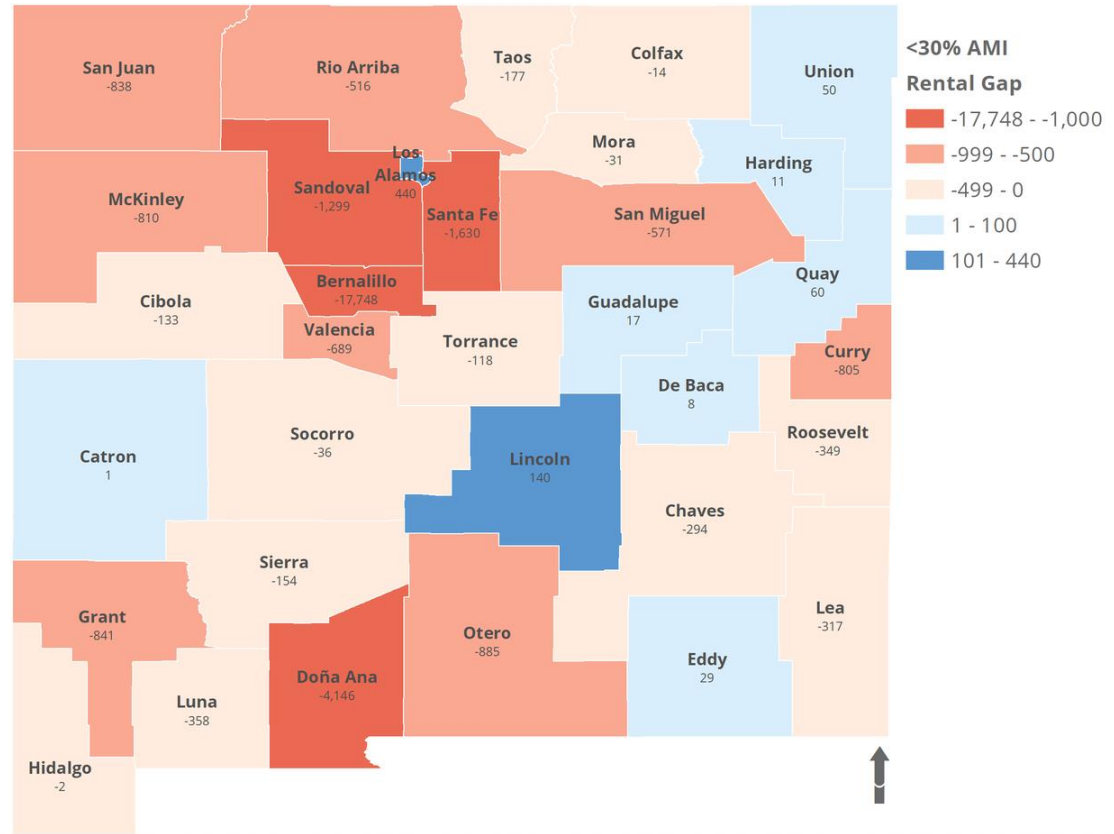
## Owners



# Rental Shortages

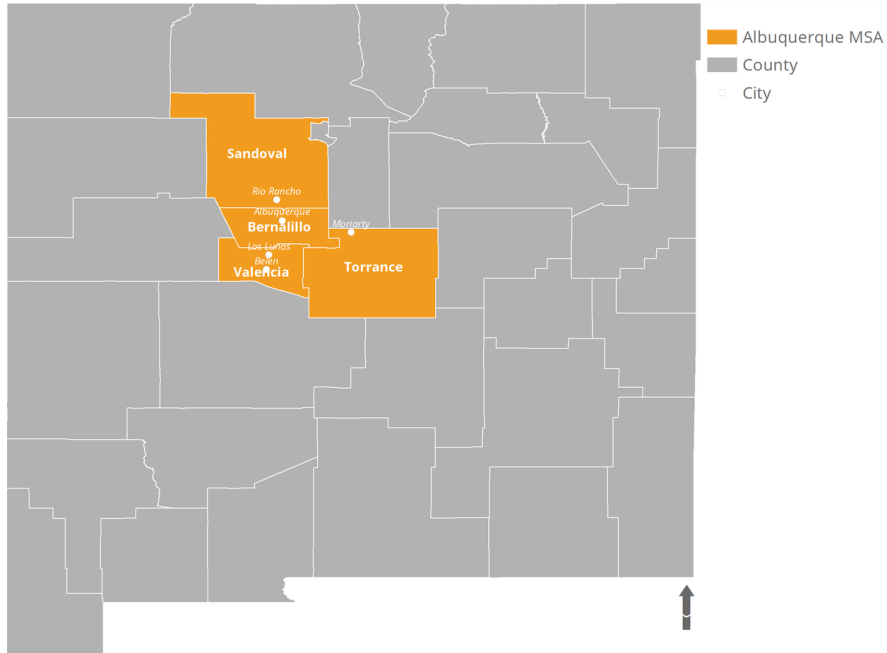
Current 0-30% AMI Rental “Gap” = 32,000 rental units

Difference between Renters and Affordable Units, 30% AMI, 2019



Source: 2019 ACS 5-year, HUD, and Root Policy Research.

# Rental Gap- Albuquerque MSA



## Gap Below 30% AMI

Bernalillo- 17,748 units below \$493

Albuquerque- 16,467 units

Sandoval-1,299 units below \$493

Rio Rancho- 985 units

Torrance County-118 units below \$493

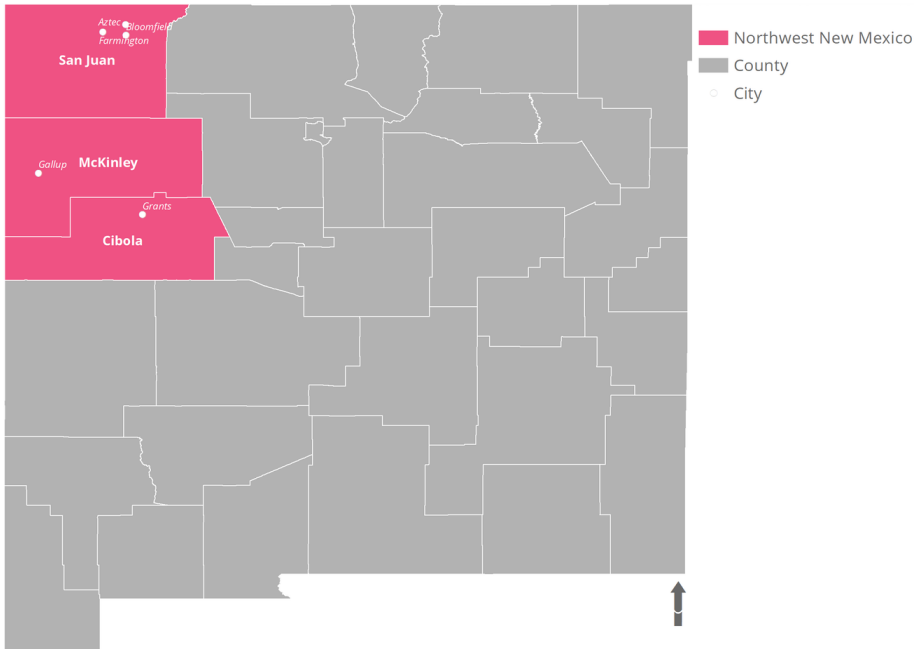
Moriarty-29 units

Valencia County-689 units below \$493

## Gap between 30-50% AMI

Rio Rancho-214 units below \$821

# Rental Gap- Northwest New Mexico



## Gap Below 30% AMI

Cibola- 133 units below \$356

Grants-164 units

McKinley- 810 units below \$278

Gallup-487 units

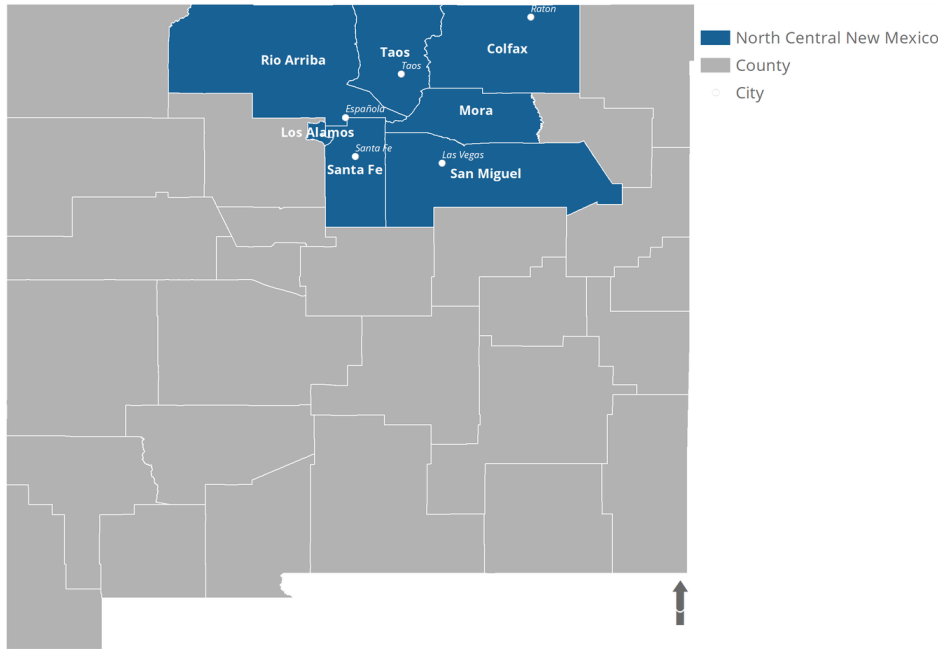
San Juan- 838 units below \$509

Aztec- 35 units

Bloomfield- 155 units

Farmington- 572 units

# Rental Gap- North Central New Mexico



## Gap Below 30% AMI

Colfax County-14 units below \$380

Raton-72 units

Mora-31 units below \$290

Rio Arriba- 516 units below \$361

Española-246 units

San Miguel- 571 units below \$341

Las Vegas-399 units

Santa Fe-1,630 units below \$549

Santa Fe City-1,431 units

Taos- 177 units below \$359

Taos Town- 137 units

## Gap between 30-50% AMI

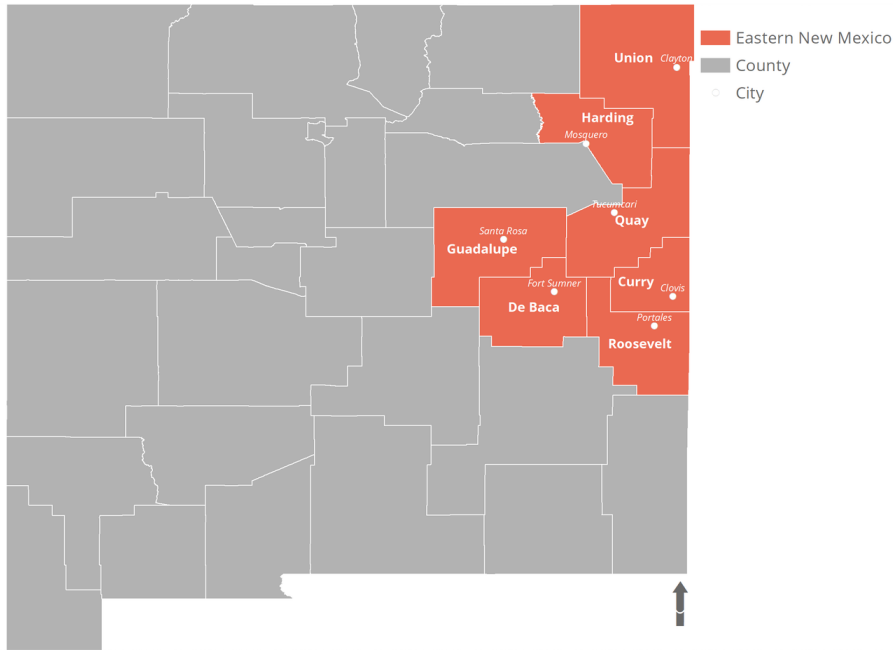
San Miguel- 12 units below \$569

Raton-48 units below \$633

Taos Town-97 units below \$598



# Rental Gap- Eastern New Mexico



## Gap Below 30% AMI

Curry-805 units below \$387

Clovis- 783 units

Guadalupe

Santa Rosa-5 units below \$322

Roosevelt-349 units below \$406

Portales-216 units

## Gap between 30-50% AMI

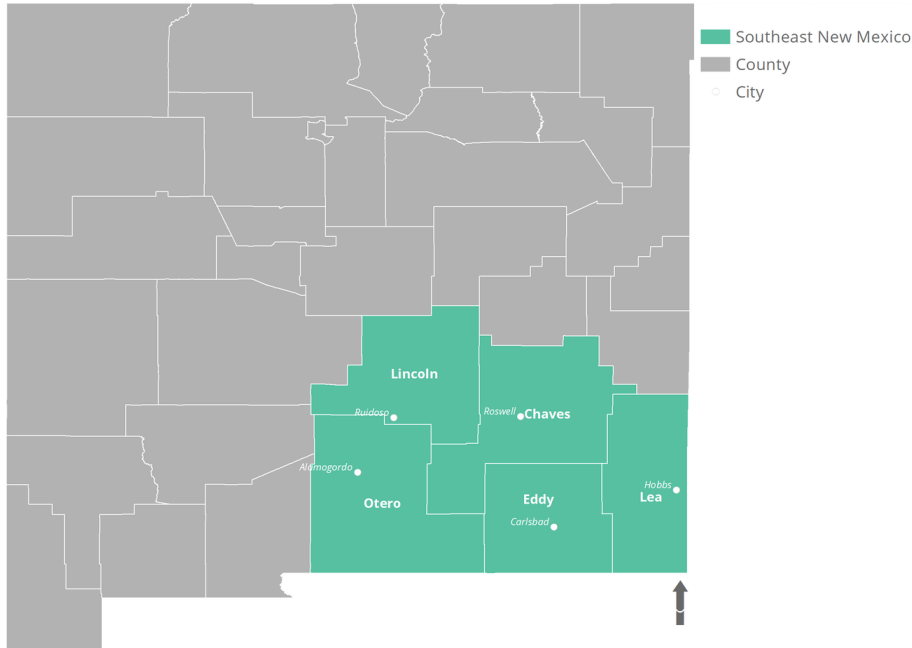
Guadalupe- 40 units below \$536

Harding-19 units below \$655

Quay

Tucumcari-41 units below \$563

# Rental Gap- Southeast New Mexico



## Gap Below 30% AMI

Chaves-294 units below \$392

Roswell-326 units

Eddy

Carlsbad-243 units below \$545

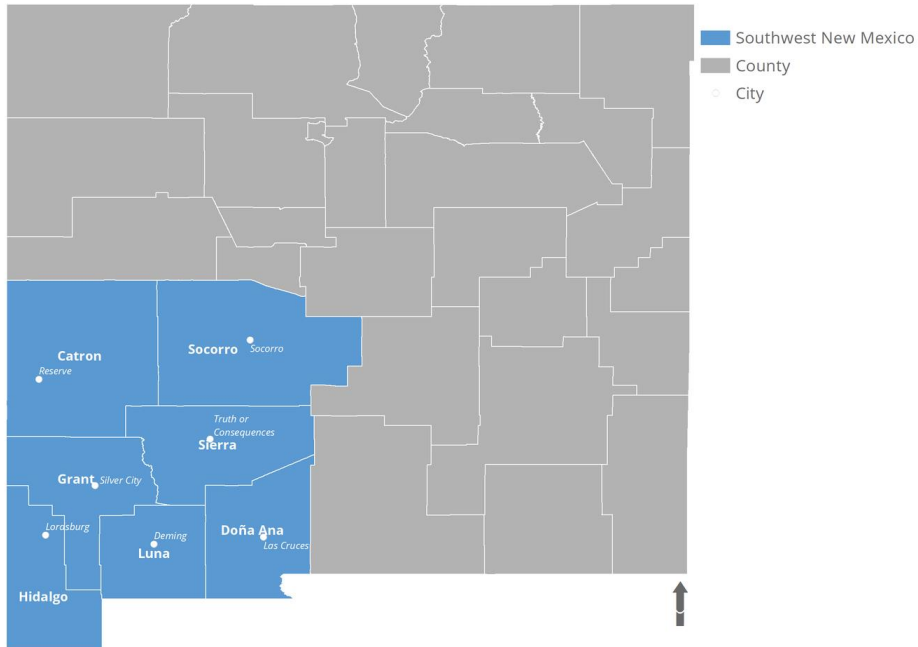
Lea-317 units below \$494

Hobbs-362 units

Otero-885 units below \$434

Alamogordo-579

# Rental Gap- Southwest New Mexico



## Gap Below 30% AMI

### Catron

Reserve- 7 units below \$384

Doña Ana- 4,146 units below \$381

Las Cruces- 3,236 units

Grant- 841 units below \$398

Silver City- 474 units

Hidalgo- 2 units below \$329

Lordsburg- 16 units

Luna- 358 units below \$284

Deming- 269 units

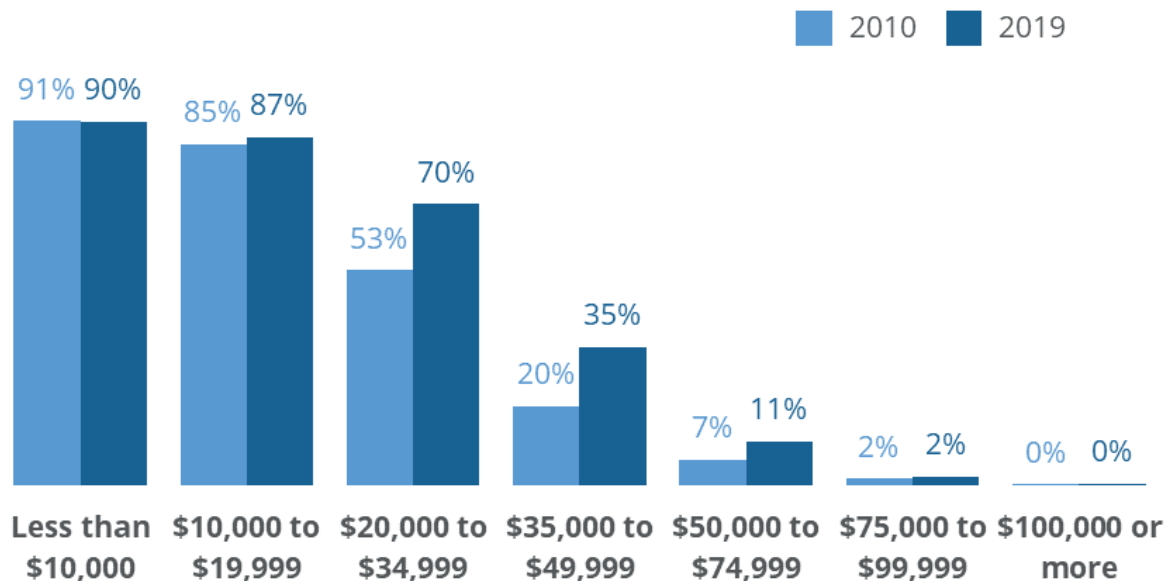
Sierra- 154 units below \$328

Truth or Consequences- 97 units

Socorro- 36 units below \$339

Socorro- 48 units

## Cost Burdened Renters by Income, 2010 and 2019

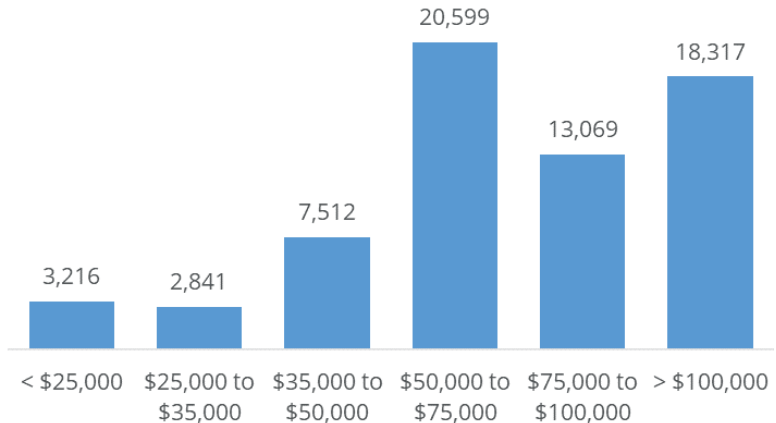


Source: 2019 ACS 5-year IPUMS and Root Policy Research.

While the gap is concentrated at lower income levels, the number of cost burdened renters in the middle of the income distribution has increased since 2010.

# Many Renters “Rent Down”

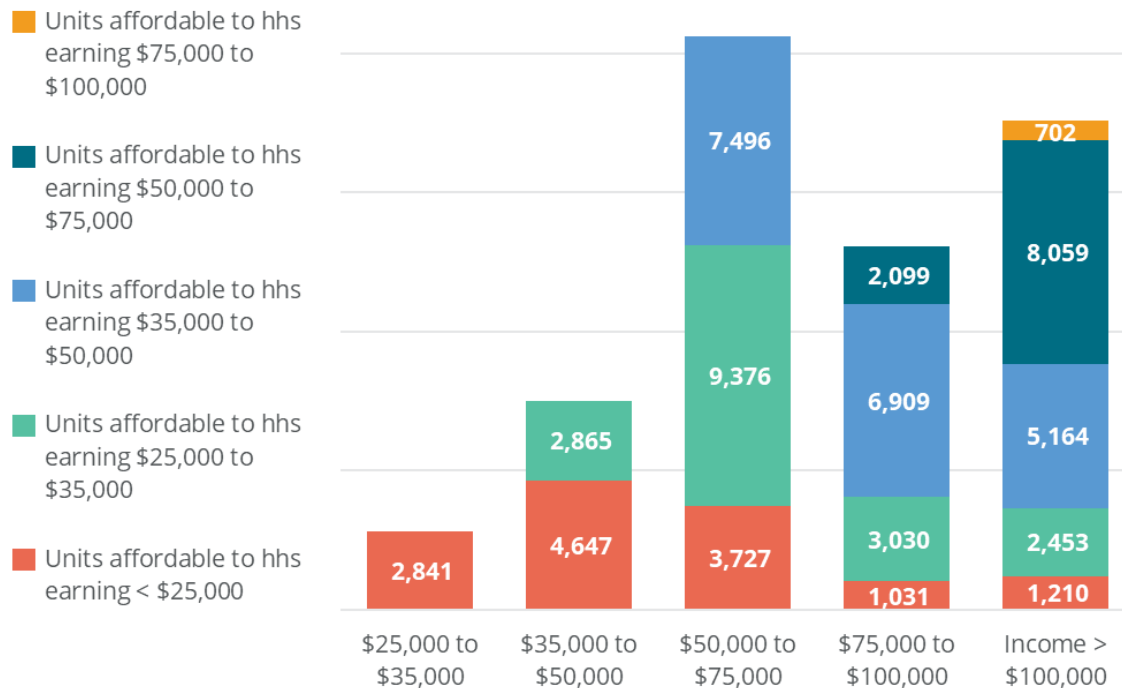
## Renters Paying < 20% of Income in Rent, by Income Level, 2019



## High Income Rental Gap

Occurs when higher income households are occupying homes affordable to lower income households. 28% of renter households in New Mexico are spending less than 20% of their household income on housing costs. This equates to about 65,554 households.

# Renting Down by Renter Income and Units Occupied



Source: 2019 ACS 5-year IPUMS and Root Policy Research.

# Seniors' Housing Needs

# Seniors' Housing Conditions

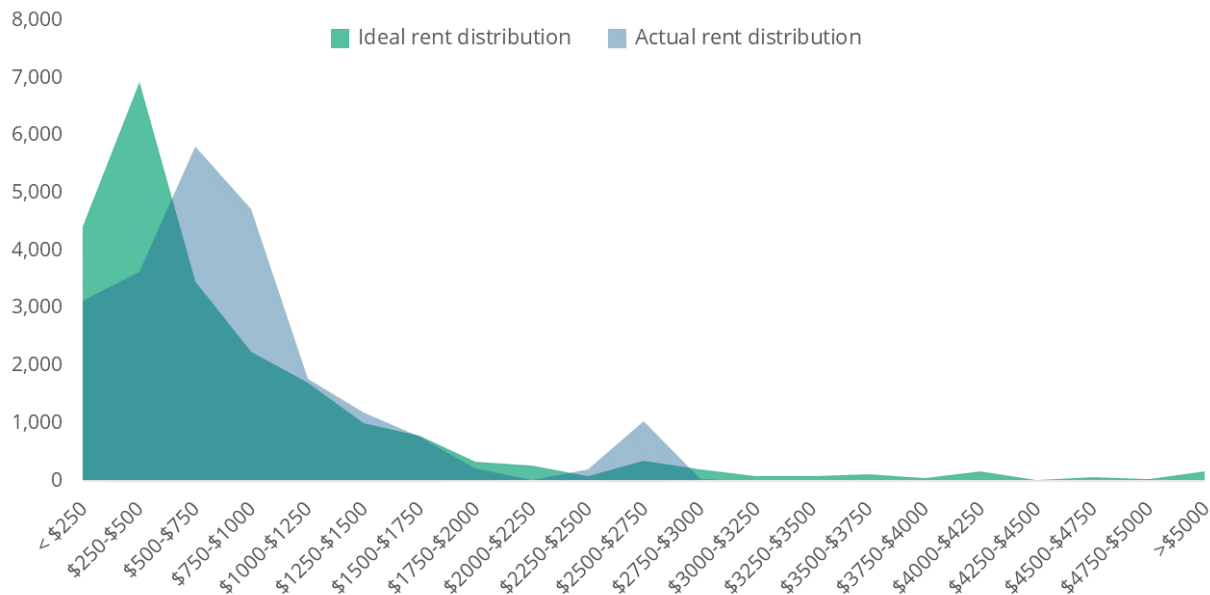
Seniors in New Mexico are:

- Predominantly owners—83% ownership rate;
- Low income;
- Will require additional services to remain in their homes or affordable rentals—both sparse, especially in rural areas.
- Senior renter households living in multifamily housing are more likely to be cost burdened than those living in single-family housing or mobile homes.



# Seniors' Housing Conditions

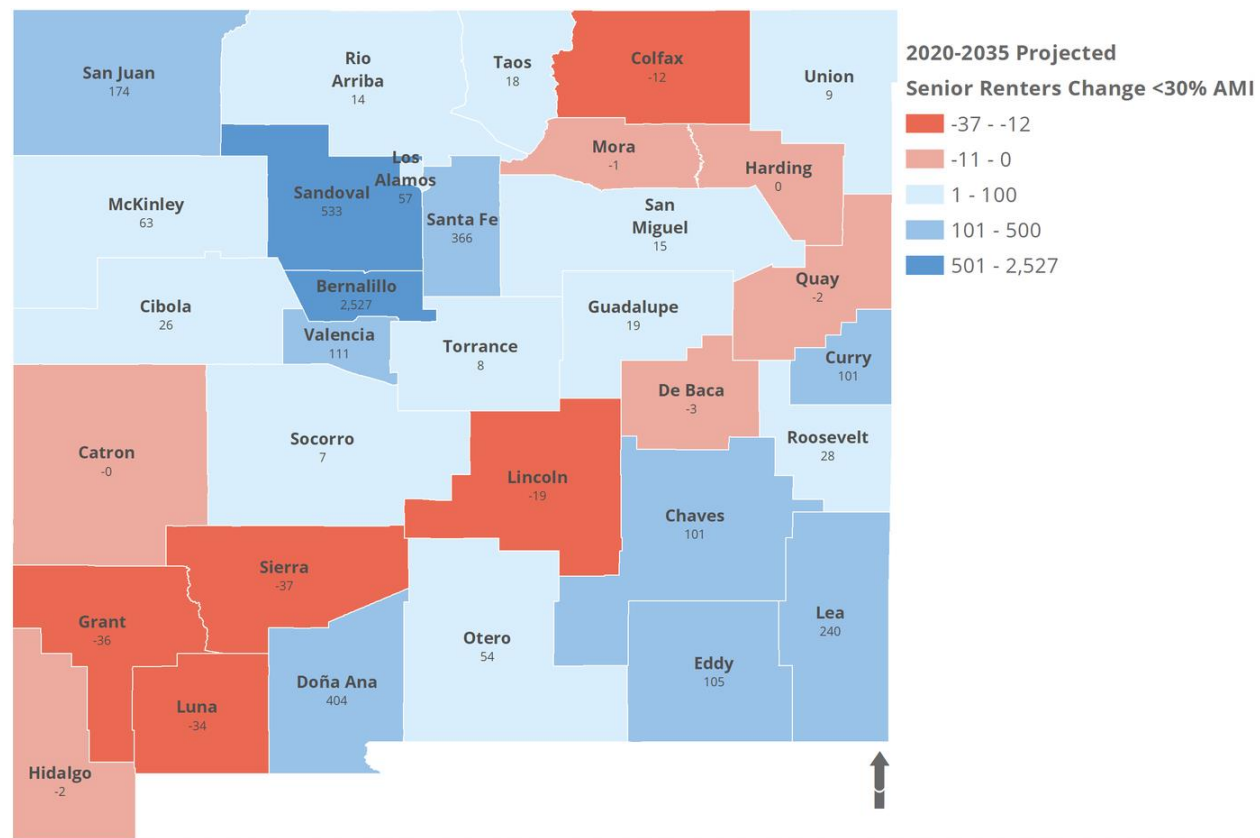
## Actual Rents v. Ideal Rents for Seniors Renting Multifamily Units, 2019



Source: 2019 ACS 5-year IPUMS and Root Policy Research.

# Projected Change in < 30% AMI Senior Renter Households by County, 2020-2035

Source: The University of New Mexico Geospatial and Population Studies, and Root Policy Research.



Source: The University of New Mexico Geospatial and Population Studies, U.S. Census, HUD, and Root Policy Research.

# Ownership Needs

# Homeownership in New Mexico

- 68% homeownership in the state overall
- Highest in rural counties
- 17% of state homeownership attributed to mobile homes which have weak equity gains
- 32% of owners are low income, struggling with costs of ownership

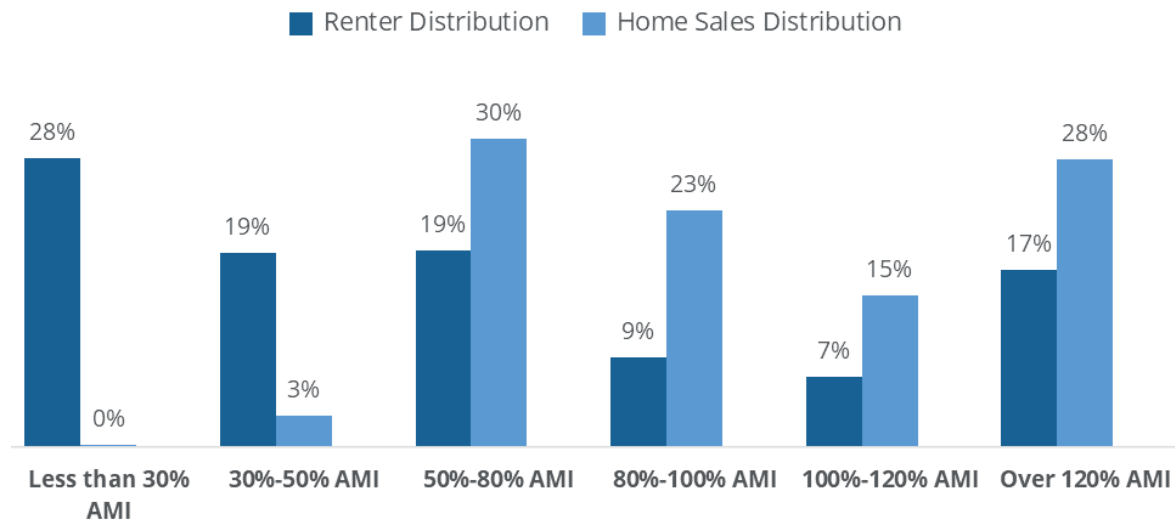
# Equity in Ownership, New Mexico v. U.S.

New Mexico does a better job than the U.S. overall in Native and Hispanic ownership—even given relatively lower incomes

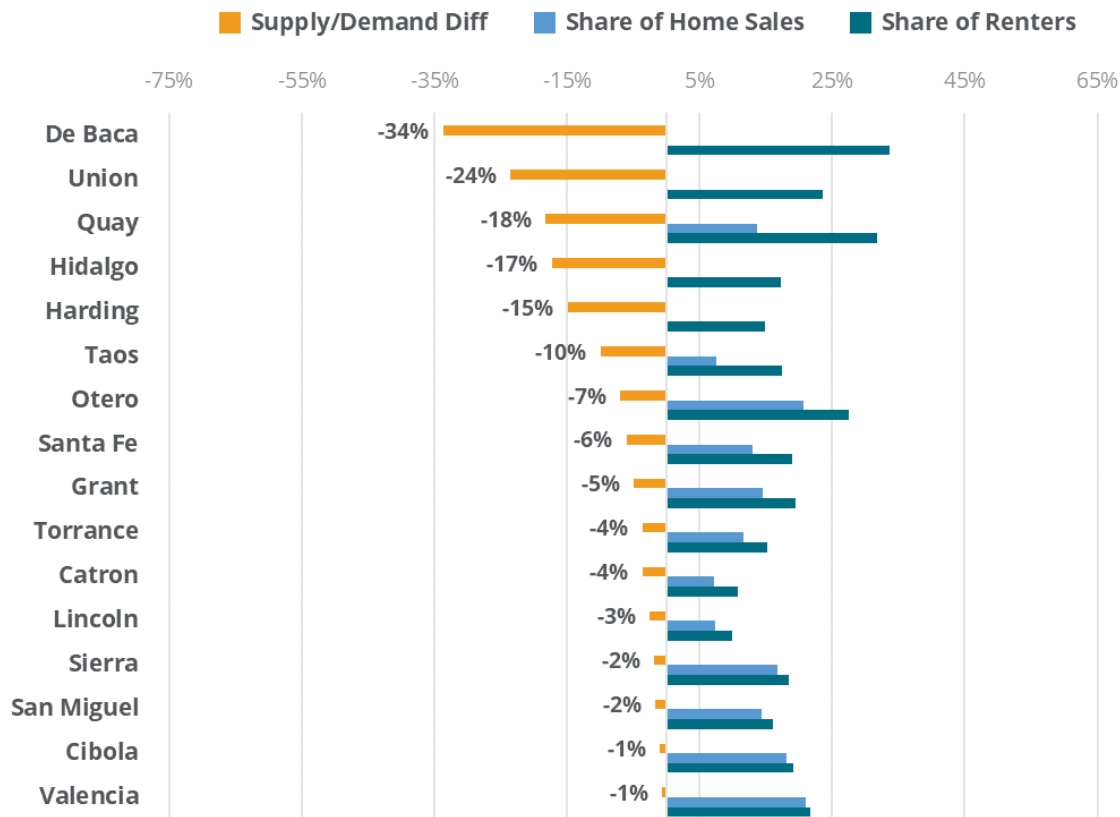
Race/Ethnicity	Homeownership Rate		Median Income	
	New Mexico	United States	New Mexico	United States
<b>American Indian or Alaska Native</b>	62%	54%	\$35,349	\$43,825
<b>Asian</b>	55%	60%	\$65,144	\$88,204
<b>Black or African American</b>	40%	42%	\$40,528	\$41,935
<b>Hispanic/Latino</b>	66%	47%	\$42,421	\$51,811
<b>Native Hawaiian or Other Pacific Islander</b>	48%	41%	\$49,767	\$63,613
<b>Non-Hispanic White</b>	72%	72%	\$59,815	\$68,785
<b>Two or more Races</b>	58%	49%	\$50,133	\$59,184

# Mismatch between Renters and Home Prices

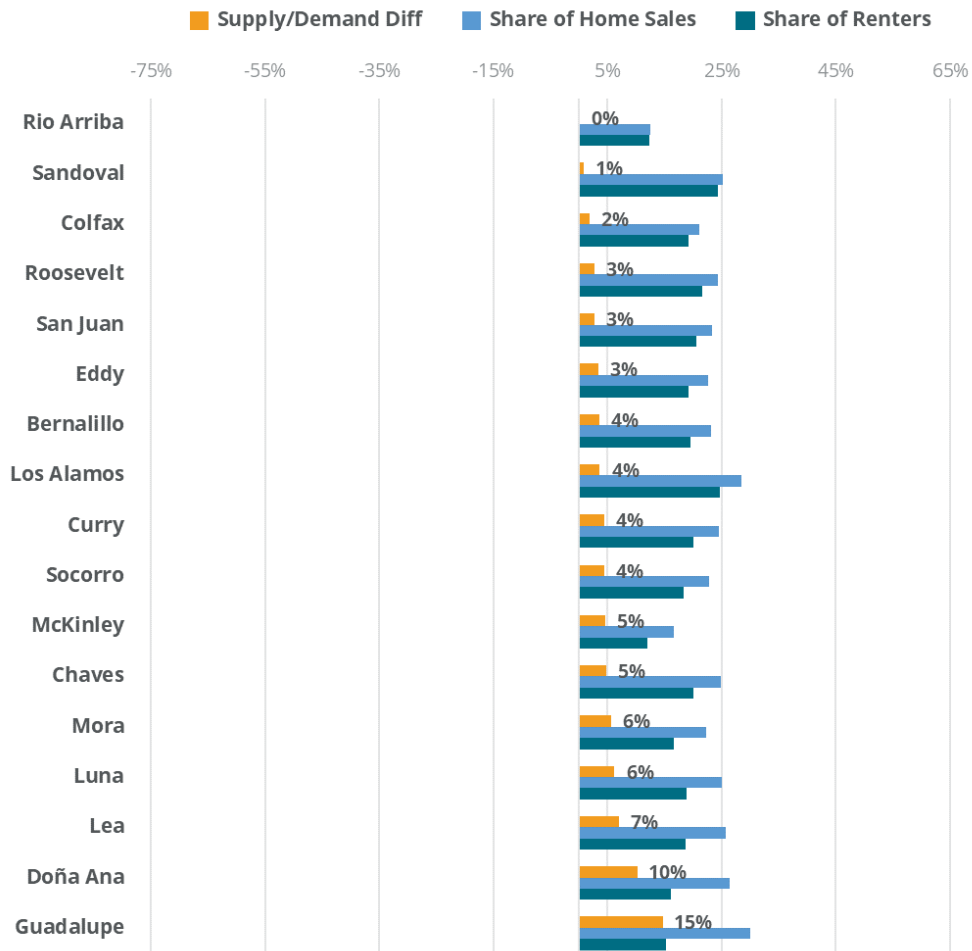
Nearly half of the state's renters have incomes too low for ownership—without deep subsidies or innovative ownership models



# Mismatch between Renters and Home Prices



# Mismatch between Renters and Home Prices





# Strategy Framework

# Strategy Framework

Define Problem Statement

Break down processes and identify:

- Inefficiencies
- Barriers

Develop recommendations for changes to:

- Policies
- Programs
- Resources
- Priorities

# Strategy Framework

- Meeting 3. Production & Preservation
- Meeting 4. Affordability, Wealth Building & Economic Mobility
- Meeting 5. Homelessness, Special Needs, Human Service Needs
- Meeting 6. Capacity

Engagement occurring throughout

Research briefs provided 2 weeks in advance

Discussion questions provided 2 weeks in advance

## Next up: Production & Preservation

- Policies and programs that can address the current and future housing production needs
  - Shortage of contractors for both new development and home improvements
  - Zoning, land use, and development process barriers
  - Innovative housing types; development incentives
- Policies and programs that can address the current and future housing preservation needs
  - Holding property owners accountable for rentals in poor condition
  - Set-aside funding to repair aging public housing
- Set unit production targets
- Set preservation targets

## Your Role in Between Meetings

Engage with your community, constituents, experts in your field:

- Forward your ideas, thoughts, best practices, articles to Sonja
- Using the discussion guides we provide, invite conversations (formal or informal) about each upcoming strategy area
- Help promote a resident survey to collect data on housing needs not available from other sources

# Strategy Framework

- What feedback do you have about the proposed strategy development framework?
- Our “ask” of you?
- Concerns?
- Suggestions?

# Next Steps

- Look for a January meeting date
- Look for an email with the draft resident survey—please think about and let us know what information you'd like gathered through the survey
- Be thinking about solutions to the Production and Preservation challenge we will discuss at the next meeting

Q&A

thank you



# Projected Housing Units Needed by County, 2020-2035

## Projected Total Units Needed by 2035, by County, and AMI

County	Total	Percent of AMI					
		0-30%	30-50%	50-80%	80-100%	100-120%	120%+
<b>Total Units</b>	<b>73,774</b>	<b>12,078</b>	<b>9,861</b>	<b>12,661</b>	<b>7,132</b>	<b>6,156</b>	<b>25,886</b>
<b>Bernalillo</b>	<b>27,399</b>	4,890	3,854	4,663	2,529	2,297	9,165
<b>Sandoval</b>	<b>17,504</b>	2,245	1,799	3,093	1,803	1,699	6,866
<b>Doña Ana</b>	<b>11,700</b>	2,092	1,825	1,858	1,034	774	4,116
<b>Santa Fe</b>	<b>7,362</b>	1,156	1,031	1,315	781	547	2,533
<b>San Juan</b>	<b>3,129</b>	611	473	562	310	273	901
<b>Curry</b>	<b>1,730</b>	253	215	330	173	135	624
<b>Lea</b>	<b>1,609</b>	266	173	262	179	161	568
<b>Chaves</b>	<b>1,389</b>	222	214	232	137	104	480
<b>Valencia</b>	<b>1,053</b>	197	167	199	105	94	290
<b>Roosevelt</b>	<b>483</b>	75	54	80	42	38	194
<b>Eddy</b>	<b>259</b>	41	36	41	25	22	93
<b>Cibola</b>	<b>156</b>	30	19	26	13	11	57

Source: The University of New Mexico Geospatial and Population Studies, and Root Policy Research.

# Projected Housing Units Needed by County, 2020-2035

## Projected Owner Units Needed by 2035, by County, and AMI

County	Total	Percent of AMI					
		0-30%	30-50%	50-80%	80-100%	100-120%	120%+
<b>Total Owner Units</b>	<b>48,137</b>	<b>5,548</b>	<b>4,313</b>	<b>8,172</b>	<b>3,383</b>	<b>2,747</b>	<b>23,974</b>
<b>Bernalillo</b>	<b>15,707</b>	1,841	1,288	2,590	869	760	8,358
<b>Sandoval</b>	<b>14,121</b>	1,367	1,033	2,429	1,363	1,283	6,646
<b>Doña Ana</b>	<b>6,710</b>	858	690	1,073	269	93	3,727
<b>Santa Fe</b>	<b>5,156</b>	592	557	958	436	253	2,360
<b>San Juan</b>	<b>2,023</b>	360	234	361	130	125	814
<b>Curry</b>	<b>1,037</b>	91	99	215	60	30	542
<b>Lea</b>	<b>1,061</b>	115	100	161	101	78	506
<b>Chaves</b>	<b>946</b>	126	135	149	60	41	436
<b>Valencia</b>	<b>827</b>	136	130	157	69	61	273
<b>Roosevelt</b>	<b>275</b>	22	19	39	10	8	176
<b>Eddy</b>	<b>178</b>	23	20	26	13	11	85
<b>Cibola</b>	<b>97</b>	17	8	16	3	2	51

Source: The University of New Mexico Geospatial and Population Studies, and Root Policy Research.

# Projected Housing Units Needed by County, 2020-2035

## Projected Rental Units Needed by 2035, by County, and AMI

County	Total	Percent of AMI					
		0-30%	30-50%	50-80%	80-100%	100-120%	120%+
<b>Total Rental Units</b>	<b>25,637</b>	<b>6,530</b>	<b>5,548</b>	<b>4,489</b>	<b>3,749</b>	<b>3,409</b>	<b>1,912</b>
<b>Bernalillo</b>	<b>11,692</b>	3,048	2,566	2,073	1,660	1,537	807
<b>Sandoval</b>	<b>3,384</b>	878	765	663	440	416	220
<b>Doña Ana</b>	<b>4,991</b>	1,234	1,135	786	766	681	389
<b>Santa Fe</b>	<b>2,206</b>	564	474	357	345	294	173
<b>San Juan</b>	<b>1,105</b>	251	239	202	179	148	87
<b>Curry</b>	<b>693</b>	162	116	115	113	106	81
<b>Lea</b>	<b>549</b>	151	74	101	79	83	62
<b>Chaves</b>	<b>443</b>	96	80	83	77	63	44
<b>Valencia</b>	<b>227</b>	61	38	42	36	33	16
<b>Roosevelt</b>	<b>209</b>	54	35	41	31	30	18
<b>Eddy</b>	<b>81</b>	18	16	15	13	11	8
<b>Cibola</b>	<b>59</b>	13	10	11	10	9	7

Source: The University of New Mexico Geospatial and Population Studies, and Root Policy Research.